



NOTICE OF THE 19th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 19th (Nineteenth) Annual General Meeting ("AGM") of the members of Balmer Lawrie Investments Ltd., will be held on **Friday, 25th September, 2020, at 4:00 PM** through **Video Conferencing (VC)/Other Audio Visual Means (OAVM)** to transact the following businesses:-

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement (both standalone and consolidated) of the Company for the Financial Year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon and other statements attached thereto for the Financial Year ended 31st March, 2020 along with the comments of the Comptroller & Auditor General of India (CAG), thereon and in this connection to pass the following Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statement (both standalone and consolidated) of the Company for the Financial Year ended 31st March, 2020, together with the Reports of the Board of Directors and Auditors thereon and other statements attached thereto for the Financial Year ended 31st March, 2020 along with the Comments of the Comptroller & Auditor General of India thereon, be and are hereby considered and adopted."

2. To declare dividend of ₹ 37.50/- per share on the fully paid-up Equity Shares of the Company for the Financial Year ended 31st March, 2020 and in this connection, to pass the following Ordinary Resolution:

"RESOLVED THAT in accordance with the recommendation of the Board of Directors, a dividend at the rate of ₹ 37.50/- (Rupees Thirty Seven and paise Fifty only), per Equity Share of the face value of ₹ 10/- each for the Financial Year ended 31st March, 2020, be and is hereby declared on 22197269 Equity Shares of the Company and the same be paid out of the profits of the Company for the Financial Year ended 31st March, 2020."

3. To appoint a Director in place of Shri Shyam Singh Mahar (DIN: 08511166), a Director who retires by rotation and, being eligible, offers himself for re-appointment and in this connection to pass the following Ordinary Resolution:

"RESOLVED THAT Shri Shyam Singh Mahar (DIN: 08511166), a Director retiring by rotation, be and is hereby re-appointed as a Director of the Company whose period of office shall be subject to retirement by rotation."

4. To fix remuneration of the Statutory Auditors for the Financial Year 2020-21 and in this connection to pass the following Ordinary Resolution:

"RESOLVED THAT pursuant to Section 142 and other applicable provisions of the Companies Act 2013, the Board of Directors be and is hereby authorized to determine the amount of remuneration payable to the Statutory Auditors (as and when appointed under Section 139(5) and other applicable provisions of the Companies Act 2013, by the Comptroller & Auditor General of India), including the amount of reimbursement of out-of-pocket expenses, if incurred by the said Auditors, in connection with the audit of Annual Accounts of the Company for the Financial Year 2020-21."

SPECIAL BUSINESS

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

5. Appointment of Smt. Shilpa Shashikant Patwardhan (DIN 07008287) as a Director of the Company

"RESOLVED THAT Smt. Shilpa Shashikant Patwardhan (DIN 07008287), who was appointed as an Additional Director as per the applicable provisions of the Companies Act, 2013 and allied Rules, w.e.f. 21st October, 2019 and who holds office upto the ensuing AGM of the Company, consent be and is hereby accorded for her appointment as Director of the Company for a period of three years from the date of notification of her appointment or until further orders of the administrative ministry, whichever is earlier and other terms and conditions as contained in letter No.C-31033/2/2018-CA/PNG: (25758) dated 12th July, 2019 received from the Ministry of Petroleum & Natural Gas, (MoPNG), Government of India."

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

6. Appointment of Shri Sandip Das (DIN 08217697) as a Director of the Company

“RESOLVED THAT Shri Sandip Das (DIN 08217697), who is acting as Director (Finance) of Balmer Lawrie & Co. Ltd. be and is hereby appointed as a Non-Executive Director (Ex-officio Member) of the Company with immediate effect or until further order from the administrative ministry – whichever is earlier and his period of office shall be subject to retirement by rotation.”

Registered Office:

21, Netaji Subhas Road,
Kolkata - 700 001.

Date: 26th August, 2020

Place: Kolkata

By Order of the Board
Balmer Lawrie Investments Ltd.

Abhishek Lahoti
Company Secretary
ACS 25141

NOTES

A. Annual General Meeting held through video conferencing or other audio-visual means:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The Cut off date for ascertaining members who would be entitled to cast their vote electronically for the AGM is Friday, 18th September, 2020 (EOD).
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.blinv.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and Calcutta Stock Exchange at www.bseindia.com and www.cse-india.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

B. General

1. The recorded transcript of the forthcoming AGM on 25th September, 2020, shall also be made available on the website of the Company www.blinv.com, as soon as possible after the Meeting is over.
2. Members seeking any information with regard to any items provided in the AGM Notice including the Annual Accounts and any queries relating to the business/operations of the Company, are requested to write to the Company mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach at least seventy two hours prior to the AGM at lahoti.a@balmerlawrie.com and responses to such queries will be appropriately addressed by the Chairman of the meeting. Due to technical reasons, the length of a question may possibly be limited to a certain number of characters; however, the number of questions a shareholder or its authorized representative can submit will not be affected thereby. The Management will decide, at its due discretion, whether and how it will answer the questions. It can summarize questions and select, in the interest of the other shareholders, meaningful questions. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM, with the Company preserving the right to answer frequently.
3. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
4. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special businesses to be transacted at the Annual General Meeting (AGM) of the Company is attached herewith. All documents referred in the accompanying notice and the explanatory statement and register of Directors & Key Managerial Personnel and their Shareholding, mentioned under section 170 of the Companies Act, 2013 shall be available for inspection by the Members during AGM upon Login-in NSDL e-voting system (agency for providing the Remote e-Voting facility).
5. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 5, 6 of the Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
6. Brief profile of the Directors, seeking appointment/reappointment, as mandated under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in terms of Para 1.2.5 of Secretarial Standard on General Meetings (SS-2), is annexed hereto and forms part of the Notice.
7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the AGM. Several executors or administrators of a deceased member in whose name any share is registered shall for the purpose of Article 85 of Articles of Association of the Company, be deemed to be members registered jointly in respect thereof.
8. The Board of Directors at its meeting held on 29th June, 2020 & 30th June, 2020, has recommended a dividend of ₹ 37.50 (Rupees Thirty Seven and Paise Fifty only) per Equity Share of the face value of ₹ 10/- each, fully paid-up Upon declaration by the members, dividend shall be paid to those shareholders of the Company who are holding shares of the Company as on 18th September, 2020 (End of Day) within the statutory time limit of 30 days from the date of such declaration.

In case, the company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of their bank account, the company shall upon normalization of the postal services, dispatch the dividend warrant/cheque to such shareholder by post.

Withholding Tax on Dividend

As per provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to the shareholders at the applicable rates specified u/s 194 of the Income Tax Act, 1961

For Resident Shareholders:

- a. Where, the Permanent Account Number (PAN) is available and is valid,
 - i. Tax shall be deducted at source in accordance with the provisions of the Income Tax Act, 1961 at 10% (subject to change) on the amount of dividend payable.
 - ii. No tax shall be deducted in the case of a resident individual shareholder, if:
 - a. the amount of such dividend in aggregate paid or likely to be paid during the financial year does not exceed ₹5,000; OR
 - b. the shareholder provides duly signed Form 15G or Form 15H (as applicable) provided that all the prescribed eligibility conditions are met.

Where the PAN is either not available or is invalid, tax shall be deducted as per section 206AA of the Income Tax Act, 1961.

For Non-Resident Shareholders:

1. Tax is required to be deducted in accordance with the provisions of the Income Tax Act, 1961 at applicable rates in force. As per relevant provisions, tax shall be deducted at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable.
2. As per the provisions of the Income Tax Act, 1961, the non-resident shareholder may have an option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to them. To avail the DTAA benefits, the non-resident shareholder shall furnish the following documents by not later than 18th September, 2020 (End of Day) to the RTA of the Company:
 - a. Self-attested copy of Permanent Account Number (PAN), if allotted by the Indian Income Tax Authorities;
 - b. Self-attested Tax Residency Certificate (TRC) issued by the tax authorities of the country of which shareholder is a resident, evidencing and certifying shareholder's tax residency status during the Financial Year 2020-21;
 - c. Completed and duly signed Self-Declaration in Form 10F
 - d. Self-declaration in the prescribed format certifying on the following points:
 - i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2020-21;
 - ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company
 - iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - v. Shareholder does not have a taxable presence or a permanent establishment in India during the Financial Year 2020-21.
3. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder.
4. Notwithstanding Paragraph 2 above, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors ("FII") and Foreign Portfolio Investors ("FPI"). Such TDS rate shall not be reduced on account of the application of the lower DTAA rate or lower tax deduction order, if any.

9. Unpaid/unclaimed dividend

Pursuant to the provisions of the Companies Act, 2013 read with Rules made thereunder (as amended), any money transferred to the Unpaid Dividend Account of a Company which remains unpaid/ unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued (if any) thereon to 'Investors Education & Protection Fund' (IEPF) constituted by the Central Government. Accordingly, the Company has transferred Rs. 24,15,700/- to IEPF which were belonging to the shareholders whose dividend were unpaid/ unclaimed for the Financial Year 2011-12.

Members are requested to note that the unclaimed dividend amount for the Financial Year ended 31st March, 2013 (declared and paid in 2013) will be due for transfer to IEPF on 31st October, 2020.

Further, pursuant to provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), the Company has uploaded details of unpaid and unclaimed dividend amounts lying with the Company as on 18th September, 2019 (date of last Annual General Meeting) on its website at <http://www.blinv.com/>.

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

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to IEPF. Accordingly, the Company has transferred 18457 Equity Shares of the Face Value of ₹ 10/- each belonging to 136 shareholders to IEPF.

Further, members are requested to note that in respect of dividend and shares transferred to IEPF, members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF- 5 available on the website www.iepf.gov.in and thereafter sending the prescribed attachments to Nodal Officer (IEPF) of the company at the registered office in an envelope marked "claim for refund from IEPF Authority" for initiating the verification for claim.

- i. Name of Nodal Officer: Abhishek Lahoti, Company Secretary
- ii. Address: Balmer Lawrie Investments Limited, 21, Netaji Subhas Road, 3rd Floor, Kolkata 700 001
- iii. E-mail ID: lahoti.a@balmerlawrie.com

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

11. BOOK CLOSURE - The Register of Members and the Share Transfer Books of the Company will remain closed from 19th September, 2020 to 25th September, 2020 (both days inclusive).**12. Securities and Exchange Board of India (SEBI)** has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Further, SEBI has also mandated that w.e.f. 1st April, 2019 requests for effecting transfer of Securities shall not be processed unless the Securities are held in dematerialised form with depository. In view of above, members are requested to consider dematerializing their shares held in physical form.**13. Members are requested:**

- a) To notify on or before 18th September, 2020 (applicable for shareholders holding shares in physical mode) the following to the Registrar & Share Transfer Agent of the Company - CB Management Services (P) Ltd. ('CB'), at P-22, Bondel Road, Kolkata – 700 019, Ph: 91 33 40116700, email id: rta@cbmsl.com:
 - i. Any Change of address (including pin code), mandate, etc.
 - ii. Particulars of bank account number, IFSC and MICR code, name and address of the bank alongwith original cancelled cheque which shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook /statement attested by the bank.
 - iii. Copy of self attested PAN Card, if not already provided.

Members who are holding Shares in electronic form may note that bank particulars registered with their respective Depository Participants (DPs) which will be used by the Company for electronic credit / despatch of dividend. The Company or its Registrar and Share Transfer Agents cannot act

on any request received directly from the Members holding Shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised by the Members concerned to their respective DPs. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.

- b) To quote the ledger Folio or client ID and DP ID numbers in all communications addressed either to the Company/ or to CB.

14. **NOMINATION BY SECURITIES HOLDERS**

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

15. In accordance with the provisions of Section 136 of the Companies Act, 2013, the Audited Accounts of each of its subsidiaries are placed on the website of the Company (www.blinv.com). Additionally the Company will provide a copy of separate Audited Financial Statements in respect of its subsidiary companies, to any shareholder of the Company on making requisition in writing to the Company Secretary at the Registered Office of the Company or at the office of Company's RTA.
16. Electronic copy of the Annual Report for 2019-2020 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s). Electronic copy of the Notice of the AGM of the Company, inter alia, indicating the process and manner of electronic voting is being sent to all the members whose email addresses are registered with the Company/Depository Participants(s).
17. **Green Initiative:** Members who have not yet registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. In terms of Sections 139, 142 and other applicable provisions of the Companies Act, 2013, though the Auditors of a Government Company are appointed by the Comptroller and Auditor General of India, the remuneration of the auditor is fixed by the Company at the General Meeting. Therefore, item on fixation of remuneration of the Auditors has been included in the Notice of the 19th AGM under item no. 4 of the Ordinary Business, which requires passing of resolution by simple majority.
19. Members who hold Shares in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's Registrar and Share Transfer Agents, enclosing their Share Certificates to enable the Company to consolidate their holdings into a single folio.
20. Any person who is not a member as on the cut-off date should treat this Notice for information only.
21. Any person, who becomes a member of the Company after the dispatch of the Notice and holding shares as on cut-off day 18th September, 2020 (end of day) may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his /her existing User ID and passwords for casting the vote.
22. Mr. Mohan Ram Goenka of M/s. M R & Associates, Practicing Company Secretary (Membership No. 4515 & CP no. 2551) has been appointed as the Scrutinizer by the Board to scrutinize remote e-voting process before the AGM as well as e-voting during the AGM in a fair and transparent manner.
23. The chairman shall, at the AGM, after the end of the discussion on the resolution on which voting is to be held, allow voting by use of e-voting system for all those members who are present at the AGM through VC or OAVM but have not cast their vote by availing the remote e-voting facility.
24. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

25. The Results will be declared within 48 hours of the conclusion of 19th AGM . The results declared alongwith the Report of the Scrutinizer shall be placed on the website of the Company www.blinv.com under the section 'Investor Relations' and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and Calcutta Stock Exchange Limited, where the shares of the Company are listed.

C. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Monday, 21st September, 2020 at 09:00 A.M. and ends on Thursday, 24th September, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

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

Details on Step 1 is mentioned below:

| How to Log-in to NSDL e-Voting website? | |
|---|---|
| <p>1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.</p> <p>2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.</p> <p>3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.</p> <p><i>Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.</i></p> <p>4. Your User ID details are given below :</p> | |
| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |
| <p>5. Your password details are given below:</p> <p>a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.</p> <p>b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.</p> <p>c) How to retrieve your 'initial password'?</p> <p>(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.</p> <p>(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered</p> | |

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any query / grievance with respect to Remote E-voting, members may refer to the Frequently Asked Questions (FAQs) for Shareholders and Remote E-voting User Manual for Shareholders available under the Downloads section of NSDL’s e-voting website or contact Mr. Amit Vishal, Senior Manager / Ms. Pallavi Mhatre, Manager, NSDL, Trade World, “A” Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 at telephone no. 022 – 24994360 / 022 – 24994545 or toll free no. 1800 – 222 – 990 or at E-mail ID : evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice :

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to rta@cbmsl.com.

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

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at lahoti.a@balmerlawrie.com.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at lahoti.a@balmerlawrie.com. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Explanatory Statement

Under Section 102 of the Companies Act, 2013

[Forming Part of the Notice to the Members]

Item No. 5: Smt. Shilpa Shashikant Patwardhan (DIN 07008287) as Director

The Board vide resolution - Effective Date: 21st October, 2019, as per the provisions of the Companies Act, 2013 and allied Rules, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions thereunder, appointed Smt. Shilpa Shashikant Patwardhan (DIN: 07008287) as an Additional Director with the designation of Independent Director of the Company upto the date of the next Annual General Meeting.

Earlier vide letter bearing reference No. C-31033/2/2018-CA/PNG: 25758 dated 12th July, 2019 the administrative Ministry had nominated Smt. Patwardhan as Non-official Independent Director of the Company for a period of three years from the date of notification of her appointment or until further orders from the administrative ministry, whichever is earlier.

The Company has received from Smt. Shilpa Shashikant Patwardhan:

1. Form No. DIR-2, consent to act as a Director and also Form DIR-8 confirming that she is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014.
2. Declaration of Independence under Section 149 (6) of the Companies Act, 2013.

The Company has received a valid notice of candidature from a member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Smt. Shilpa Shashikant Patwardhan as a Director of the Company.

Your Directors recommend the Ordinary Resolution for your approval. If approved, Smt. Shilpa Shashikant Patwardhan would be appointed as a Director of the Company for a period of three years from the date of notification of her appointment or until further orders from the administrative ministry, whichever is earlier.

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

The particulars of Smt. Shilpa Shashikant Patwardhan is attached with this explanatory statement.

Item No. 6: Appointment of Shri Sandip Das (DIN 08217697) as Director

The Board vide resolution passed on 5th May, 2020, as per the provisions of the Companies Act, 2013 and allied Rules, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions thereunder, appointed Shri Sandip Das (DIN:08217697) as an Additional Director with the designation of Non-Executive, Director (ex-officio) of the Company upto the date of the next Annual General Meeting.

The proposed appointment is in line with letters bearing reference no. P-21014/1/2006-Mkt dated 16th April, 2010 and CA-31024/2/2018-PNG (25059) dated 20th January, 2020 received from Ministry of Petroleum & Natural Gas (MOP&NG) – the administrative ministry.

The Company has received from Shri Sandip Das, Form No. DIR-2, consent to act as a Director and also Form DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014.

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

Your Directors recommend the Ordinary Resolution for your approval.

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

The particulars of Shri Sandip Das is attached with this explanatory statement.

As required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of SS-2, the particulars of the Directors proposed for appointment and re-appointment at 18th Annual General Meeting scheduled to be held on 18th September, 2019 are given below:

| Name of the Director | Shri Shyam Singh Mahar | Smt. Shilpa Shashikant Patwardhan | Shri Sandip Das |
|---|---|---|--|
| Date of Birth | 12-06-1963 | 20-04-1959 | 25-12-1962 |
| Date of first Appointment on the Board | 19-07-2019 | 21-10-2019 | 05-05-2020 |
| Date of appointment / last re-appointment at the Annual General Meeting | Appointment at the 18 th Annual General Meeting dated 18 th September, 2019 | NA | NA |
| Qualification | B.Sc (Physics Hons.) | Smt. Shilpa Shashikant Patwardhan has a Bachelor degree in Arts. She has completed Yoga instructor Course from Vivekanand Centre, Bangalore and she has also completed Reiki Sadhana & Reiki Master course. | Shri Sandip Das has a Bachelor of Commerce and is also member of the Institute of Chartered Accountants of India. |
| Expertise in specific functional area | Financial matters in Government Sector. | <p>She also served instrumental roles in arranging funds for various educational purposes. Earlier she had been elected as Corporator in Ratnagiri municipality (Maharashtra) for the years 1991 to 2005. She had represented India in 7th International women physical education council, 1973 in Yogasana & Mallakhamb and has been felicitated with various awards for her contribution in social work.</p> <p>Ms. Patwardhan is ex member of Advisory Board of Central Telephone Nigam, Govt. of India, where she served for 6 years. Ms. Patwardhan also acted as Treasurer of Ratnagiri district women's sahitya sammelan organized by Konkan Marathi Sahitya Parishad. She is member of Aamhi Udyogini, Rantagiri branch. She is Director of Aasamant, a society working for fighting against social disorders and environmental issues. She had also worked as sub-editor of 'Aavahan' (A souvenir by BJP's National Working Committee, Women Cell) and has written various articles write up in various newspapers and magazines</p> | Shri Das has more than 20 years of experience in Balmer Lawrie & Co. Ltd. During his career in Balmer Lawrie he has worked in core business areas in both manufacturing and services verticals at multiple level as well as in the corporate finance function. |
| Shareholding of the Non- Executive Director | NIL | NIL | NIL |

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

| Name of the Director | Shri Shyam Singh Mahar | Smt. Shilpa Shashikant Patwardhan | Shri Sandip Das |
|---|--|---|---|
| No. of meetings of the Board attended during the year | 3 | 2 | NIL |
| Terms and Conditions of appointment | As contained in letter bearing reference no. C-31033/1/2016-CA/FTS:42979 dated 27 th May, 2019 from Ministry of Petroleum & Natural Gas (MoPNG) | As contained in letter No. C-31033/2/2018-CA/PNG (25758) dated 12 th July, 2019 the administrative Ministry read with letter of her appointment dated 22 nd October, 2019 | As contained in letters bearing reference no. P-21014/1/2006-Mkt dated 16 th April, 2010 and CA-31024/2/2018-PNG (25059) dated 20 th January, 2020 received from Ministry of Petroleum & Natural Gas (MOP&NG) |
| Remuneration | No remuneration or sitting fee is paid to the Director. | No remuneration is paid to the Independent Director. A sitting fee of ₹5000/- per meeting is paid for attending meeting Board or Committee. | No remuneration or sitting fee is paid to the Director. |
| Relationship with other Directors, Managers and other Key Managerial Personnel | NIL | NIL | NIL |
| Directorship on the Board of other Companies / offices held in other Companies. | NIL | Aasamant Benevolence Foundation - Director | 1.Balmer Lawrie & Co. Ltd. – Director (Finance) & CFO. 2.Visakhapatnam Port Logistics Park Limited. 3.Balmer Lawrie Van-Leer Limited. 4.Transafe Services Limited. 5.Pt. Balmer Lawrie Indonesia - Commissioner 6.Balmer Lawrie (UK) Ltd. |
| Membership/ Chairmanship of Committee(s) of the other Companies. | NIL | NIL | Balmer Lawrie & Co. Ltd. i) Audit Committee – Member ii) Corporate Social Responsibility Committee – Member iii) Stakeholders Relationship Committee – Member Balmer Lawrie-Van Leer Limited i) Stakeholders Relationship Committee – Member Transafe Services Limited i) Audit Committee – Member ii) Nomination and Remuneration Committee - Member |

Registered Office:
21, Netaji Subhas Road,
Kolkata - 700 001.
Date: 26th August, 2020

By Order of the Board
Balmer Lawrie Investments Ltd.
Abhishek Lahoti
Company Secretary
ACS 25141



Annual Report 2019-20

Balmer Lawrie Investments Ltd.

(A Government of India Enterprise)

CIN : L65999WB2001GOI093759

Balmer Lawrie Investments Limited

(A Government of India Enterprise)

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| B A S & Co. LLP, <i>Chartered Accountants</i> | |
| INTERNAL AUDITORS | |
| M/s. Bhattacharyya Roychaudhuri & Associates, <i>Chartered Accountants</i> | |
| REGISTERED OFFICE | |
| 21, Netaji Subhas Road, Kolkata - 700 001 | |

Chairman's Address

Dear Esteemed Members,

Hope you and your family are keeping safe in these challenging times.

It is my privilege to present before you the 19th Annual Report of the Company for the Financial Year 2019-20. As informed to in the notice of the AGM also, in view of the massive outbreak of the COVID-19 pandemic and in compliance with circulars of the Ministry of Corporate Affairs ("MCA"), this AGM is being held through VC/OAVM, unlike the physical attendance of the members at a common venue in earlier years.

You may be aware that your Company is a special purpose vehicle and the income of your Company is primarily the dividend received from its subsidiary Balmer Lawrie & Co. Limited and the interest received by promptly deploying the surplus fund into fixed deposits. It is a pleasure to approach the members with a recommendation for declaration of a dividend of 375% (Rs.37.50 per equity share). It is a persistent endeavour to provide maximum value to the shareholders for their investments in the Company.

The Company constantly endeavours to ensure Compliance with Corporate Governance Guidelines/norms to the extent of factors within its control. The Company has made contribution to Prime Minister's National Relief Fund towards its CSR expenditure for 2019-20.

I would take this opportunity to offer humble gratitude to the shareholders for vesting their confidence in the management of the Company. I would like to acknowledge the continuous support and guidance that we have been receiving from the Ministry of Petroleum & Natural Gas and other Ministries of the Govt. of India.

I would also like to thank our subsidiary company, Balmer Lawrie & Co. Ltd. for its support and congratulate it for its continued performance and stability.

I would also like to express thanks to our valued shareholders, bankers, financial institutions and other stakeholders for their continued support and co-operation. Finally, I must convey my gratitude to my colleagues on the Board for their wise counsel and valued involvement in helping us to manage the affairs of the Company.

Thank You

SANDIP DAS

Chairman, Non-Executive Director
Balmer Lawrie Investments Ltd.

BOARD'S REPORT**To the Members,**

Your Directors have the pleasure in presenting the 19th Annual Report of the Company along with the audited Financial Statement for the Financial Year ended 31st March, 2020 and other allied statements/disclosures as required as per the applicable statute.

Overview on the State of the Company's Affairs

Your Company's performance is primarily dependent upon two factors, one, being the dividend received from its subsidiary, Balmer Lawrie & Co. Ltd. (BL) and the other being the interest received from deployment of surplus funds with Scheduled Commercial Banks.

During the year under review, i.e., 2019-20, there was increase in interest income and the dividend income and accordingly, the total income of your Company increased by around 10 % as compared to the last Financial Year, i.e., 2018-19. The amount of dividend income received from the subsidiary during the year under review was at an enhanced rate.

The summary of comparative annual financial results for the year under review, i.e., 2019-20, and the immediately preceding Financial Year, i.e., 2018-19, has been furnished below:

Financial Summary

(Rs. in Lakh)

| Particulars | Year ended 31 st March, 2020 | Year ended 31 st March, 2019 |
|-------------------------|--|--|
| Profit before Tax | 8,580.14 | 7,818.90 |
| Less: Provision for Tax | 222.60 | 228.00 |
| Net Profit | 8,357.54 | 7,590.90 |

Transfer to Reserves

The Board of Directors have decided not to transfer any amount to reserves.

Share capital

The paid up Equity share capital of the Company as on 31st March, 2020 stood at Rs. 22,19,72,690 (at same value in the previous year). During the year under review, the Company has not issued any share with differential voting rights nor has granted any stock options or sweat equity shares.

Dividend

The Board recommend a dividend of 375%, i.e., Rs.37.50/- (Rupees Thirty Seven and Paise Fifty only) per Equity share of the face value Rs.10/- each fully paid-up, for the Financial Year ended 31st March, 2020 (as against 340% ,i.e. Rs. 34/- per Equity share for the previous Financial Year ended 31st March, 2019). The dividend, if declared by the shareholders at the ensuing 19th Annual General Meeting (AGM), will be paid either by way of warrant, demand draft or electronic mode and will be paid to those Shareholders who would be holding shares of the Company as on 18th September, 2020 (End of Day) fixed as cut-off date for the purpose within 30 days from the date of such declaration. In respect of shares held electronically, dividend will be paid to the beneficial owners, as per details to be furnished by their respective Depositories, i.e., either Central Depository Services (India) Ltd. or National Securities Depository Ltd. as on 18th September, 2020 (End of Day) fixed as cut-off date for the purpose.

Appropriation

The amount available for appropriation is the sum total of Profit after Tax (PAT) and the balance Profit brought forward from the previous Financial Year(s). The amount available for appropriations for the Financial Year 2019-20 as compared to the immediately preceding Financial Year 2018-19, are given hereunder:

| Particulars | STANDALONE FINANCIAL RESULTS | | CONSOLIDATED FINANCIAL RESULTS* | |
|---|------------------------------|-----------|---------------------------------|-----------|
| | 2019-20 | 2018-19 | 2019-20 | 2018-19 |
| PAT | 8,357.54 | 7,590.90 | 10,571.61 | 12,854.62 |
| Add: Transfer from Profit & Loss Account | 8,231.33 | 5,967.77 | 70,106.01 | 63,969.24 |
| Total amount available for Appropriation | 16,588.87 | 13,558.67 | 80,677.62 | 76,823.86 |
| Appropriations: | | | | |
| Dividend paid @ 340%, in FY 2019-2020 and @ 240%, in FY 2018-19** | 7,547.08 | 5,327.34 | 7,547.07 | 5,327.34 |
| Corporate Tax on Dividend | - | - | 1,593.38 | 1,491.50 |
| Transfer to General Reserve | - | - | - | - |
| Other Adjustment | - | - | (2,049.32) | (100.99) |
| Minority interest / Foreign Exchange Conversion Reserve etc. | - | - | - | - |
| Surplus carried forward to next year | 9,041.79 | 8,231.33 | 73,586.49 | 70,106.01 |
| Total of Appropriation | 7,547.08 | 5,327.34 | 7,091.13 | 6,717.85 |

* The Board's Report is based on Standalone Financial Statements of the Company and this information is given as an added information to the members.

**Ministry of Corporate Affairs, vide its Notification No. G.S.R. 364 (E) dated 30th March, 2016, has issued Companies (Accounting Standards) Amendment Rules 2016, thereby inter-alia amending AS 4. PARA 14 of the amended Accounting Standard – 4 state that “If an enterprise declares dividends to shareholders after the balance sheet date, the enterprise should not recognise those dividends as a liability at the balance sheet date unless a statute requires otherwise. Such dividends should be disclosed in notes.” – The aforesaid amendment came into effect in respect of accounting periods commencing on or after April 1, 2017.

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

As stated earlier, Company's performance is primarily dependent upon two factors, one, being the dividend received from its subsidiary, Balmer Lawrie & Co. Ltd. (BL) and the other being the interest received from deployment of surplus funds with Scheduled Commercial Banks. The spread of COVID-19, pandemic has severely affected the businesses around the globe. In many countries including India, there has been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines, social distancing and other emergency measures. BL has been constantly updating its shareholders about the possible impact of COVID-19 on its business financial position and liquidity. The disclosures made by BL from time to time would be essential to determine the consequent financial position of the Company in turn in future.

Deposits with Bank

Surplus funds of the Company have been deployed in various Fixed Deposit Schemes of the Scheduled Commercial Banks. As on 31st March 2020, the total amount of deployments in the Fixed Deposit Schemes is Rs. 14,278.44 Lakhs, which in turn has yielded an interest income of Rs. 938.83 Lakhs during the year ended 31st March, 2020 (Rs 855.02 Lakhs for the year ended 31st March, 2019).

Management Discussion and Analysis Report

Your Company is not engaged in any other business activity, except, to hold the equity shares of Balmer Lawrie & Co. Ltd. and accordingly matters to be covered under 'Management Discussion and Analysis Report' are not applicable to your Company.

Report on Subsidiary Companies and their contribution to the overall performance of the Company during the year

In terms of Section 2(87) of the Companies Act, 2013 ('the Act') your Company has three subsidiary companies, namely, Balmer Lawrie & Co. Ltd. ('BL'), Balmer Lawrie (UK) Ltd. ('BLUK') and Visakhapatnam Port Logistics Park Limited (VPLPL). By virtue of shareholding in BL (61.8%), your Company is the holding Company of BL. BL in turn has 2 subsidiaries BLUK and VPLPL.

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

A brief write up about the Subsidiaries inter-alia reporting about its performance and financial position and other significant events is presented hereunder:

Balmer Lawrie & Co. Ltd. (BL)

BL recorded net turnover of Rs.1,61,216.14 Lakhs during 2019-20 as against Rs.1,85,672.35 Lakh in 2018-19 registering a decrease of approximately 13% over the last year. It also recorded a Profit Before Tax of Rs. 23,244.21 Lakh in 2019-20 as against Rs. 28,010.48 Lakh in 2018-19. The decrease is attributable to the performance of various SBUs, particularly SBU: Logistics.

Balmer Lawrie (UK) Ltd. [BLUK]

Balmer Lawrie (UK) Ltd. ('BLUK') is a 100% subsidiary of Balmer Lawrie & Co. Ltd. (subsidiary of your Company) and incorporated in the UK. The subsidiary had previously been engaged in the business of Leasing & Hiring of Marine Freight Containers as also in Tea Warehousing, Blending & Packaging. Currently the Company has exited from these businesses.

During the year 2018-19, Balmer Lawrie & Co. Ltd. had initiated steps for closing of operations of BLUK and is in the process of getting necessary statutory clearances for closure shortly from the authorities in the United Kingdom. As a part of this process, the shares of PT. Balmer Lawrie Indonesia (PTBLI) – having its registered office at Jakarta, Indonesia, held by BLUK which was approximately US\$ 2.01 million (equivalent to Indonesian Rupiah 21.0 billion) and represents 50 % of the paid – up equity share capital of the joint venture company had been transferred to Balmer Lawrie during the year 2018-19.

It is expected that the process of voluntary winding of the company would be completed during 2020-21 subject to current conditions.

Visakhapatnam Port Logistics Park Limited [VPLPL]

"Visakhapatnam Port Logistics Park Limited" (VPLPL) was formed as joint venture (JV) in March 2014 between Balmer Lawrie & Co Ltd. and Visakhapatnam Port Trust (VPT) to build a Multimodal Logistics Hub (MMLH) facility comprising mechanised warehouses, specialised / temperature controlled storage solutions, facilities for mechanised material handling and inter modal transfer between container terminals, bulk/break –bulk cargo terminals. This hub provides facility to handle both bonded and non-bonded cargo coupled with offering of value-added services such as customs clearance, sorting/grading/aggregation/disaggregation etc. to handle freight. The unit is also having rail connectivity of 1.30 KM length, where 4 rakes can be handled in a day.

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

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

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

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

Financial Statements of Subsidiary Companies

The Financial Statements and Results of your Company have been duly consolidated with its Subsidiaries, Associates and Joint Ventures pursuant to applicable provisions of the Companies Act, 2013 & Companies (Indian Accounting Standard) Rules, 2015 (as amended), the Listing Regulations and Indian Accounting Standards (Ind-AS). This is the groups first Consolidated Financial Statements prepared in accordance with Ind-AS

Further, in line with first proviso to Section 129(3) of the Companies Act, 2013 read with the Rules thereon, Consolidated Financial Statements prepared by your Company includes a separate Statement in Form 'AOC-1' containing the salient features of the Financial Statement of your Company's Subsidiaries, Associates & Joint Ventures which forms part of the Annual Report.

However, separate audited accounts in respect of each of its subsidiary shall be placed on the website of the Company – www.blinv.com. Further, a copy of separate audited Financial Statements in respect of each of the subsidiary shall be provided on requisition of any shareholder of the Company.

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

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

Deposits

Your Company has neither accepted nor is holding any deposits from the public during the Financial Year 2019-20 and no deposit remained unpaid or unclaimed at the end of Financial Year and there was no instance of default in repayment of deposits or interests thereon during the Financial Year and there are NIL deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013. Further, the Company shall not be accepting any deposits in Financial Year 2020-21.

Compliance of Right to Information Act, 2005

Information, which are mandatorily required to be disclosed under the RTI Act 2005, have been disclosed on the website of your Company. The report on receipt and disposal of RTI applications during the Financial Year 2019-20 is as under:

| Sr. No. | Ministry/ Department/ Organisation | Quarter | Opening balance of Requests (as on start of Quarter) | No. of Requests Received during Quarter | Total no. of Requests (Column 4+5) | No. of Requests transferred to other PAs | Decisions where Applications for Information rejected | Number of cases where disciplinary action taken against any officer in respect of administration of RTI Act | Total Amount Collected (fee+addl. charges+ penalty) (Rs.) | No. of times various Provisions were invoked while Rejecting Requests | | | | | | | | | | | | | |
|--------------|------------------------------------|---------|--|---|------------------------------------|--|---|---|---|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------------|----------|----------|----------|
| | | | | | | | | | | Relevant Sections of RTI Act 2005 | | | | | | | | | | | | | |
| | | | | | | | | | | Section 8(1) | | | | | | | | | | Other Sections | | | |
| | | | | | | | | | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (9) | (11) | (24) | (Others) |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| 1 | Balmer Lawrie Investments Limited | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 2 | 0 | 0 | 0 | 0 | 1 | 0 | 0* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| | | 3 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |

*These requests were received online through RTI Request & Appeal Management Information System hence the fee is collected by Department of Personnel & Training, Government of India.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

Since the Company does not have any business other than to hold shares of Balmer Lawrie & Co. Ltd. the reporting of Conservation of Energy, Technology Absorption as per Rule 8(3) of the Companies (Accounts) Rules, 2014 is not applicable for your Company.

The details pertaining to Foreign Exchange Earnings and Outgo are enumerated as under: NIL

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Risk Management Policy

The Company does not have any business apart from holding the shares of Balmer Lawrie & Co. Ltd. offloaded by IBP Ltd. and is a Special Purpose Vehicle formed for temporary purpose. Hence, the requirement of laying down procedures for risk assessment and minimization is not applicable. Further, as per Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Risk Management Committee is not applicable to your Company.

Corporate Social Responsibility (CSR)

- 1) The CSR Policy of the Company was adopted by the Company on 27th January, 2017:

The CSR Policy of the Company is as under:

Philosophy

The Policy is in the nature of initiatives or endeavour which the key stakeholders expect of the Company in the discharge of their Corporate Social Responsibility. It reflects the willingness of the Company to voluntarily take a few extra steps to address social, economic and environmental concerns but are nevertheless worthy of attention for promotion of sustainable development in its diverse dimensions.

Activities to be undertaken

It is the policy of the Company to undertake any activity which is permissible to be carried out towards CSR as per:

- 1) Schedule VII of the Companies Act, 2013 (the act) and the allied Rules, including any statutory amendment thereof,
- 2) The guidelines formulated by the Department of Public Enterprises (DPE) on CSR and Sustainability (hereinafter referred to as 'the Guidelines') which are applicable to CPSEs.

Implementation

The Company shall endeavour to implement activities/programs as per the CSR Policy keeping in view:

- 1) the constraints faced due to the form and nature of organisation.
- 2) the administrative and incidental cost are minimum so that the maximum expenditure so allocated is spent for the benefit of the society.

CSR Expenditure

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Activities/ Programmes undertaken in accordance with the approved CSR Plan. Any surplus arising from any CSR Activities/Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

The CSR policy of the Company is available at:

<http://www.blinv.com/Pdf/CSR%20and%20Sustainability%20Policy.pdf>

2. The Corporate Social Responsibility Committee of the Company consist of the following members as on 31st March, 2020:

Smt. Perin Devi Rao, Government Nominee Director- Chairperson of the Committee

Shri Shyam Sundar Khuntia – Member

Shri Shyam Singh Mahar, Government Nominee Director – Member

Shri Ajay Singhal, Independent Director-Member

Smt. Shilpa Shashikant Patwardhan, Independent Director-Member

3. Average of net profit of the company for the last three Financial Years:

(Rs. In Lakh)

| | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|
| Net Profit as per Companies (Corporate Social Responsibility Policy) Rules 2014 | 565.13 | 614.19 | 773.61 |
| Average of net profit of the company | 650.98 | | |

4. Prescribed CSR Expenditure for 2019-20: Rs. **13.02** Lakhs (2% of the Average of net profit for the preceding 3 Financial Years)

5. Details of CSR spent during the Financial Year:

a. Total amount to be spent for the Financial Year – Rs. **13.02 Lakhs**

b. Amount unspent, if any: **NIL**

c. Manner in which the amount spent during the financial year is detailed below:

| S No. | CSR Project or activity identified | Sector in which the project is covered | Projects or programs (1) Local area or other (2) specify the State and district where projects or programs were undertaken | Amount Outlay (budget) project or programs wise | Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads: | Cumulative Expenditure upto the reporting period | Amount Spent: Direct or through implementing agency |
|-------|---|--|--|---|--|--|---|
| 1 | Contribution to Prime Minister's National Relief Fund | NA | NA | Rs.13.02 Lakhs | Rs.13.02 Lakhs | Rs.13.02 Lakhs | Directly |

6. Responsibility statement of the CSR Committee:

"We the members of the CSR Committee hereby confirm that the implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company."

Perin Devi Rao

Shyam Singh Mahar

Ajay Singhal

Shilpa Shashikant Patwardhan

**Chairperson
of CSR
Committee**

Member

Member

Member

Directors' Responsibility Statement

In terms of provisions of Section 134(3) & 134(5) of the Companies Act, 2013 your Board of Directors to the best of their knowledge and ability confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations and there were no material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the profit and loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Governance

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

Pursuant to the said SEBI Regulations and DPE Guidelines, a separate section titled 'Corporate Governance Report' is being furnished and marked as **Annexure-2**.

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

Further, your Company's Statutory Auditors have examined compliance of conditions of Corporate Governance

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and issued a certificate, which is annexed to this Report and marked as **Annexure-3**.

Directors & Key Managerial Personnel (KMP) and meetings of the Board during the year

Directors and Key Managerial Personnel

As on 31st March, 2020, the Board of your Company consisted of the following four Directors:

- a. Shri Shyam Sundar Khuntia, Non-Executive Director, Ex-officio member
- b. Smt. Perin Devi Rao, Government Nominee Director, Non-Executive Woman Director
- c. Shri Shyam Singh Mahar, Government Nominee Director, Non-Executive Director
- d. Shri Ajay Singhal, Independent Director
- e. Smt. Shilpa Shashikant Patwardhan, Independent Woman Director

The Company has only one KMP i.e. Company Secretary. The Company does not have any MD/Whole time director or CFO.

Meetings of the Board during the year

The details of the meetings of the Board held during the year have been enumerated in the Corporate Governance Report marked as **Annexure – 2**.

Directors retired/appointed/resigned during the year

Appointed

Shri Shyam Singh Mahar (DIN: 08511166), who was appointed as an Additional Director as per the applicable provisions of the Companies Act, 2013 and allied Rules, at the Board Meeting held on 18th July, 2019 by the Board of Directors pursuant to the letter bearing reference no. letter No.C-31033/1/2016-CA/FTS: 42979 dated 27th May, 2019 from MoP&NG. Thereafter, Shri Shyam Singh Mahar was appointed as Non-Executive Government Nominee Director by the shareholders at the 18th AGM of the Company held on 18th September, 2019. At the 19th Annual General Meeting the proposal for re-appointment of Shri Shyam Singh Mahar who retires by rotation is placed before the shareholders.

Smt. Shilpa Shashikant Patwardhan had been appointed as an Additional Director with designation Independent Director of the Company with effect from 21st October, 2019 upto the date of next Annual General Meeting through Resolution by Circulation dated 16th October, 2019 passed by the Board of Directors, in furtherance to the letter No.C-31033/2/2018-CA/PNG (25758) dated 12th July, 2019 received from the Ministry of Petroleum & Natural Gas (MoPNG), Government of India. The profile and other details of Smt. Patwardhan is given in the Corporate Governance Report.

Recently, in line with letters bearing reference no. P-21014/1/2006-Mkt dated 16th April, 2010 and CA-31024/2/2018-PNG (25059) dated 20th January, 2020 received from Ministry of Petroleum & Natural Gas (MOP&NG) Shri Sandip Das, Director (Finance) of Balmer Lawrie & Co. Ltd. having (DIN 08217697) was appointed as Non-Executive, Director (ex-officio) on the Board of Balmer Lawrie Investments Ltd. w.e.f from 5th May, 2020

Cessation

During the year 2019-20, the relinquishment of directorship by Smt. Kiran Vasudeva was taken on record by the Board w.e.f. 18th July, 2019 due to withdrawn of her nomination by the Administrative Ministry owing to her Superannuation.

Shri Shyam Sundar Khuntia, attained superannuation on close of business hours on 30th April, 2020 and his directorship as Director (Finance) in Balmer Lawrie & Co. Ltd. ceased w.e.f. 1st May, 2020. In furtherance to letter No. CA-31024/2/2018-PNG (25059) dated 20th January, 2020 of Ministry of Petroleum & Natural Gas (MoPNG), Government of India, Balmer Lawrie & Co. Ltd appointed Shri Sandip Das [DIN 08217697] as an Additional Director with the designation of Director (Finance) of Balmer Lawrie & Co. Ltd., with effect from 1st May, 2020. As a consequence of this Shri S S Khuntia has relinquished his post of Non-Executive Director and Chairman of the Board of the Company.

In line with letters bearing reference no. P-21014/1/2006-Mkt dated 16th April, 2010 and CA-31024/2/2018-PNG (25059) dated 20th January, 2020 received from Ministry of Petroleum & Natural Gas (MOP&NG) Shri Sandip

Das, Director (Finance) of Balmer Lawrie & Co. Ltd. having (DIN 08217697) was appointed as Non-Executive, Director (ex-officio) on the Board of Balmer Lawrie Investments Ltd. w.e.f from 5th May, 2020.

Board Evaluation and Criteria for evaluation

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

Declaration by Independent Director

Your Company has received a declaration from the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act and the SEBI (LODR) Regulations, 2015.

Audit Committee

The Committee as of 31st March, 2020 consisted of 3 members and all of them, including the Chairperson of the Committee, were Non-Executive Directors.

As of 31st March, 2020 the following were the members of the Committee:

| Names | Position held |
|---|----------------------|
| Shri Ajay Singhal, Independent Director | Chairperson |
| Shri Shyam Sundar Khuntia, Non-Executive Director | Member |
| Smt. Shilpa Shashikant Patwardhan, Independent Director | Member |

Owing to subsequent change in directorship, Shri Sandip Das was inducted into the Committee in place of Shri Khuntia.

The members of the Audit Committee are all financially literate and majority have expertise in finance and general management matters. The Company Secretary acted as the secretary to the Audit Committee.

There were no such instances where the Board had not accepted any recommendation of the Audit Committee.

Related Party Transactions

Your Company adopted a policy on "Related Party Transactions" with effect from 28th March, 2015. The said Policy was amended vide resolution dated 10th February 2020 to bring it in line with the amendment in the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and has been uploaded on the website of the Company and is available on the following link :

<http://www.blinv.com/Pdf/Related%20Party%20Transactions%20Policy.pdf>

The Policy aims at setting out the materiality thresholds for Related Party Transactions and the manner of dealing with the transactions between the Company and its Related Parties based on the applicable laws.

Particulars of contracts and arrangements with Related Parties referred under section 188 (1) of the Companies Act, 2013

The particulars of contracts and arrangements with Related Parties referred under section 188 (1) of the Companies Act, 2013 in the prescribed form is as under:

Form No. AOC 2

1. Details of contracts and arrangements or transactions not at arm's length basis – NIL. All the contracts and arrangements or transactions with Related Parties during the year ended 31st March, 2020 were on arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis – NIL. None of the transactions with Related Party can be considered as "material" as per the policy on - Materiality of Related Party Transactions and dealing with Related Party Transactions adopted by the Company.

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All contracts or arrangement entered into under Section 188(1) of the Companies Act, 2013 has been enumerated in details in Note no. 33 of Financial Statements in compliance with the applicable accounting standards, thereby forming part of the financial statement as on 31st March, 2020.

Justification on the Related Party Transactions entered –

- In the year 2002, the Company for the purpose of infrastructure and management support entered into a service contract with its subsidiary Balmer Lawrie & Co. Ltd. (BL), since the Company does not have any infrastructure arrangement or any employee. The said agreement is renewed from time to time pursuant to which the Company receives services in nature of administration, finance, taxation, legal, secretarial, etc from BL.
- The Company was formed as a Special Purpose Vehicle with no regular business activity on 20th September 2001, with the sole objective of holding the Equity shares of BL, transferred / de-merged from IBP Co. Ltd. (under the scheme of Arrangement & Reconstruction);
- The major source of income of your Company is dividend earned from its subsidiary, BL.
- The Company has no employees of its own including the Company Secretary, who is deputed from the subsidiary Company.

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Details of investments made by the Company in other company is enumerated in Note 7 and Note 27 of Financial Statement.

Auditors

The Statutory Auditors of your Company (being a 'Government Company'), are appointed by the Comptroller & Auditor General of India ('CAG') under Section 139 and other applicable provisions of the Companies Act, 2013.

Pursuant to Section 142 and other applicable provisions of the Companies Act, 2013 the remuneration of the Statutory Auditors for the Financial Year 2020-21 is to be determined by the members at the ensuing 19th Annual General Meeting.

Report of the Statutory Auditor

The Report of the Statutory Auditors on Annual Accounts of your Company for Financial Year ended 31st March, 2019 does not have any reservation, qualification or adverse remark. Report of the Statutory Auditors is attached with the Financial Statement.

The office of the Comptroller & Auditor General of India ('CAG') had decided to conduct the supplementary audit of the financial statements of the Company for the year ended 31st March, 2020.

The CAG has commented on both standalone and consolidated Financial Statements that nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory auditors' Report under section 143(6)(b) of the Companies Act, 2013. The comments of CAG are attached as **Annexure 5**.

Report of the Secretarial Auditor

The Company also appointed M/s N.K & Associates, Practicing Company Secretaries, 159 Rabindra Sarani, 9th Floor, Kolkata 700007 as Secretarial Auditor in compliance with the provisions of Section 204 of the Companies Act, 2013. The Report of Secretarial Auditor is annexed and marked as **Annexure 4**. The response of management to the observations to qualification, observations or remarks of the Secretarial Auditors is as under:

| Sl No. | Observation /Comment/Qualification of the Secretarial Auditors | Clarification from the Management |
|--------|--|---|
| 1 | The Board of Directors is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors | We are a Government Company and as is evident from our shareholding pattern, President of India has a majority shareholding in our Company. |

| Sl No. | Observation /Comment/Qualification of the Secretarial Auditors | Clarification from the Management |
|--------|--|--|
| | | <p>As per the Articles of Association of the Company so long as the Company remains a Government Company, the President of India shall be entitled to appoint one or more person(s) to hold office as Director(s) on the Board and also to appoint one or more such Director(s) as Managing or Whole-time Director(s) of the Company. Accordingly, Ministry of Petroleum & Natural Gas (MoPNG), being the administrative Ministry directs us every time there is a change in appointment of Directors is required. The direction of MoPNG is awaited.</p> <p>The Company has no employee of its own except, the Company Secretary whose services have been seconded from its subsidiary pursuant to a Service Agreement between the Company and Balmer Lawrie & Co. Ltd.</p> <p>It may be pertinent to mention that MCA vide GSR dated 5th June, 2015 has exempted that : The provisions of sub-sections (1), (2), (3) and (4) of section 203 of the Companies Act, 2013 shall not apply to a Managing Director or Chief Executive Officer or Manager and in their absence, a Wholtime director of the Government Company."</p> |
| 2 | The composition of the Board of directors is not in compliance with the provisions of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. | Same as explanation provided in Serial 1 |
| 3 | The composition of the Audit Committee was not in compliance with provisions of Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 till 9 th February, 2020. | The composition of the Audit Committee could be brought in line with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 subsequent to appointment of the second Independent Director on the Board of the Company. |
| 4 | The quorum of the audit committee meetings dated 28 th May 2019, 18 th July 2019 and 13 th August 2019 were not in compliance with the provisions of Regulation 18(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | Due to presence of only one Independent Director on the Board of the Company till 20 th October 2019, the requirement of atleast 2 Independent Directors in quorum as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 could not be fulfilled in Audit Committee meetings till such date. |
| 5 | The composition of the nomination and remuneration committee was not in compliance with provisions of Regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 till 9 th February, 2020. | The composition of the Nomination and Remuneration Committee could be brought in line with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 subsequent to appointment of the second Independent Director on the Board of the Company. |

Adequacy of Internal Financial Controls

The Company has *inter-alia* taken the following measures to ensure that an adequate internal financial control exists:

- Appointment of Internal Auditor as per Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 as well as Secretarial Auditor as per Section 204 of the Companies Act, 2013.
- The Company has adopted the following policies apart from the Code of Conduct applicable to Directors and Senior Management:
 - Policy on 'Related Party Transactions';

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- Policy for determining 'Material subsidiaries';
- "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information"
- "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and immediate relative of Designated Persons".
- "Vigil Mechanism/ Whistle Blower Policy of the Company."

Details of Significant and Material Orders passed by the Regulators, Courts and Tribunals

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

Vigilance Cases

No vigilance cases were reported, disposed off nor there are any such cases pending during the year.

Constitution of Internal Committee

The Company has no employees of its own. The requirement of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 did not arise.

Cost Records

The requirement of maintenance of cost records is not applicable to your Company.

Procurement from MSMEs

The Company is formed for temporary purpose and is not having any business and hence has neither had taken any target nor made procurement from MSMEs.

Extract of Annual Return and Weblink

An extract of the annual return in the prescribed form MGT 9 is attached to this report as **Annexure 1**. Further, the Annual Return for 2019-20, as and when filed with the Registrar of Companies, shall be uploaded on the website of the Company – www.blinv.com

Compliance with Secretarial Standards

The Company is in compliance with Secretarial Standard-1 and Secretarial Standard-2

Appreciation

Your Directors wish to place on record their appreciation for the continued guidance and support extended by the Ministry of Petroleum & Natural Gas and other Ministries. Your Directors also acknowledge the valuable support and services provided by BL. Your Directors appreciate and value the trust imposed upon them by the members of the Company.

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

On behalf of Board of:
Balmer Lawrie Investments Ltd.

.....
[Sandip Das]
Director
[DIN : 08217697]

.....
[Perin Devi Rao]
Director
[DIN : 07145051]

Date: 26th August, 2020

FORM NO. MGT-9

Annexure 1

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|---|--|
| i) | CIN | L65999WB2001GOI093759 |
| ii) | Registration Date | 20 TH SEPTEMBER 2001 |
| iii) | Name of the Company | BALMER LAWRIE INVESTMENTS LIMITED |
| iv) | Category / Sub-Category of the Company | COMPANY LIMITED BY SHARES, UNION GOVERNMENT COMPANY |
| v) | Address of the Registered office and contact details | 21, NETAJI SUBHAS ROAD, KOLKATA 700001 |
| vi) | Whether listed company Yes / No | YES |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | C B MANAGEMENT SERVICES (P) LTD., UNIT – BALMER LAWRIE INVESTMENTS LIMITED, P-22 BONDEL ROAD, KOLKATA 700019, EMAIL – rta@cbmsl.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

| Sl. no | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|--------|--|----------------------------------|------------------------------------|
| 1 | HOLDING SHARES OF BALMER LAWRIE & CO. LTD. | NOT APPLICABLE | NOT APPLICABLE |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. no | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY / ASSOCIATE | % of shares held | Applicable Section |
|-------|---|---------------------------------|--|------------------|--------------------|
| 1 | BALMER LAWRIE & CO. LIMITED | L15492WB1924GOI004835 | SUBSIDIARY | 61.80 | 2(87)(ii) |
| 2 | BALMER LAWRIE (UK) LIMITED | Registration No. of UK 02764967 | FOREIGN SUBSIDIARY OF SUBSIDIARY COMPANY | 100 | 2(87)(ii) |
| 3 | VISAKHAPATNAM PORT LOGISTICS PARK LIMITED | U63090WB2014GOI202678 | SUBSIDIARY OF SUBSIDIARY COMPANY | 60 | 2(87)(ii) |

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

i) Category-wise Share Holding:

| Category of Shareholder | Number of shares held at the end of the year (31.03.2019) | | | | Number of shares held at the end of the year (31.03.2020) | | | | % change during the year |
|-------------------------|---|----------|-----------------|-------------------|---|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| (a) Individual/ HUF | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (b) Central Government | 13246098 | 0 | 13246098 | 59.6744 | 13246098 | 0 | 13246098 | 59.6744 | 0.0000 |
| (c) State Government(s) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (d) Bodies Corporate | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (e) Banks/ FI | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (f) Any Other | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| Sub Total(A)(1) | 13246098 | 0 | 13246098 | 59.6744 | 13246098 | 0 | 13246098 | 59.6744 | 0.0000 |

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| | Number of shares held at the end of the year (31.03.2019) | | | | Number of shares held at the end of the year (31.03.2020) | | | | |
|---|--|---------------|-----------------|-------------------|--|---------------|-----------------|-------------------|--------------------------|
| Category of Shareholder | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | % change during the year |
| (2) Foreign | | | | | | | | | |
| (a) NRIs Individuals | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (b) Other - Individuals | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (c) Bodies Corporate | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (d) Banks/FI | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (e) Any Other | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| Sub Total(A)(2) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| Total Shareholding of Promoter (A)= (A)(1) +(A)(2) | 13246098 | 0 | 13246098 | 59.6744 | 13246098 | 0 | 13246098 | 59.6744 | 0.0000 |
| B. Public shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| (a) Mutual Funds | 0 | 600 | 600 | 0.0027 | 600 | 0 | 600 | 0.0027 | 0.0000 |
| (b) Banks/FI | 4711 | 26421 | 31132 | 0.1403 | 5465 | 26277 | 31742 | 0.1430 | 0.0027 |
| (c) Central Government | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (d) State Government(s) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (e) Venture Capital Funds | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (f) Insurance Companies | 252418 | 0 | 252418 | 1.1372 | 72 | 0 | 72 | 0.0003 | -1.1368 |
| (g) FIs | 1309053 | 0 | 1309053 | 5.8974 | 1392863 | 0 | 1392863 | 6.2749 | 0.3776 |
| (h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (i) Other (specify) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| Sub-Total (B)(1) | 1566182 | 27021 | 1593203 | 7.1775 | 1399000 | 26277 | 1425277 | 6.4210 | -0.7565 |
| 2. Non-institutions | | | | | | | | | |
| (a) Bodies Corporate | | | | | | | | | |
| (i) Indian | 2536823 | 2282 | 2539105 | 11.4388 | 2161462 | 2082 | 2163544 | 9.7469 | -1.6919 |
| (ii) Overseas | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (b) Individuals | | | | 0.0000 | | | | 0.0000 | |
| (i) Individual shareholders holding nominal share capital up to Rs 1 lakh | 2150199 | 196194 | 2346393 | 10.5706 | 2235368 | 166429 | 2401797 | 10.8202 | 0.2496 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | 1940366 | 12393 | 1952759 | 8.7973 | 2245352 | 0 | 2245352 | 10.1154 | 1.3181 |
| (c) Others (specify) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (i) Qualified Foreign Investor | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (ii) Trust & Foundations | 0 | 0 | 0 | 0.0000 | 40947 | 0 | 40947 | 0.1845 | 0.1845 |
| (iii) Non-Resident Individuals | 313053 | 1244 | 314297 | 1.4159 | 336111 | 1194 | 337305 | 1.5196 | 0.1037 |
| (iv) Foreign Portfolio Investor | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (v) Unclaimed shares | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| (vi) Clearing Members | 2964 | 0 | 2964 | 0.0134 | 12946 | 0 | 12946 | 0.0583 | 0.0450 |
| (vii) Custodian of Enemy Property | 12716 | 0 | 12716 | 0.0573 | 0 | 0 | 0 | 0.0000 | -0.0573 |
| (viii) IEPF | 185903 | 0 | 185903 | 0.8375 | 204210 | 0 | 204210 | 0.9200 | 0.0825 |
| (ix) LLP | 3831 | 0 | 3831 | 0.0173 | 1336 | 0 | 1336 | 0.0060 | -0.0112 |
| HUF | 0 | 0 | 0 | 0 | 118457 | 0 | 118457 | 0.5337 | 0.5337 |
| Sub-Total (B)(2) | 7145855 | 212113 | 7357968 | 33.1481 | 7356189 | 169705 | 7525894 | 33.9046 | 0.7565 |
| Total Public Shareholding (B)= (B)(1) +(B)(2) | 8712037 | 239134 | 8951171 | 40.3256 | 8755189 | 195982 | 8951171 | 40.3256 | 0.0000 |
| C. Shares held by Custodians for GDRs & ADRs | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| GRAND TOTAL (A)+(B)+(C) | 21958135 | 239134 | 22197269 | 100.0000 | 22001287 | 195982 | 22197269 | 100.0000 | 0.0000 |

Note:

1) As per Reg 31 Non-institution individual slab is Rs 2 Lakh and the figures provided there as below -

| | Demat share | Physical share | Total share |
|-----------------|----------------|----------------|----------------|
| up to Rs 2 lakh | 2742410 | 166429 | 2908839 |
| above Rs 2 lakh | 1738310 | 0 | 1738310 |
| Total | 4480720 | 166429 | 4647149 |

2) In MGT 9 Non-institution individual slab is Rs 1 Lakh and the figures provided as mentioned above.

| | Demat share | Physical share | Total share |
|-----------------|----------------|----------------|----------------|
| up to Rs 1 lakh | 2235368 | 166429 | 2401797 |
| above Rs 1 lakh | 2245352 | 0 | 2245352 |
| Total | 4480720 | 166429 | 4647149 |

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---------|--------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | PRESIDENT OF INDIA | 13246098 | 59.67 | 0 | 13246098 | 59.67 | 0 | 0 |

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

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 13246098 | 59.67 | 13246098 | 59.67 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | No change | No change | | |
| | At the End of the year | 13246098 | 59.67 | 13246098 | 59.67 |

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

| Sl. No. | Name - For each of the Top 10 Shareholders | Remarks | Shareholding / Transaction Date | Shareholding at the beginning of the year (01.04.2019) | | Cumulative Shareholding during the year (01.04.2019-31.03.2020) | |
|---------|---|------------------------------|---------------------------------|--|----------------------------------|---|----------------------------------|
| | | | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 1 | CD EQUIFINANCE PRIVATE LIMITED | At the beginning of the year | 01-04-2019 | 1574559 | 7.09 | 1574559 | 7.09 |
| | | Increase | 28-06-2019 | 778 | 0 | 1575337 | 7.1 |
| | | Increase | 30-08-2019 | 797 | 0 | 1576134 | 7.1 |
| | | Decrease | 27-09-2019 | 15000 | 0.07 | 1561134 | 7.03 |
| | | Decrease | 01-11-2019 | 6509 | 0.03 | 1554625 | 7 |
| | | At the end of the year | 31-03-2020 | | | 1554625 | 7 |
| 2 | BARING INDIA PRIVATE EQUITY FUND III LISTED INVESTMENTS LIMITED | At the beginning of the year | 01-04-2019 | 855623 | 3.85 | 855623 | 3.85 |
| | | At the end of the year | 31-03-2020 | | | 855623 | 3.85 |
| 3 | FINQUEST SECURITIES PVT. LTD. - CLIENT BENEFICIARY A/C | At the beginning of the year | 01-04-2019 | 307600 | 1.39 | 307600 | 1.39 |
| | | Increase | 10-05-2019 | 2070 | 0.01 | 309670 | 1.4 |
| | | Decrease | 14-06-2019 | 65 | 0 | 309605 | 1.39 |
| | | Decrease | 21-06-2019 | 6735 | 0.03 | 302870 | 1.36 |
| | | Decrease | 09-08-2019 | 1094 | 0 | 301776 | 1.36 |
| | | Decrease | 16-08-2019 | 1356 | 0.01 | 300420 | 1.35 |
| | | Decrease | 23-08-2019 | 2036 | 0.01 | 298384 | 1.34 |
| | | Decrease | 30-08-2019 | 295384 | 1.33 | 3000 | 0.01 |
| | | Increase | 06-09-2019 | 2000 | 0.01 | 5000 | 0.02 |

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| Sl. No. | Name - For each of the Top 10 Shareholders | Remarks | Shareholding / Transaction Date | Shareholding at the beginning of the year (01.04.2019) | | Cumulative Shareholding during the year (01.04.2019-31.03.2020) | |
|---------|--|------------------------------|---------------------------------|--|----------------------------------|---|----------------------------------|
| | | | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | | Decrease | 29-11-2019 | 4645 | 0.02 | 355 | 0 |
| | | Increase | 06-12-2019 | 5145 | 0.02 | 5500 | 0.02 |
| | | Decrease | 27-12-2019 | 2949 | 0.01 | 2551 | 0.01 |
| | | Decrease | 17-01-2020 | 189 | 0 | 2362 | 0.01 |
| | | Increase | 07-02-2020 | 88 | 0 | 2450 | 0.01 |
| | | Increase | 21-02-2020 | 6789 | 0.03 | 9239 | 0.04 |
| | | Decrease | 28-02-2020 | 9239 | 0.04 | 0 | 0 |
| | | At the end of the year | 31-03-2020 | | | 0 | 0 |
| 4 | BARING INDIA PRIVATE EQUITY FUND II LIMITED | At the beginning of the year | 01-04-2019 | 285218 | 1.28 | 285218 | 1.28 |
| | | At the end of the year | 31-03-2020 | | | 285218 | 1.28 |
| 5 | JYOTSNA DESAI | At the beginning of the year | 01-04-2019 | 266707 | 1.2 | 266707 | 1.2 |
| | | At the end of the year | 31-03-2020 | | | 266707 | 1.2 |
| 6 | NIHAR NILEKANI | At the beginning of the year | 01-04-2019 | 201932 | 0.91 | 201932 | 0.91 |
| | | At the end of the year | 31-03-2020 | | | 201932 | 0.91 |
| 7 | INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS | At the beginning of the year | 01-04-2019 | 198619 | 0.89 | 198619 | 0.89 |
| | | Decrease | 06-04-2019 | 12716 | 0.06 | 185903 | 0.84 |
| | | Decrease | 02-08-2019 | 150 | 0.00 | 185753 | 0.84 |
| | | Increase | 29-11-2019 | 18435 | 0.08 | 204188 | 0.92 |
| | | Increase | 06-12-2019 | 22 | 0 | 204210 | 0.92 |
| | | At the end of the year | 31-03-2020 | 0 | 0 | 204210 | 0.92 |
| 8 | H C Commercial Limited | At the beginning of the year | 01-04-2019 | 152000 | 0.68 | 152000 | 0.68 |
| | | At the end of the year | 31-03-2020 | | | 152000 | 0.68 |
| 9 | LIFE INSURANCE CORPORATION OF INDIA | At the beginning of the year | 01-04-2019 | 150996 | 0.68 | 150996 | 0.68 |
| | | Decrease | 09-08-2019 | 3526 | 0.02 | 147470 | 0.66 |
| | | Decrease | 16-08-2019 | 2751 | 0.01 | 144719 | 0.65 |
| | | Decrease | 23-08-2019 | 4564 | 0.02 | 140155 | 0.63 |
| | | Decrease | 30-08-2019 | 25872 | 0.12 | 114283 | 0.51 |
| | | Decrease | 06-09-2019 | 43287 | 0.2 | 70996 | 0.32 |
| | | Decrease | 11-10-2019 | 4833 | 0.02 | 66163 | 0.3 |
| | | Decrease | 18-10-2019 | 22956 | 0.1 | 43207 | 0.19 |
| | | Decrease | 25-10-2019 | 41926 | 0.19 | 1281 | 0.01 |
| | | Decrease | 01-11-2019 | 1281 | 0.01 | 0 | 0 |
| | | At the end of the year | 31-03-2020 | | | 0 | 0 |

| Sl. No. | Name - For each of the Top 10 Shareholders | Remarks | Shareholding / Transaction Date | Shareholding at the beginning of the year (01.04.2019) | | Cumulative Shareholding during the year (01.04.2019-31.03.2020) | |
|---------|--|------------------------------|---------------------------------|--|----------------------------------|---|----------------------------------|
| | | | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 10 | JAGDISH AMRITLAL SHAH | At the beginning of the year | 01-04-2019 | 142705 | 0.64 | 142705 | 0.64 |
| | | At the end of the year | 31-03-2020 | | | 142705 | 0.64 |
| 11 | SHELLY DESAI | At the beginning of the year | 01-04-2019 | 116537 | 0.53 | 116537 | 0.53 |
| | | Increase | 17-05-2019 | 129 | 0 | 116666 | 0.53 |
| | | At the end of the year | 31-03-2020 | | | 116666 | 0.53 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | For Each of the Directors and KMP | | | | |
| | At the beginning of the year | NIL | NIL | NIL | NIL |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) | NIL | NIL | NIL | NIL |
| | At the End of the year | NIL | NIL | NIL | NIL |

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | NIL | NIL | NIL | NIL |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | NIL | NIL | NIL | NIL |
| Change in Indebtedness during the financial year | NIL | NIL | NIL | NIL |
| • Addition | | | | |
| • Reduction | | | | |
| Net Change | NIL | NIL | NIL | NIL |
| Indebtedness at the end of the financial year | NIL | NIL | NIL | NIL |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | NIL | NIL | NIL | NIL |

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. no. | Particulars of Remuneration | Name of MD/WT/ Manager | | | | Total Amount |
|---------|--|------------------------|------|------|------|--------------|
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | N.A. | N.A. | N.A. | N.A. | N.A. |
| 2. | Stock Option | N.A. | N.A. | N.A. | N.A. | N.A. |
| 3. | Sweat Equity | N.A. | N.A. | N.A. | N.A. | N.A. |
| 4. | Commission - as % of profit - others, specify... | N.A. | N.A. | N.A. | N.A. | N.A. |
| 5. | Others, please specify | N.A. | N.A. | N.A. | N.A. | N.A. |
| | Total (A) | N.A. | N.A. | N.A. | N.A. | N.A. |
| | Ceiling as per the Act | N.A. | N.A. | N.A. | N.A. | N.A. |
| | | N.A. | N.A. | N.A. | N.A. | N.A. |

B. Remuneration to other directors: (Rs. in Lakh)

| Sl. no. | Particulars of Remuneration | Name of Directors | | Total Amount |
|---------|---|-------------------|-----------------------------------|--------------|
| | | Shri Ajay Singhal | Smt. Shilpa Shashikant Patwardhan | |
| 1. | Independent Directors • Fee for attending Board / committee meetings • Commission • Others, please specify | 0.65 | 0.3 | 0.95 |
| | Total (1) | 0.65 | 0.3 | 0.95 |
| 2. | Other Non-Executive Directors • Fee for attending Board / committee meetings • Commission • Others, please specify | NIL | NIL | NIL |
| | Total (2) | NIL | NIL | NIL |
| | Total (B)= (1+2) | 0.65 | 0.3 | 0.95 |
| | Total Managerial Remuneration | | | |
| | Overall Ceiling as per the Act | N.A.* | N.A.* | N.A.* |
| | | | | |

* Section 197 is not applicable to Government Companies

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

(Rs.is Lakh)

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|-------------------|-------------|--------------|
| | | CEO | Company Secretary | CFO | Total |
| 1. | Gross salary: | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | N.A. | 16.38 | N.A. | 16.38 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | N.A. | 0.38 | N.A. | 0.38 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | N.A. | N.A. | N.A. | N.A. |
| 2. | Stock Option | N.A. | 0 | N.A. | 0 |
| 3. | Sweat Equity | N.A. | - | N.A. | - |
| 4. | Commission | N.A. | - | N.A. | - |
| | - as % of profit | | | | |
| | - others, specify... | | | | |
| 5. | Others, please specify | N.A. | - | N.A. | - |
| | Total | N.A. | 16.76 | N.A. | 16.76 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

.....
[Sandip Das]
Director
[DIN : 08217697]

.....
[Perin Devi Rao]
Director
[DIN : 07145051]

Date: 26th August, 2020v

The Company's Philosophy on Code of Corporate Governance and Guidelines thereon

Your Company with limited business activity has always strived for better return to its shareholders by strictly governing its activities, in terms of cutting down un-necessary cost and emphasizing on maximizing growth in the area of interest income from Bank Term/Fixed deposits.

The framework of your Company's Corporate Governance Policy, is based on the following principles:

- Framing the composition/size of the Board of Directors (subject to direction from the Administrative Ministry and in accordance with the SEBI ('Listing Regulations'), 2015 and Companies Act, 2013) commensurate with the activity of the Company;
- Ensuring timely flow of information to the Board and Board Committees to enable them to discharge their functions, effectively;
- Safeguarding integrity of the Company's financial reporting;
- Ensuring a sound system of internal control;
- Timely and adequate disclosure to all its stakeholders;
- Transparency and accountability;
- Compliance with all applicable Rules and Regulations;
- Fair and equitable treatment to all its shareholders and investors.

BOARD OF DIRECTORS ('THE BOARD')**Composition**

The Board as on 31st March, 2020 consisted of 5 (five) Directors, which included a Non-executive and Non-Independent Chairman who being the Director(Finance) of the Subsidiary Company namely Balmer Lawrie & Co. Ltd. is an ex-officio member, 2 Non-executive Independent Directors and two Government Nominee Directors. Out of two Government Nominee Directors, as on 31st March, 2020 one is Women Directors and out of two Independent Directors one is Women Director. Your Company does not have any functional Director on its Board.

As on 31st March, 2020, the Board of your Company consisted of the following five Directors:

- a. Shri Shyam Sundar Khuntia, Non-Executive Director, Ex-officio member.
- b. Smt. Perin Devi Rao, Government Nominee Director, Non-Executive Women Director.
- c. Shri Shyam Singh Mahar, Government Nominee Director, Non-Executive Director.
- d. Shri Ajay Singhal, Non-Executive-Independent Director; and
- e. Smt. Shilpa Shashikant Patwardhan, Non-Executive-Independent Woman Director.

Shri Shyam Sundar Khuntia, attained superannuation on close of business hours on 30th April 2020 and his directorship as Director (Finance) in Balmer Lawrie & Co. Ltd. ceased w.e.f. 1st May, 2020. In furtherance to letter No. CA-31024/2/2018-PNG (25059) dated 20th January, 2020 of Ministry of Petroleum & Natural Gas (MoPNG), Government of India, Balmer Lawrie & Co. Ltd appointed Shri Sandip Das [DIN 08217697] as an Additional Director with the designation of Director (Finance) of Balmer Lawrie & Co. Ltd., with effect from 1st May, 2020. As a consequence of this, Shri S S Khuntia has relinquished his post of Non-Executive Director and Chairman of the Board Meetings of the Company.

In line with letters bearing reference no. P-21014/1/2006-Mkt dated 16th April, 2010 and CA-31024/2/2018-PNG (25059) dated 20th January, 2020 received from Ministry of Petroleum & Natural Gas (MoPNG) Shri Sandip Das, Director (Finance) of Balmer Lawrie & Co. Ltd. having [DIN 08217697] was appointed as Non-Executive, Director (ex-officio) on the Board of Balmer Lawrie Investments Ltd. w.e.f from 5th May, 2020.

The brief profile of Directors**Shri Sandip Das (DIN 08217697)****Non-Executive Director, Ex-Officio Member**

Shri Sandip Das was appointed as a Non-Executive Director of the Company on 5th May, 2020 by the Board of Directors, based on the direction of the MoPNG.

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

Shri Das has more than 20 years of experience in Balmer Lawrie & Co. Ltd (BL) (Subsidiary of your Company). During his career in BL he has worked in core business areas in both manufacturing and services verticals at multiple level as well as in the corporate finance function.

Shri Das also holds the position of Director in Visakhapatnam Port Logistics Park Limited and Balmer Lawrie (UK) Limited which are Subsidiaries of Balmer Lawrie & Co. Ltd. He also holds position of Non-Executive Director in Transafe Services Limited, Balmer Lawrie-Van Leer Limited and as Commissioner in PT Balmer Lawrie Indonesia which are Joint Ventures of Balmer Lawrie & Co. Ltd.

The brief profile of Shri Das is stated in the Notice of the Annual General Meeting.

Smt. Perin Devi Rao (DIN 07145051),**Government Nominee Director, Non-Executive Woman Director**

Smt. Perin Devi Rao was appointed as a Non-Executive Woman Government Nominee Director on 25th January, 2016 by the Board of Directors and as per the direction of the MoPNG.

She was further appointed as Non-Executive Government Nominee Director at the 15th AGM of the Company held on 22nd September, 2016 on co-terminus basis or until further orders from MoPNG, whichever is earlier and was reappointed at the 16th AGM held on 14th September, 2017 and the 18th AGM of the Company held on 18th September, 2019 .

Smt. Perin Devi Rao is Director (IFD) in MoPNG – the Administrative Ministry of the Company.

Shri Shyam Singh Mahar (DIN 08511166)**Government Nominee Director, Non-Executive Director**

The Board pursuant to provisions of the Companies Act, 2013 and allied Rules read with letter No.C-31033/1/2016-CA/FTS: 42979 dated 27th May, 2019 received from the Ministry of Petroleum & Natural Gas, (MoPNG), Government of India, appointed Shri Shyam Singh Mahar (DIN 08511166) as a Government Nominee Director with effect from 19th July, 2019. Thereafter at the 18th AGM of the Company dated 18th September, 2019, resolution for appointment of Shri Shyam Singh Mahar for three years on co-terminus basis or until further orders from MoPNG, whichever earlier, was approved.

Shri Mahar holds a Bachelor degree in Science (Physics Honours) and is expertise in providing financial assistance in the Government Sector. Shri Mahar is Deputy Secretary in MoPNG – the Administrative Ministry of the Company.

Shri Ajay Singhal (DIN 08187034)**Independent Director**

Shri Ajay Singhal was appointed as an Independent Director of the Company on 3rd August, 2018 by the Board in furtherance to the letter No.C-31033/2/2018-CA (22758) dated 24th July, 2018 received from the MoPNG, Government of India. He was further appointed as an Independent Director of the Company at the 17th AGM held on 12th September, 2018.

Shri Singhal is a fellow member of ICAI and has passed his LLB examination from Jiwaji University, Gwalior. He holds a Diploma in Information System Audit (DISA), awarded by the Institute of Chartered Accountants of India (ICAI). He has also completed a Certificate course in Concurrent Audits of Banks and Valuation.

Shri Singhal is presently practicing in the field of Chartered Accountancy as a Managing Partner of M/s A Singhal & Associates (Chartered Accountants). During the last 18 years of Chartered Accountancy Profession, he has specialised in Audit, Taxation, Finance, etc.

Shri Singhal had also served as a Chairman of Gwalior Branch of CIRC of ICAI in the year 2016-17. Shri Singhal

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served as an Executive Council Member of Barkatullah University Bhopal, where he was appointed by Hon'ble Governor of Madhya Pradesh and is also associated with various social organizations. Shri Singhal is also member of Madhya Pradesh Chamber of Commerce and Industry, Gwalior.

Smt Shilpa Shashikant Patwardhan (DIN 07008287) **Independent Woman Director**

Smt. Shilpa Shashikant Patwardhan had been appointed as an Additional Director by the Board of Directors with designation Independent Director of the Company with effect from 21st October, 2019 upto the date of next Annual General Meeting in furtherance to the letter No. C-31033/2/2018-CA/PNG: 25758 dated 12th July, 2019.

Smt. Patwardhan holds a Bachelor degree in Arts. She has completed Yoga instructor Course from Vivekanand Centre, Bangalore and she has also completed Reiki Sadhana & Reiki Master course. Smt. Patwardhan is a LIC Agent. Smt. Patwardhan had served as Senate Member of Mumbai University. She is actively involved in Ratnagiri Education Society for the last 20 years and since 2017 she is Chairman of that Society. Earlier she was serving as President of Gangadhar Govind Patwardhan English Medium School, Ratnagiri. She had opened first Gurukul English Medium School in Maharashtra at Ratnagiri. She also served instrumental roles in arranging funds for various educational purposes. Earlier she had been elected as Corporator in Ratnagiri municipality (Maharashtra) for the years 1991 to 2005. She had represented India in 7th International women physical education council, 1973 in Yogasana & Mallakhamb and has been felicitated with various awards for her contribution in social work.

Smt. Patwardhan is ex-member of Advisory Board of Central Telephone Nigam, Govt. of India, where she served for 6 years. Smt. Patwardhan also acted as Treasurer of Ratnagiri district women's sahitya sammelan organized by Konkan Marathi Sahitya Parishad. She is member of Aamhi Udyogini, Rantagiri branch. She is Director of Aasamant, a society working for fighting against social disorders and environmental issues. She had also worked as sub-editor of 'Aavahan' (A souvenir by BJP's National Working Committee, Women Cell) and has written various articles write up in various newspapers and magazines.

The brief profile of Smt. Patwardhan is stated in the Notice of the Annual General Meeting.

Meetings & Attendances

The Board met 5 times during the Financial Year ended 31st March, 2020. The dates of the Board Meetings held during the Financial Year ended 31st March, 2020 and attendance of each director at the respective Board Meetings and the last AGM are given hereunder:

| Name of Directors | Date of the Board Meetings | | | | | Date of AGM |
|------------------------------------|----------------------------------|-----------------------------------|---|---------------------------------------|---------------------------------------|--|
| | 28 th May, 2019 | 18 th July, 2019 | 13 th & 14 th August, 2019 | 13 th November, 2019 | 10 th February, 2020 | 18 th September, 2019 |
| Shri Shyam Sundar Khuntia | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Smt. Kiran Vasudeva* | ✓ | X | NA | NA | NA | NA |
| Smt Perin Devi Rao | ✓ | ✓ | ✓ | X | ✓ | ✓ |
| Shri Shyam Singh Mahar # | NA | NA | ✓ | ✓ | ✓ | ✓ |
| Shri Ajay Singhal | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Smt Shilpa Shashikant Patwardhan ^ | NA | NA | NA | ✓ | ✓ | NA |

*The relinquishment of directorship by Smt. Kiran Vasudeva was taken on record by the Board w.e.f. 18th July, 2019 due to withdrawn of her nomination by the Administrative Ministry owing to her Superannuation.

#Shri Shyam Singh Mahar has been appointed as additional director in the category of Government Nominee director w.e.f. 19th July, 2019.

^Smt. Shilpa Shashikant Patwardhan was appointed as additional director with the designation of Independent director w.e.f 21st October, 2019.

Directorship & Committee Positions

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

| Name of the Director | Total No. of Directorship in other Companies | Names of the other Listed entities in which the director is a director and the category of directorship | Number of memberships in Committee(s) of other Companies | Number of post of Chairperson in Committee of other Companies |
|---|--|--|--|---|
| Shri Shyam Sundar Khuntia, Non- Executive Director | 5 | Balmer Lawrie & Company Limited-Director (Finance) and Chief Financial Officer | 6 | 1 |
| Smt. Perin Devi Rao, Government Nominee Director | 3 | Balmer Lawrie & Company Limited-Government Nominee Director Chennai Petroleum Corporation Limited-Government Nominee Director | 6 | 0 |
| Shri Shyam Singh Mahar, Government Nominee Director | 0 | - | 0 | 0 |
| Shri Ajay Singhal, Independent Director | 0 | - | 0 | 0 |
| Smt. Shilpa Shashikant Patwardhan, Independent Director | 1 | - | 0 | 0 |

Disclosure of Relationship between Directors inter-se

None

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

As on 31st March, 2020, the number of shares and convertible instruments held by Non- executive Directors are as follows:

| Name of Non-executive Director | Name of the Company in which the shares or convertible instrument is held as on 31-03-2020 | Number of shares and convertible instruments | Number of memberships in other public Companies | Percentage of shares and convertible instruments |
|----------------------------------|--|--|---|--|
| Shri Shyam Sundar Khuntia | - | NIL | NIL | NIL |
| Smt Perin Devi Rao | - | NIL | NIL | NIL |
| Shri Shyam Singh Mahar | - | NIL | NIL | NIL |
| Shri Ajay Singhal | - | NIL | NIL | NIL |
| Smt Shilpa Shashikant Patwardhan | - | NIL | NIL | NIL |

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

http://www.blinv.com/corp_announcements.html

Chart / Matrix setting out the skills/expertise/competence of the Board of Directors

The Company being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoPNG), the power to appoint Directors (including Independent Directors) vests with the Government of India. The Independent Directors are selected by Government of India from a mix of eminent personalities having requisite expertise and experience in diverse fields. In view thereof, the Board of Directors has not identified the list of core skills / expertise / competencies required by a Director in the context of company's business, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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Reasons of resignation of Independent Director(s)

None of the Independent Director(s) resigned before the expiry of their tenure.

Confirmation regarding Independent Directors

It is hereby confirmed that the Independent Directors fulfil the conditions specified in the SEBI Regulations and are Independent of the management except to the fact they are nominated by the Administrative Ministry.

Committees of the board

Audit Committee

The Audit Committee was formed by the Board on 23rd September, 2002. The terms of reference of Audit Committee have been amended by the Board of Directors in March, 2019, in accordance with the amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference of Audit Committee

The revised terms of reference of the Audit Committee, are as follows:

- a) Investigate into any matter referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and external professional advice, if necessary;
- b) Investigate any activity within its terms of reference;
- c) Seek information from any employee;
- d) Obtain outside legal or other professional advice;
- e) Secure attendance of outsiders with relevant expertise, if it considers necessary;
- f) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- g) Recommend the appointment, reappointment and if required the replacement or removal of statutory auditors, fixation of audit fee, terms of appointment and also approval for payment for any other services;
- h) Review and monitor the auditor's independence and performance and effectiveness of the audit process;
- i) Review with the management the annual Financial Statements before submissions to the Board, focusing primarily on:
 - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report.
 - ii) Any changes in accounting policies and practices.
 - iii) Major accounting entries involving estimates based on exercise of judgment by management.
 - iv) Examination of the auditor's report and Qualification in draft audit report.
 - v) Significant adjustments made in Financial Statements arising out of audit findings.
 - vi) The going concern assumption.
 - vii) Compliance with accounting standards.
 - viii) Compliance with listing and legal requirements concerning financial statements.
 - ix) Disclosure of any related party transactions and approval of any subsequent modification of transactions of the Company with related parties.
- j) Reviewing, with the management, the quarterly Financial Statements before submission to the board for approval;
- k) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- l) Review with the management, performance of the Statutory and Internal Auditors, the adequacy of internal control systems;
- m) Review the adequacy of internal audit function, including the structure of the Internal Audit Department, staff, seniority of official heading the department reporting structure coverage and frequency of internal audit;
- n) Scrutiny of inter-corporate loans and investments;
- o) Valuation of undertakings or assets of the company, wherever it is necessary;
- p) Evaluation of internal financial controls and risk management systems;
- q) Monitoring the end use of funds raised through public offers and related matters;
- r) Discuss with Internal Auditors any significant findings and follow up thereon;
- s) Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- t) Discuss with statutory auditors before the audit commences, nature and scope of audit as well as to have post-audit discussion to ascertain any area of concern;
- u) Review the financial and risk management policies of the Company;
- v) Look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors;
- w) Discuss with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review of the quarterly, half-yearly and annual Financial Statements before submission to the Board;
- x) Ensure compliance of internal control systems;
- y) The Chairman of the Audit Committee shall attend the Annual General Meetings of the Company to provide any clarification on matters relating to audit sought by the members of the Company;
- z) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- za) Review the utilization of loans and/or advances from /investment by the holding company in the subsidiary company exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

Composition and attendance during the year

As on 31st March, 2020, the Committee consisted of 3 members and all of them, including the Chairperson of the Committee, are Non-Executive Directors. The Committee was reconstituted thrice during the Financial Year 2019-2020.

As of 31st March, 2020, the following are the members of the Committee:

| Names | Position Held |
|---------------------------|---------------|
| Shri Ajay Singhal | Chairperson |
| Smt. Perin Devi Rao | Member |
| Shri Shyam Sundar Khuntia | Member |

The members of the Audit Committee are all financially literate and some have expertise in finance and general management matters. The Company Secretary acted as the secretary to the Audit Committee.

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Meetings & Attendances

The Committee met 5 times during the Financial Year ended 31st March, 2020. Attendance of the Committee Members at the meetings during the Financial Year ended 31st March, 2020, is enumerated below:

| Name of the Directors | Date of the Audit Committee Meetings | | | | |
|------------------------------------|--------------------------------------|----------------------------|---------------------------|---------------------------|---------------------------|
| | 28 th May 2019 | 18 th July 2019 | 13 th Aug 2019 | 13 th Nov 2019 | 10 th Feb 2020 |
| Shri Ajay Singhal | ✓ | ✓ | ✓ | ✓ | ✓ |
| Shri Shyam Sundar Khuntia | ✓ | ✓ | ✓ | ✓ | ✓ |
| Smt. Perin Devi Rao | ✓ | ✓ | ✓ | X | ✓ |
| Shri Shyam Singh Mahar# | NA | NA | ✓ | ✓ | ✓ |
| Ms. Shilpa Shashikant Patwardhan\$ | NA | NA | NA | ✓ | ✓ |
| Smt. Kiran Vasudeva* | ✓ | x | NA | NA | NA |

* The relinquishment of directorship by Smt. Kiran Vasudeva was taken on record by the Board w.e.f. 18th July 2019 due to withdrawn of her nomination by the Administrative Ministry owing to her Superannuation.

Shri Shyam Singh Mahar has been appointed as additional director in the category of Government Nominee director w.e.f. 19th July, 2019.

\$ Smt. Shilpa Shashikant Patwardhan was appointed as additional director with the designation of Independent director w.e.f 21st October, 2019.

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee was formed by the Board on 28th March, 2015. The Committee was reconstituted at the Board meeting dated 18th July, 2019, 21st October 2019 and on 10th February, 2020. The terms of reference of the Committee were amended vide Resolution passed by circulation dated 29th March, 2019 in accordance with the amendments in SEBI (LODR) Regulations, 2015.

It may be noted that except Shri Ajay Singhal, Independent Director and Smt. Shilpa Shashikant Patwardhan, Independent Director none of the Directors receive any remuneration/compensation, including sitting fee, for attending meetings of the Board and/or any Board Committees and the appointment of the Directors on the Board of the Company is done as per the direction of the Administrative Ministry – MoPNG which determines all the terms of appointment of the appointees. Hence, there is no pecuniary relationship or transactions of the non-executive directors vis-a-vis the Company, other than payment of sitting fee to the Independent Director, which is detailed elsewhere.

Further, the Company being a Special Purpose Vehicle was formed only to hold the shares of Balmer Lawrie & Co. Ltd. offloaded by IBP Ltd. does not have any employees of its own. The services of inter-alia Company Secretary who has been placed on secondment by Balmer Lawrie & Co. Ltd. (BL) is pursuant to a Service Agreement between the Company and BL.

In the given situation the role of Nomination and Remuneration Committee is expected to be limited.

Terms of reference of NRC

The terms of reference of NRC are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. The NRC shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

5. The NRC shall, while formulating the policy ensure that —

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

6. The NRC shall recommend to the board, all remuneration, in whatever form, payable to the senior management.

Composition:

The Members of the Committee, including the Chairperson being Independent Director, are all non-executive Directors. The Committee was reconstituted at the Board meeting dated 18th July, 2019, 21st October 2019 and on 10th February, 2020. As of 31st March, 2020, the Committee consisted of the following four members:

| Names | Position Held |
|-----------------------------------|---------------|
| Shri Ajay Singhal | Chairperson |
| Smt. Perin Devi Rao | Member |
| Shri Shyam Sundar Khuntia | Member |
| Smt. Shilpa Shashikant Patwardhan | Member |

During the Financial Year 2019-20 one meeting of the Nomination and Remuneration Committee took place. The attendance of the Committee Members at the meeting, is enumerated below:

| Names | NRC meeting dated 18-07-2019 |
|------------------------------------|------------------------------|
| Shri Ajay Singhal | ✓ |
| Smt. Perin Devi Rao | ✓ |
| Shri Shyam Sundar Khuntia | ✓ |
| Smt. Shilpa Shashikant Patwardhan* | NA |

*Smt. Shilpa Shashikant Patwardhan was appointed as Independent director of the Company w.e.f 21st October, 2019.

Formulation of criteria for performance evaluation of Independent Directors

The Company being a Government Company and the directors, including Independent Directors are appointed as per the direction of the Administrative Ministry. In the given situation the Committee is not in a position to set up evaluation criteria of Independent Directors as the same is being done by the Government. It may be pertinent to mention that as per the Schedule IV of Companies Act, 2013 - the provisions of Paragraph V and Paragraph VIII shall not apply in the case of a Government company as defined under clause (45) of Section 2 of the Companies Act, 2013, if the requirements in respect of matters specified in these paragraphs are specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Government and such requirements are complied with by the Government companies.

Remuneration of Directors

The appointment of the Directors on the Board of the Company is done as per the direction of the Administrative Ministry – MoPNG which determines all the terms of appointment of the appointees.

None of the Directors, receive any remuneration/compensation, including sitting fee, for attending meetings of the Board and/or any Board Committees except Shri Ajay Singhal, Independent Director and Smt. Shilpa Shashikant Patwardhan, Independent director who receives sitting fee for attending the meetings of the Board and Committees and plus reimbursement of reasonable travelling, hotels and other expenses incurred in execution of his duties as Director and Member of any Committee.

Hence, there is no pecuniary relationship or transaction of the non-executive directors vis-a-vis the Company except as stated above.

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Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('the Committee') (erstwhile Shareholders/ Investors Grievance Committee) was constituted by the Board on 29th July, 2003 with terms of reference as was delegated and determined by the Board. The Committee was renamed as Stakeholder's Relationship Committee in 2014.

The main function of the Committee is to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividend.

Composition

The Members of the Committee, including the Chairperson are all Non-Executive Directors. As of 31st March, 2020, the Committee consisted of the following five members

| Names | Position Held |
|-----------------------------------|---------------|
| Shri Shyam Sundar Khuntia | Chairperson |
| Smt. Perin Devi Rao | Member |
| Shri Ajay Singhal | Member |
| Shri Shyam Singh Mahar | Member |
| Smt. Shilpa Shashikant Patwardhan | Member |

Compliance Officer:

Name : Shri Abhishek Lahoti

Designation : Company Secretary

Status of investor complaints:

| | |
|--|-----|
| No. of complaints pending at the beginning of the year as of 01/04/2019 | Nil |
| No. of complaints received during the year: | Nil |
| No. of complaints disposed of during the year: | Nil |
| No. of complaints remaining unresolved at the end of the year as of 31/03/2020 | Nil |
| No. of complaints not solved to the satisfaction of shareholder | NA |

GENERAL BODY MEETINGS

(i) Details of the last three Annual General Meetings (AGMs) and Special Resolution(s) passed thereat:

| Year | AGM No. | Venue | Date & Time | Details of the Special Resolution(s) passed |
|------|------------------|--|---|---|
| 2017 | 16 th | G.D. Birla Sabhagar, 29, Ashutosh Choudhry Avenue, Kolkata – 700 019 | 14 th September, 2017 at 2:30 p.m. | Nil |
| 2018 | 17 th | G.D. Birla Sabhagar, 29, Ashutosh Choudhry Avenue, Kolkata – 700 019 | 12 th September, 2018 at 2:30 p.m. | Nil |
| 2019 | 18 th | G.D. Birla Sabhagar, 29, Ashutosh Choudhry Avenue, Kolkata – 700 019 | 18 th September, 2019 at 2:30 p.m. | Nil |

(ii) Special Resolution(s) passed last year through Postal Ballot:

During the Financial Year 2019-20, no Special Resolution has been passed through the exercise of postal ballot.

(iii) Whether any Special Resolution(s) is proposed to be conducted through Postal Ballot:

No Special Resolution is proposed to be conducted through postal ballot.

MEANS OF COMMUNICATIONS

The quarterly results (un-audited) were submitted to the Stock Exchanges within 45 days from the end of each quarter (except for the last quarter). Simultaneously, the said results were published in the newspapers and also uploaded on the website of the Company.

Such financial results, whether quarterly or annual, were published in 'The Financial Express' (English), 'Aajkal' (Bengali) and 'Jansatta' (Hindi).

The Company's website www.blinv.com provides comprehensive information of the Company, including information on financial results (quarterly and annual), Report of the Auditors and Directors on the annual financial statement, statutory information, various policies and codes adopted by the Company and corporate announcements.

SHAREHOLDERS' INFORMATION

Details of Annual General Meeting 2019-20.

| | |
|--------------------|--|
| Date & Time | 25 th September, 2020, 4:00 p.m. |
| Venue | Through VC/OAVM |
| Financial year | 2019-20 |
| Book Closure Dates | 19 th September, 2020 to 25 th September, 2020 |

Dividend Payment Date

Upon declaration at the ensuing 19th Annual General Meeting scheduled on 25th September, 2020, dividend shall be paid to the shareholders (holding shares as on 18th September, 2020 EOD being the cut-off date) within statutory period of 30 days from the date of declaration.

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

| Date on which, dividend declared / Financial Year | Total amount of Dividend (in Rs.) & % | Date of transfer to the unpaid dividend account | Amount of unclaimed dividend as on 31 st March, 2020 (in Rs.)* | % Of unclaimed dividend to total dividend | Due date of transfer to the "Investors' Education and Protection Fund" |
|---|---------------------------------------|---|---|---|--|
| 24 th September 2013 2012-13 | 24,41,69,959.00 110% | 31 st October 2013 | 28,32,357.00 | 1.16 | 31 st October 2020 |
| 25 th September 2014 2013-14 | 26,63,67,228.00 120% | 1 st November 2014 | 33,63,204.00 | 1.26 | 1 st November 2021 |
| 22 nd September 2015 2014-15 | 27,74,65,862.50 125% | 29 th October 2015 | 33,51,400.00 | 1.21 | 29 th October 2022 |
| 22 nd September 2016 2015-16 | 27,74,65,862.50 125% | 29 th October 2016 | 35,93,213.00 | 1.30 | 29 th October 2023 |
| 14 th September, 2017 2016-17 | 37,73,53,573 170% | 21 st October 2017 | 47,51,942.00 | 1.26 | 21 st October, 2024 |
| 12 th September, 2018 2017-18 | 53,27,34,456 240% | 19 th September 2018 | 35,80,824.00 | 0.67 | 19 th October 2025 |
| 18 th September, 2019 2018-19 | 75,47,07,146.00 340% | 25 th September 2019 | 29,18,662.00 | 0.39 | 25 th October 2026 |

*The actual amount to be transferred in IEPF Fund would differ from the same on account of adjustments made by the Bank or further claims made by the respective shareholders.

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Listing of Equity Shares

The Equity Shares of the Company are listed in Calcutta and Bombay Stock Exchanges, details whereof are given hereunder:

| Stock Exchanges | Stock Code |
|--|------------|
| BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 website: www.bseindia.com | 532485 |
| Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata – 700 001 website: www.cse-india.com | 12638 |

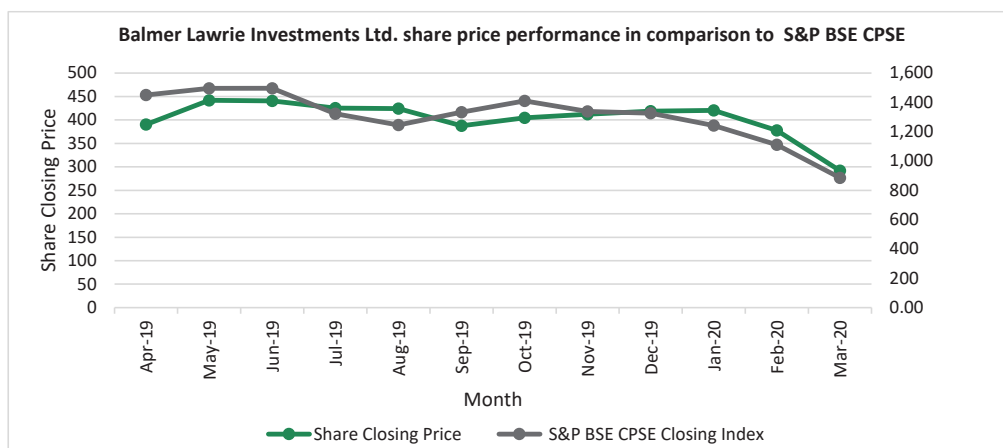
The Annual Listing Fees of BSE Ltd. has been paid. The invoice for the same from the Calcutta Stock Exchange Ltd. is awaited and the same shall be paid forthwith upon receipt of the same. Equity shares of your Company are actively traded in BSE Ltd.

ISIN Number allotted to the Company is: INE525F01017

Monthly High and Low quotes on Bombay Stock Exchange Ltd. ('BSE') during the period from April 2019 to March 2020

| Month | High (₹) | Low (₹) | Month | High (₹) | Low (₹) | Month | High (₹) | Low (₹) |
|---------|----------|---------|---------|----------|---------|--------|----------|---------|
| Apr-19 | 400.00 | 383.15 | Aug-19 | 439.00 | 417.40 | Dec-19 | 423.90 | 396.00 |
| May-19 | 456.00 | 373.00 | Sept-19 | 436.00 | 374.00 | Jan-19 | 434.00 | 403.00 |
| June-19 | 459.80 | 422.00 | Oct-19 | 419.00 | 382.50 | Feb-19 | 427.00 | 376.35 |
| Jul-19 | 443.00 | 423.00 | Nov-19 | 422.50 | 397.00 | Mar-19 | 394.90 | 270.00 |

Comparative Analysis of S&P BSE CPSE vis-a-vis monthly closing prices of the Equity shares of Balmer Lawrie Investments Ltd. ('BLI') as quoted on BSE



Registrar & Share Transfer Agent

The share registry functions, in both physical and de-mat segments are handled by a single common agency, namely, C B Management Services (P) Ltd ('CB'). CB is registered with SEBI and is based in Kolkata, having its corporate office at P-22, Bondel Road, Kolkata – 700 019, Tel: 91 33 40116700, Email: rta@cbmsl.com

Share Transfer System

The power to approve requests for registration of physical share transfer, transmission, subdivision/consolidation of shares, issue of duplicate share certificate in lieu of lost/misplaced original share certificate(s), replacement of share certificate(s) in lieu of torn/defaced share certificate(s) and issue of share certificate(s) upon rematerialization, etc., has been delegated by the Board to a separate Board Committee, which was formed in the name and style of "Committee of Directors of transfer of share etc". The Committee as on 31st March, 2020 comprises of 5 Board members, namely, Smt. Perin Devi Rao, Shri Shyam Sundar Khuntia, Smt Shilpa

Shashikant Patwardhan, Shri Shyam Singh Mahar and Shri Ajay Singhal. Share certificates after registration of transfer, transmission etc., are normally dispatched within the statutory time line. The share related activities of Company, are being looked after by its Registrar & Share Transfer Agent ('RSTA'), under the supervision of the Company Secretary of your Company. Shri Debabrata Dutt, Practicing Company Secretary carried out the Reconciliation of Share capital audit on a periodic basis.

SEBI has recently amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from 1st April, 2019. The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the listed companies / their RTAs.

Categories of Shareholders as on 31st March, 2020.

| Category | Total no. of Equity Shares | % (On the total Equity holding) |
|---|----------------------------|---------------------------------|
| Promoter & its Associates: President of India | 13246098 | 59.67 |
| Foreign National/NRI | 337305 | 1.52 |
| Indian Financial Institution, Mutual Fund & Banks | 32342 | 0.15 |
| Insurance Companies | 72 | 0.00 |
| FII's | 1392863 | 6.27 |
| Bodies Corporate | 2163544 | 9.75 |
| Others | 5025045 | 22.64 |
| Total | 22197269 | 100.00 |

Distribution of Shareholding as on 31st March, 2020

| Range of Shares | No. of Shareholders in each category | % (on total number of shareholders) | No. of Shares | % (on the total no of Shares) |
|-----------------|--------------------------------------|-------------------------------------|---------------|-------------------------------|
| 1 – 500 | 11071 | 90.21 | 839255 | 3.78 |
| 501 – 1000 | 567 | 4.62 | 421839 | 1.90 |
| 1001 – 2000 | 297 | 2.42 | 432862 | 1.95 |
| 2001 – 3000 | 103 | 0.84 | 260136 | 1.17 |
| 3001 – 4000 | 39 | 0.31 | 139592 | 0.63 |
| 4001 – 5000 | 38 | 0.31 | 177905 | 0.80 |
| 5001 – 10000 | 67 | 0.55 | 486581 | 2.19 |
| 10001 & Above | 91 | 0.74 | 19439099 | 87.58 |
| Total | 12273 | 100.00 | 22197269 | 100.00 |

Dematerialization of Shares and Liquidity

The Equity shares of your Company are to be traded compulsorily in de-materialized mode and are available for trading, in both the Depositories in India, i.e., National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL').

As on 31st March, 2020, the distribution of Equity Shares held in physical and de-materialized mode, are produced below:

| Mode | No's | % (to the total paid-up capital) |
|----------|----------|----------------------------------|
| Physical | 195982 | 0.88 |
| De-mat | | |
| 1. NSDL | 4734365 | 21.33 |
| 2. CDSL | 17266922 | 77.79 |
| Total | 22197269 | 100.00 |

Your Company, for the Financial Year 2019-20, has paid the annual custody fee to both the Depositories, i.e., NSDL & CDSL.

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Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

Payment of Dividend through Electronic mode

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

Your Company accordingly encourages the use of electronic mode for payment of dividend, wherever available. To avail such facility the shareholders, are requested to fill-in the mandate form thereby providing the MICR code number of their bank and branch along with bank account number and other details to the Registrar & Share Transfer Agent of the Company, i.e., namely C B Management Services (P) Ltd. (where the shares are being held in physical form) or to their Depository Participant (where the shares are being held in dematerialized mode).

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

Address for Correspondences

All communications relating to share matters shall be addressed to –

Either -

C B Management Services (P) Ltd.
Unit: Balmer Lawrie Investments Ltd.,
P-22, Bondel Road,
Kolkata- 700 019
E-mail - rta@cbmsl.com
Phone No. 033-40116728.

-Or

The Company Secretary
Balmer Lawrie Investments Ltd.,
21, Netaji Subhas Road,
Kolkata – 700 001
E-mail – lahoti.a@balmerlawrie.com
Phone No. 033-22225227

Plant Location

Your Company does not carry out any business and therefore, it has not established any plant in any location.

List of All Credit Ratings obtained by the Company along with any revisions

Not applicable

DISCLOSURES

- 1) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

Apart from transactions with its subsidiary, Balmer Lawrie & Co. Ltd. ('BL'), there was no other Related Party Transaction. Further, the transactions with BL were all carried out at arm's length and the disclosures have been made in the Notes to the Annual Accounts. None of the transactions had any conflict with interests of the Company. None of the transactions are material related party transaction.

- 2) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets:

There has been no instance where there has been any non-compliance by the Company where penalties, strictures were imposed on the Company by stock exchange(s) or the SEBI or any statutory authority, on any matter related to capital markets.

The following fines were imposed by Stock Exchanges;

| Sr No. | Action taken by | Details of violation | Details of action taken Eg. Fines, warning letter, debarment, etc. | Observation/remarks of the Practising Company Secretary |
|--------|-----------------|---|---|---|
| 1. | BSE Ltd. | Non- compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board including failure to appoint woman director for the quarter ended June, 2019. | Fine imposed of Rs. 5,36,900 vide letter dated August 19, 2019 bearing reference no. LIST/COMP/Reg.27(2) & Reg. 17 to 21/ Jun-19/532485/157/2019-20 | The non-compliance of Regulation 17(1) was for reasons beyond the control of the Company. |
| 2. | BSE Ltd. | Non- compliance of Regulation 18(1) of SEBI (LODR) Regulations, 2015 pertaining to the constitution of audit committee for the quarter ended June, 2019. | Fine imposed of Rs. 2,14,760 vide letter dated August 19, 2019 bearing reference no. LIST/COMP/Reg.27(2) & Reg. 17 to 21/ Jun-19/532485/157/2019-20 | The non-compliance of Regulation 18(1) was for reasons beyond the control of the Company. |
| 3. | BSE Ltd. | Non- compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended September 2019. | Fine imposed of Rs. 5,42,800 vide letter dated October 31, 2019 bearing reference no. LIST/COMP/Reg.27(2) & Reg. 17 to 21/ Sep-19/532485/219/2019-20 | The non-compliance of Regulation 17(1) was for reasons beyond the control of the Company. |
| 4. | BSE Ltd. | Non- compliance of Regulation 18(1) of SEBI (LODR) Regulations, 2015 pertaining to the constitution of audit committee for the quarter ended September 2019. | Fine imposed of Rs. 2,17,120 vide letter dated October 31, 2019 bearing reference no. LIST/COMP/Reg.27(2) & Reg. 17 to 21/ Sep-19/532485/219/2019-20 | The non-compliance of Regulation 18(1) was for reasons beyond the control of the Company. |
| 5. | BSE Ltd. | Non- compliance of Regulation 19(1)/19(2) of SEBI (LODR) Regulations, 2015 pertaining to the constitution of nomination and remuneration committee for the quarter ended September, 2019. | Fine imposed of Rs. 2,17,120 vide letter dated October 31, 2019 bearing reference no. LIST/COMP/Reg.27(2) & Reg. 17 to 21/ Sep-19/532485/219/2019-20 | The non-compliance of Regulation 19(1)/19(2) was for reasons beyond the control of the Company. |
| 6. | BSE Ltd. | Non- compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended December, 2019. | Fine imposed of Rs. 1,18,000 vide letter dated February 03, 2020 bearing reference no. LIST/COMP/Reg.27(2) & Reg. 17 to 21/ Dec-19/532485/283/2019-20 | The non-compliance of Regulation 17(1) was for reasons beyond the control of the Company. |
| 7. | BSE Ltd. | Non- Compliance of Regulation 19(1)/19(2) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Nomination & Remuneration Committee for the quarter ended December, 2019. | Fine imposed of Rs. 2,17,120 vide letter dated February 03, 2020 bearing reference no LIST/COMP/ Reg.27(2) & Reg. 17 to 21/Dec 19/532485/283/2019-20 | The non-compliance of Regulation 19(1)/19(2) was for reasons beyond the control of the Company. |
| 8. | BSE Ltd. | Non- compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended March, 2020. | Fine imposed of Rs. 5,36,900 via mail dated July 02, 2020. | The non-compliance of Regulation 17(1) was for reasons beyond the control of the Company. |
| 9. | BSE Ltd. | Non- Compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of audit committee for the quarter ended March, 2020. | Fine imposed of Rs. 94,400 via mail dated July 02, 2020. | The non-compliance of Regulation 18(1) was for reasons beyond the control of the Company. |
| 10. | BSE Ltd. | Non- Compliance of Regulation 19(1)/19(2) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Nomination & Remuneration Committee for the quarter ended March, 2020. | Fine imposed of Rs. 94,400 via mail dated July 02, 2020. | The non-compliance of Regulation 19(1)/19(2) was for reasons beyond the control of the Company. |

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

- 3) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee.

The Company does not have any employee, however, the Company has adopted a Vigil Mechanism/ Whistle Blower Policy. The said policy is available on the website of the Company at the following link:

<http://www.blinv.com/Pdf/Whistle%20Blower%20policy%20&%20vigil%20mechanism.pdf>

It is hereby affirmed that no personnel has been denied access to the Audit Committee.

- 4) Details of compliance with mandatory requirements of SEBI Regulations and DPE Guidelines on Corporate Governance:

All mandatory requirements of applicable provisions of the SEBI Regulations and DPE Guidelines have been complied with except as mentioned by the Secretarial Auditors and the Statutory Auditors (while certifying the compliance of the Corporate Governance Regulations/Guidelines).

- 5) Details of adoption of the non-mandatory requirements

The Company has not adopted any non-mandatory requirements envisaged in the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

- 6) Web link where policy for determining 'material subsidiaries' is disclosed

http://www.blinv.com/Pdf/Policy%20on%20determining%20material%20subsidiaries_amended.pdf

- 7) Web link where policy on dealing with related party transactions is disclosed

<http://www.blinv.com/Pdf/Related%20Party%20Transactions%20Policy.pdf>

- 8) Disclosure of commodity price risks and commodity hedging activities.

Since the Company has no business to carry, there are no commodity price risks and no hedging activities are carried out.

- 9) Confirmation of Compliance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

It is hereby confirmed that each compliance has been complied with the requirements under Regulations 17 to 27 and clauses (b) to (j) of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015 except Reg 17, 18 and 19 as enumerated in the disclosure above, due to reasons beyond the control of the Company. Further, the Statutory Auditors' certificate that the Company has complied with the conditions of Corporate Governance is annexed to the Boards' Report.

- 10) The Board of Directors of the Company at its meeting held on 27th May, 2015, had formulated and approved the following codes:

- i) 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and
- ii) 'Code of Conduct to Regulate, Monitor and Report Trading by Insider'.

The aforesaid policies have been amended w.e.f. 1st April, 2019 in order to bring them in line with the amendments in SEBI (Prohibition of Insider trading) Regulations, 2015 and the same has been uploaded on the website of the Company www.blinv.com

- 11) Code of Conduct

The Code of Conduct ('the Code') for the Directors and Senior Management (who are one level below the Board), came into being, w.e.f. 22nd December, 2005. During the twelve months period ended 31st March, 2020, all the Directors of your Company and the Company Secretary (being the only member in the Senior Management team) have complied with the Code and to that effect have given their individual declaration to the Board. Since, your Company does not have any designated Chief Executive Officer, Shri Shyam Sundar Khuntia, has given a composite declaration on behalf of the Board and Senior Management, which is being furnished in '**Annexure 2A**', to this Report.

- 12) Total Fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor.

The details of fees paid to the Statutory auditors is provided in Note No. 18 of the Financial Statements.

- 13) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- a. Number of complaints filed during the financial year NIL
 - b. Number of complaints disposed of during the financial year NIL
 - c. Number of complaints pending as on end of the financial year NIL
- 14) Certificate from a Company Secretary in Practice that none of the directors of the Company have been debarred from being appointed or continuing as director of the Company attached as Annexure '2B'.
- 15) There was no case where Board had not accepted the recommendation of any Committee in the Financial Year 2019-20.
- 16) Disclosures with respect to demat suspense account/ unclaimed suspense account
Not Applicable
- 17) Other disclosures:
- i) The Company has not accepted any deposit from public during the Financial Year.
 - ii) Details of Presidential Directives issued by the Central Government and their compliance during the year and also in the last three years.
NONE
 - iii) Items of expenditure debited in books of accounts, which are not for the purposes of the business.
NIL
 - iv) Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management.
NIL
 - v) Details of Administrative and office expenses as a percentage of total expenses vis-a-vis financial expenses and reasons for increase.
 - vi) Administrative/Office Expenses is 48.02% of the Total Expenses in the year 2019-20 and the same was 58% in the year 2018-19.

TRAINING OF BOARD MEMBERS

Need based training is provided to the Directors.

WHISTLE BLOWER POLICY

The Company does not have any employee, however, the Company has adopted a Vigil Mechanism/ Whistle Blower Policy. The said policy is available on the website of the Company at the following link:

<http://www.blinv.com/Pdf/Whistle%20Blower%20policy%20&%20vigil%20mechanism.pdf>

Registered Office:

21, N. S. Road, Kolkata - 700 001

On behalf of Board of Directors

Balmer Lawrie Investments Ltd.

[Sandip Das]
Director
[DIN : 08217697]

[Perin Devi Rao]
Director
[DIN : 07145051]

Date: 26th August, 2020

CODE OF CONDUCT

Annexure- '2A'

Declaration on behalf of the Board and Senior Management as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO WHOM IT MAY CONCERN

I, Shyam Sundar Khuntia, Director of Balmer Lawrie Investments Ltd., hereby declare that myself, all the Directors and the Company Secretary (being only member in the Senior Management team) of the Company, have affirmed compliance with the Code of Conduct (meant for the Directors and Senior Management) for the Financial Year ended 31st March, 2020.

SHYAM SUNDAR KHUNTIA

Place: Kolkata

Date: 17th April, 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members
BALMER LAWRIE INVESTMENTS LIMITED
21 Netaji Subhas Road,
Kolkata-700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Balmer Lawrie Investments Limited** having CIN:L65999WB2001GOI093759 and having registered office at **21 Netaji Subhas Road, Kolkata-700001** (herein after referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|-----------------------------------|----------|--------------------------------|
| 1. | Mrs. Shilpa Shashikant Patwardhan | 07008287 | 21/10/2019 |
| 2. | Mrs. Perin Devi Rao | 07145051 | 25/01/2016 |
| 3. | Mr. Ajay Singhal | 08187034 | 03/08/2018 |
| 4. | Mr. Sandip Das | 08217697 | 05/05/2020 |
| 5. | Mr. Shyam Singh Mahar | 08511166 | 19/07/2019 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For N. K & Associates
Company Secretaries**

**Navin Kothari
Proprietor**

FCS No.: 5935

CP No.: 3725

UDIN: F005935B000572325

**Place: Kolkata
Date: 12.08.2020**

**INDEPENDENT AUDITOR'S CERTIFICATE ON
CORPORATE GOVERNANCE****Annexure-3**

To the Members of

Balmer Lawrie Investments Limited

- 1) We have examined the compliance of conditions of corporate governance by Balmer Lawrie Investments Limited (hereinafter referred "the Company"), for the year ended on 31st March, 2020 as stipulated in relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015, with Stock exchange(s) and as stipulated in the guidelines on Corporate Governance (hereinafter referred "the Guidelines") for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Govt. of India, vide OM No. 18(8)/2005-GM dated 14/05/2010.

Management's Responsibility

- 2) The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- 3) The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India and CPSE guidelines on Corporate Governance issued by the Department of Public Enterprises, Govt. of India.

Auditor's Responsibility

- 4) Pursuant to the requirements of the Listing Regulations and the Guidelines, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations and the Guidelines referred to in paragraph 3 above.
- 5) We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- 7) The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.

Our examination has been limited to a review of procedures & implementation thereof, adopted by the company for ensuring the compliance of Corporate Governance as stipulated in Listing obligations and CPSE guidelines. It is neither an audit nor an expression of opinion on financial statements of the company.

Opinion

- 8) Based on the procedures performed and according to the information and explanations given to us, and the representation given by management and considering the relaxation granted by Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to spread of COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, read with the Guidelines of Corporate Governance issued by the Department of Public Enterprises for CPSEs in the year 2010, as applicable for the year ended 31st March, 2020, referred to in paragraph 1 above, except the following:
- i) The Company has only 1 (One) Independent director till 20/10/2019 thereby the composition of Board of director was in not in line with the regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015.

- ii) The Company has only 5 (Five) directors on its board as on 31st March, 2020. As compared to the requirement of at least 6 director as per regulation 17(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015. Further, the Company does not have any CEO/CFO. Hence, Company's Board is not constituted properly.
- iii) The Audit Committee comprises of 4 (Four) directors of which one was Independent director till 20/10/2019, Later committee comprises of 5 (Five) directors of which only 2 (two) were Independent directors till 09/02/2020. The requirement of regulation 18(1) of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 was not in line till 09/02/2020.
- iv) The Audit Committee meeting held on dated 28/05/2019, 18/07/2019 & 13/08/2019 with only 1 (one) independent director. The meeting of the committee was not in line with regulation 18(2) of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015.
- v) The Nomination & Remuneration Committee comprises of 4 (Four) directors of which one was Independent director till 20/10/2019, Later committee comprises of 5 (Five) directors of which only 2 (two) were Independent directors till 09/02/2020. The requirement of regulation 19(1) of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 was not in line till 09/02/2020.
- vi) The company does not have a formal policy for preservation of documents as required under Regulation 9 Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015. However, being a Government company, Right to Information Act, 2005 & Rules thereunder and The Public Records Act, 1993 are applicable to it.

The following are the details of actions taken against the listed entity/ its promoters/ directors / material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various Circulars) under the aforesaid Acts/ Regulations and circulars/guidelines issued hereunder:

| Sr. No. | Action taken by | Details of violation | Details of action taken E.g. fines, warning letter, debarment, etc. | Observations/ remarks |
|---------|-----------------|--|--|---|
| 1 | BSE Ltd. | Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended June, 2019. | Fine imposed of Rs. 5,36,900 vide letter dated August 19, 2019 bearing reference no. LIST/COMP/Reg.27(2) & Reg. 17 to 21/Jun-19/532485/157/2019-20 | The non-compliance of Regulation 17(1) was for reasons beyond the control of the Company. |
| 2 | BSE Ltd. | Non-Compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of audit committee for the quarter ended June, 2019. | Fine imposed of Rs. 2,14,760 vide letter dated August 19, 2019 bearing reference no. LIST/COMP/Reg.27(2) & Reg. 17 to 21/Jun-19/532485/157/2019-20 | The non-compliance of Regulation 18(1) was for reasons beyond the control of the Company. |
| 3 | BSE Ltd. | Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended September' 2019. | Fine imposed of Rs. 5,42,800 vide letter dated October 31, 2019 bearing reference no LIST/COMP/Reg.27(2) & Reg. 17 to 21/Sep 19/532485/219/2019-20 | The non-compliance of Regulation 17(1) was for reasons beyond the control of the Company. |
| 4 | BSE Ltd. | Non-Compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of audit committee for the quarter ended September' 2019. | Fine imposed of Rs. 2,17,120 vide letter dated October 31, 2019 bearing reference no LIST/COMP/Reg.27(2) & Reg. 17 to 21/Sep 19/532485/219/2019-20 | The non-compliance of Regulation 18(1) was for reasons beyond the control of the Company. |

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

| Sr. No. | Action taken by | Details of violation | Details of action taken E.g. fines, warning letter, debarment, etc. | Observations/ remarks |
|---------|-----------------|---|---|---|
| 5 | BSE Ltd. | Non- Compliance of Regulation 19(1)/19(2) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Nomination & Remuneration Committee for the quarter ended September' 2019. | Fine imposed of Rs. 2,17,120 vide letter dated October 31, 2019 bearing reference no LIST/COMP/Reg.27(2) & Reg. 17 to 21/Sep 19/532485/219/2019-20 | The non-compliance of Regulation 19(1)/19(2) was for reasons beyond the control of the Company. |
| 6 | BSE Ltd. | Non- compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended December, 2019. | Fine imposed of Rs. 1,18,000 vide letter dated February 03, 2020 bearing reference no LIST/COMP/Reg.27(2) & Reg. 17 to 21/Dec 19/532485/283/2019-20 | The non-compliance of Regulation 17(1) was for reasons beyond the control of the Company. |
| 7 | BSE Ltd. | Non- Compliance of Regulation 19(1)/19(2) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Nomination & Remuneration Committee for the quarter ended December, 2019. | Fine imposed of Rs. 2,17,120 vide letter dated February 03, 2020 bearing reference no LIST/COMP/Reg.27(2) & Reg. 17 to 21/Dec 19/532485/283/2019-20 | The non-compliance of Regulation 19(1)/19(2) was for reasons beyond the control of the Company. |
| 8 | BSE Ltd. | Non- compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended March' 2020. | Fine imposed of Rs. 5,36,900 via mail dated July 02, 2020. | The non-compliance of Regulation 17(1) was for reasons beyond the control of the Company. |
| 9 | BSE Ltd. | Non- Compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of audit committee for the quarter ended March' 2020. | Fine imposed of Rs. 94,400 via mail dated July 02, 2020. | The non-compliance of Regulation 18(1) was for reasons beyond the control of the Company. |
| 10 | BSE Ltd. | Non- Compliance of Regulation 19(1)/19(2) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Nomination & Remuneration Committee for the quarter ended March, 2020. | Fine imposed of Rs. 94,400 via mail dated July 02, 2020. | The non-compliance of Regulation 19(1)/19(2) was for reasons beyond the control of the Company. |

- 9) We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

This report is being issued under the conditions of lockdown due to COVID-19 with limited resources available to us.

FOR B A S & CO LLP
Chartered Accountants
FRN: 323347E/E300008
CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660
UDIN- 20301660AAAAU6469

Place: Kolkata
Date: 21st August, 2020.

Annexure- 4



159, Rabindra Sarani, 9th Floor

Kolkata - 700 007

Phone : +91-33-4601-3950

E-mail : kothari.navin@yahoo.com

MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Balmer Lawrie Investments Limited

21, Netaji Subhas Road,

Kolkata – 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Balmer Lawrie Investments 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 our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: Not applicable to the Company during the Audit Period;
 - e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: Not applicable to the Company during the Audit Period;
 - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable to the Company during the Audit Period;

- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013: Not applicable to the Company during the Audit Period;
- h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not applicable to the Company during the Audit Period;
- i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not applicable to the Company during the Audit Period;

(vi) Other laws specifically applicable to the Company:

- a) Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprise vide their OM. No. 18(8)/2005- GM dated 14th May, 2010;

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

- (i) The Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

During the period under review fines were imposed by BSE Ltd. regarding non-compliance of Regulation 17(1), 18(1) and 19(1)/19(2) of SEBI (LODR) Regulations, 2015 for all the four quarters. Furthermore, during the year the company has delayed in filing few Forms with additional fees. Where the forms are filed with late fees before expiry of period specified under Section 403 of the Companies Act, 2013, this should be reported as compliance by reference of payment of additional fees.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations as mentioned in **Annexure "A"**.

We further report that,

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For N. K & Associates
Company Secretaries

Navin Kothari
Proprietor

Place: Kolkata
Date: 18.08.2020

FCS No.: 5935
C P No.: 3725
UDIN: F005935B000588913

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

'Annexure A'

Our observations on Secretarial Audit for the financial year ended 31st March, 2020 are as follows:

- a) The composition of the board of directors is not in compliance with the provisions of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) The composition of the audit committee was not in compliance with the provisions of Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 till 09th February, 2020.
- c) The quorum for the audit committee meetings dated 28th May, 2019; 18th July, 2019 and 13th August, 2019 were not in compliance with the provisions of Regulation 18(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- d) The composition of the nomination and remuneration committee was not in compliance with the provisions of Regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 till 09th February, 2020.
- e) The compliance with respect to Regulation 74(5) of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 was not done for all the quarters.

For N. K & Associates
Company Secretaries

Navin Kothari
Proprietor

FCS No.: 5935

C P No.: 3725

UDIN: F005935B000588913

Place: Kolkata
Date: 18.08.2020

To,
The Members
Balmer Lawrie Investments Limited
21, Netaji Subhas Road,
Kolkata – 700001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion. Further, due to the current pandemic situation we had limited scope of audit.
3. In view of applicable financial laws like direct and indirect tax laws, financial records and books of accounts being subjected to audit by the Internal Auditor and Statutory Auditor and relying on the reports submitted by the above agencies from time to time, we have not separately verified the financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For N. K & Associates
Company Secretaries

Navin Kothari
Proprietor
FCS No.: 5935
C P No.: 3725

UDIN: F005935B000588913

Place: Kolkata
Date: 18.08.2020

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BALMER LAWRIE INVESTMENTS LIMITED FOR THE YEAR ENDED 31 MARCH 2020.

The preparation of consolidated financial statements of Balmer Lawrie Investments Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Balmer Lawrie Investments Limited for the year ended 31 March 2020 under section 143(6) (a) read with section 129 (4) of the Act. We conducted a supplementary audit of the financial statements of Balmer Lawrie Investments Limited and its subsidiary Balmer Lawrie & Company Limited but did not conduct supplementary audit of the financial statements of the subsidiaries, associate companies and jointly controlled entities as detailed in Annexure for the year ended on that date. **Further, section 139 (5) and 143 (6) (a) of the Act are not applicable to the entities as detailed in Annexure being private entities/ entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

(Suparna Deb)
Director General of Audit (Mines)
Kolkata

Place: Kolkata.

Date : 03 SEP 2020

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

ANNEXURE

Name of Subsidiaries, Associates and Joint Venture Companies whose supplementary audit of the financial statements was not conducted by the Comptroller & Auditor General of India for the year ended 31.03.2020.

| Sl. No. | Name of the Subsidiary/ Associate Companies | Name of relationship | Type of Entity |
|---------|---|----------------------|-----------------------------------|
| 1. | Balmer Lawrie (UK) Limited | Subsidiary | Foreign Company |
| 2. | Visakhapatnam Port Logistics Park Limited | Subsidiary | Central Public Sector Undertaking |
| 3. | Balmer Lawrie (UAE) Llc. | Joint Venture | Foreign Company |
| 4. | P T Balmer Lawrie Indonesia | Joint Venture | Foreign Company |
| 5. | Balmer Lawrie – Van Leer Limited | Joint Venture | Private Company |
| 6. | Transafe Services Limited | Joint Venture | Private Company |
| 7. | Avi-Oil India Private Limited | Associate | Private Company |

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL
OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT,
2013 ON THE FINANCIAL STATEMENTS OF BALMER LAWRIE
INVESTMENTS LIMITED FOR THE YEAR ENDED 31 MARCH 2020**

The preparation of financial statements of Balmer Lawrie Investments Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Balmer Lawrie Investments Limited for the year ended 31 March 2020 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

Place: Kolkata

Date:

03 SEP 2020

For and on behalf of the
Comptroller & Auditor General of India

(Suparna Deb)

Director General of Audit (Mines)
Kolkata

INDEPENDENT AUDITORS' REPORT
To The Members of Balmer Lawrie Investments Limited**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the Standalone Financial Statements of **Balmer Lawrie Investments Limited** ("the Company"), which comprise the standalone balance sheet as at 31st March, 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. We have determined that there are no key audit matters to be communicated in our report.

Emphasis of Matter

We would like to draw attention to Note 38 of the Financial Statements in respect of financial impact of Covid 19 Pandemic.

Our opinion is not modified in respect of the above matter.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Financial Statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially mis stated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of

the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's Financial Reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material mis-statement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material mis-statement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material mis-statement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material mis-statement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Standalone Financial Statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) 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 balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.
 - e) The provisions of section 164(2) of the Companies Act, 2013 are not applicable to Government Companies in terms of notification no GSR 463(E) dated 5th June, 2015 issued by the Ministry of Company Affairs, GOI.
 - f) With respect to the adequacy of the Internal Financial Controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st March, 2020 on its financial position in its Standalone Financial Statements - Refer Note 23 to the Standalone Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.
 - h) As required Under Section 143(5) of Companies Act, 2013 we furnish in "Annexure C" compliance to the directions issued by the Comptroller & Auditor General of India.

FOR B A S & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)

Membership No: 301660

UDIN- 20301660AAAAAH7019

Place: Kolkata
Date- 30th June, 2020

INDEPENDENT AUDITOR'S REPORT

Annexure A

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balmer Lawrie Investments Limited of even date)

- I. The Company does not hold any fixed assets during the year ended 31st March, 2020. Therefore, the provisions of Clause 3(i) of the Order are not applicable to the Company.
- II. The Company does not hold any inventory; therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- III. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted any loans, secured or unsecured, to companies, limited liability partnership firm and firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)[(a), (b) and (c)] of the said Order are not applicable to the Company.
- IV. According to the information and explanations given to us and based on the audit procedures conducted by us, the company has neither granted any loan, guarantee security, nor purchased any investments so the provisions of Clause 3(iv) of the order is not applicable to the company.
- V. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provision of clause 3(v) of the order is not applicable to the company.
- VI. The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable.
- VII. a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including Income tax, GST and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date of becoming payable.
- b. According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax as at 31st March, 2020 which have not been deposited on account of a dispute, are as follows:

| Name of the statute | Nature of dues | Amount (₹) | Period to which the amount relates | Forum where the dispute is pending |
|---------------------|--|-------------|------------------------------------|------------------------------------|
| Income Tax Act-1961 | Demand under section 143(3) dt. 20.10 2010 | 2,95,530.00 | A.Y.2008-09 | CIT(Appeals) Kolkata |

- VIII. As the Company does not have any borrowings from any financial institution or bank or Government nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- IX. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable to the Company.
- X. During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

- XI. The provisions of section 197 of the Act read with Schedule V to the Act does not apply to a Government company vide notification no GSR 463E dated 05th June, 2015. Accordingly, the provisions of clause (xi) of the order are not applicable to the company.
- XII. The Company is not a nidhi company; accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations given to us and the records of the Company examined by us, all the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and has been properly disclosed in the Financial Statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order is not applicable.
- XV. According to the information and explanations given to us and based on our examination of the records, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him and hence the provision of Section 192 of the Act is not applicable.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as the Reserve Bank of India has exempted the Company to comply with the formalities of registration and minimum net owned funds, under the Notification No. DNBS.153/CGM(LMF)-2001 dated December 10, 2001.

FOR B A S & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660
UDIN- 20301660AAAAAH7019

Place: Kolkata
Date: 30th June, 2020

INDEPENDENT AUDITOR'S REPORT**Annexure B**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balmer Lawrie Investments Limited of even date)

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

We have audited the Internal Financial Controls Over Financial Reporting of Balmer Lawrie Investments Limited ('the Company') as of 31st March 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining Internal Financial Controls based on the internal control Over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls Over Financial Reporting included obtaining an understanding of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements, 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 judgment, including the assessment of the risks of material mis-statement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

A company's internal financial control Over Financial Reporting with reference to these Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. A company's Internal Financial Control Over Financial Reporting with reference to these Standalone Financial Statements 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;

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

- (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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to these Standalone Ind AS financial statements

Because of the inherent limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material mis-statements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements to future periods are subject to the risk that the Internal Financial Control Over Financial Reporting with reference to these Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements and such Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements were operating effectively as at 31st March, 2020, based on the Internal Control Over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR B A S & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)

Membership No: 301660

UDIN-20301660AAAAAH7019

Place: Kolkata
Date: 30th June, 2020

DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT 2013

| SI No. | Direction | Remarks |
|--------|--|--|
| 1 | Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated. | Yes, the Company has IT software and systems in place to process all the accounting transactions. The Company has adequate internal control system to process all accounting transactions through IT system. |
| 2 | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. | Not Applicable. The company is not allowed to carry on any business activity except to held shares of Balmer Lawrie Co Ltd, its subsidiary company. |
| 3 | Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation. | Nil. As informed, the company is neither entitled nor received funds for specific schemes from Central/State agencies. |

FOR B A S & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660
UDIN-20301660AAAAAH7019

Place: Kolkata
Date-30th June, 2020

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Standalone Balance Sheet as at March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

| Particulars | Note No. | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|----------|-------------------------|-------------------------|-------------------------|
| ASSETS | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | 5 | 80.63 | 76.75 | 54.26 |
| Bank balances other than above | 6 | 14,522.36 | 13,775.59 | 11,445.84 |
| Investments | 7 | 3,267.77 | 3,267.77 | 3,267.77 |
| Other financial assets | 8 | 9.45 | 31.50 | 24.00 |
| | | 17,880.21 | 17,151.61 | 14,791.87 |
| Non Financial assets | | | | |
| Current tax assets (net) | 10 | 15.87 | - | - |
| | | 15.87 | - | - |
| | | | - | - |
| TOTAL | | 17,896.08 | 17,151.61 | 14,791.87 |
| LIABILITIES AND EQUITY | | | | |
| LIABILITIES | | | | |
| Financial Liabilities | | | | |
| Other financial liabilities | 9 | 264.19 | 295.25 | 219.46 |
| | | 264.19 | 295.25 | 219.46 |
| Non Financial Liabilities | | | | |
| Current tax liabilities (net) | 10 | - | 33.19 | 14.92 |
| Other non financial liabilities | 11 | 1.30 | 3.04 | 0.92 |
| | | 1.30 | 36.23 | 15.84 |
| EQUITY | | | | |
| Equity share capital | 12 | 2,219.73 | 2,219.73 | 2,219.73 |
| Other equity | 13 | 15,410.86 | 14,600.40 | 12,336.84 |
| | | 17,630.59 | 16,820.13 | 14,556.57 |
| TOTAL | | 17,896.08 | 17,151.61 | 14,791.87 |
| Summary of significant accounting policies | 1-4 | | | |
| The accompanying notes are integral part of the financial statements. | 1-41 | | | |

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

For and on behalf of the Board of Directors

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020

Statement of Standalone Profit and Loss for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

| Particulars | Notes No. | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|-----------|-----------------------------------|-----------------------------------|
| Revenue from Operations | | | |
| Interest income | 14 | 938.83 | 855.02 |
| Dividend income | 15 | 7,749.82 | 7,045.29 |
| Total Revenue from Operations | | 8,688.65 | 7,900.31 |
| Other income | 16 | - | 3.02 |
| Total Income (I) | | 8,688.65 | 7,903.33 |
| Expenses: | | | |
| Employee benefits expenses | 17 | 16.76 | 14.79 |
| Other expenses | 18 | 91.75 | 69.64 |
| Total expenses (II) | | 108.51 | 84.43 |
| Profit/(Loss) before tax for the period (III=I-II) | | 8,580.14 | 7,818.90 |
| Tax expense | 19 | | |
| Current tax | | 222.60 | 228.00 |
| Deferred tax expense/(credit) | | - | - |
| Total tax expense (IV) | | 222.60 | 228.00 |
| Net Profit/(Loss) for the period (V= III-IV) | | 8,357.54 | 7,590.90 |
| Other Comprehensive Income | | | |
| A. (i) Items that will not be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| B. (i) Items that will be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| Other Comprehensive Income/(Loss) for the period (VI) | | - | - |
| Total Comprehensive Income for the period (VII=V+VI) | | 8,357.54 | 7,590.90 |
| Earnings per share (Basic and Diluted) | 20 | | |
| Basic (Rs per share) | | 37.65 | 34.20 |
| Diluted (Rs per share) | | 37.65 | 34.20 |
| Summary of significant accounting policies | 1-4 | | |
| The accompanying notes are integral part of the financial statements. | 1-41 | | |

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

For and on behalf of the Board of Directors

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020

Standalone Cash Flow Statement for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

| Particulars | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|--------------------------------------|--------------------------------------|
| Cash flow from Operating Activities | | |
| Net Profit/(Loss) before tax | 8,580.14 | 7,818.90 |
| <u>Changes in working capital:</u> | | |
| Adjustments for increase / (decrease) in operating assets: | | |
| Other financial assets | 22.05 | (7.50) |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Other financial liabilities | (31.06) | 75.79 |
| Other non financial liabilities | (1.74) | 2.12 |
| Bank balances other than cash and cash equivalents | (746.77) | (2,329.75) |
| Cash generated from operations | 7,822.62 | 5,559.56 |
| Net income tax (paid) / refunds | (271.67) | (209.73) |
| Net cash flow from / (used in) Operating Activities (A) | 7,550.95 | 5,349.83 |
| Cash flow from Investing Activities | | |
| Net cash flow from / (used in) Investing Activities (B) | - | - |
| Cash flow from Financing Activities | | |
| Dividends paid | (7,547.07) | (5,327.34) |
| Net cash flow from / (used in) Financing Activities (C) | (7,547.07) | (5,327.34) |
| Net increase / (decrease) in Cash and Cash Equivalents | 3.88 | 22.49 |
| Cash and cash equivalents at the beginning of the year | 76.75 | 54.26 |
| Cash and cash equivalents at the end of the year | 80.63 | 76.75 |
| Summary of significant accounting policies | 1-4 | |
| The accompanying notes are integral part of the financial statements. | 1-41 | |

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

For and on behalf of the Board of Directors

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020

Statement of Standalone changes in equity for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

A Equity share capital

| Particulars | Balance as at April 1, 2018 | Change in equity share capital during the year 2018-19 | Balance as at March 31, 2019 | Change in equity share capital during the year 2019-20 | Balance as at March 31, 2020 |
|---|-----------------------------|--|------------------------------|--|------------------------------|
| Number of Equity Shares (Face Value ₹ 10) | 22,197,269 | - | 22,197,269 | - | 22,197,269 |
| Equity Share Capital | 2,219.73 | - | 2,219.73 | - | 2,219.73 |

B Other equity

| Particulars | Reserves and Surplus | | | |
|---|----------------------|-----------------|-------------------|-------------------|
| | Capital Reserve | General Reserve | Retained Earnings | Total |
| Balance as at April 1, 2018 | 1,053.04 | 5,316.03 | 5,967.77 | 12,336.84 |
| Profit/(Loss) for the year ended March 31, 2019 | - | - | 7,590.90 | 7,590.90 |
| Dividends | - | - | (5,327.34) | (5,327.34) |
| Balance as at March 31, 2019 | 1,053.04 | 5,316.03 | 8,231.33 | 14,600.40 |
| Profit/(Loss) for the year ended March 31, 2020 | - | - | 8,357.54 | 8,357.54 |
| Dividends | - | - | (7,547.07) | (7,547.07) |
| Balance as at March 31, 2020 | 1,053.04 | 5,316.03 | 9,041.79 | 15,410.86 |

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

For and on behalf of the Board of Directors

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020**1. Company Overview**

Balmer Lawrie Investments Limited ("the Company") is a Government Company domiciled in India and registered under the provisions of the Companies Act, 2013. Its Shares are listed on two recognized stock exchanges in India i.e. Bombay Stock Exchange and Calcutta Stock Exchange. The Company is not engaged in any other business activity, except to hold the equity shares of Balmer Lawrie & Co. Ltd.

The Company is the holding company of Balmer Lawrie & Co. Limited (BL) by virtue of its acquiring 61.80% shareholding of the BL through a Scheme of Arrangement and Reconstruction between IBP Co. Ltd., Balmer Lawrie Investments Limited and their respective shareholders and creditors in accordance with the provisions of the Companies Act. The Scheme became effective on 5th February, 2002 with an appointed date of 15th October, 2001. President of India holds 59.67% in the Company. The company has its registered office situated at 21, Netaji Subash Road, Kolkata -700001.

2. Statement of Compliance and Basis of Preparation

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 01, 2019. These Standalone Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines. These are the Company's first Ind AS Standalone Financial Statements and the date of transition is April 01, 2018.

The Company prepared its Standalone Financial Statements up to the year ended March 31, 2019 in accordance with the requirements of previous Generally Accepted Accounting Principles (previous GAAP), which included Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013. The Company followed the provisions of Ind AS 101- 'First Time adoption of Indian Accounting Standards' in preparing its opening Ind AS Standalone Balance Sheet as of the date of transition and adjustments were made to restate the opening balances as per Ind AS. The comparative figures have been presented in accordance with the same accounting principles that are used in preparation of the Company's first Ind AS Standalone Financial Statements.

To give effect of the transition to Ind AS, these Standalone Financial Statements for the year ended March 31, 2020 together with the comparative financial information for the previous year ended March 31, 2019 and the transition date Balance Sheet as at April 01, 2018 have been prepared under Ind AS. The transitional impact to IND AS from the previously reported financial position, financial performance and cash flow of the company have been detailed in Note No. 22.

The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note No.21.

These Standalone Financial Statements have been prepared on going concern basis following accrual system of accounting and are in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms/ guidelines.

The Standalone Financial Statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest Lakhs, except when otherwise indicated.

3. Significant Accounting Policies

The significant accounting policies applied in preparation of the Standalone Financial Statements are as given below:

3.1 Basis of Preparation and Measurement

The Standalone Financial Statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. These policies have been applied consistently for all the periods presented in the Standalone Financial Statements.

3.2 Revenue Recognition

The Company is not engaged in any other business activity, except to hold the equity shares of Balmer Lawrie & Co. Ltd. Revenue arises mainly from the interest income and dividend income which are recognized in compliance with the applicable Ind AS.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all financial assets measured at amortized cost, interest income is recorded using the effective interest rate, i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020*Dividend Income*

Income from dividend on investment in subsidiaries is taken into account on accrual basis when company's right to receive payment is established.

Other Income

Other income, if any, is recognized in accordance with the relevant Ind AS.

3.3 Financial Instruments*Recognition, initial measurement and derecognition.*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI), if required
- Investments in equity shares of subsidiaries (carried at cost in accordance with Ind AS 27 read with Ind AS 101)

All financial assets except for those at FVTPL are subject to review for impairment.

Amortized cost

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A loss allowance for expected credit losses is recognized on financial assets carried at amortized cost.

Since, the company is not allowed to carry on any business activity, except to hold equity shares of M/s Balmer Lawrie & Co. Ltd., there is no financial asset classified under FVTPL & FVOCI.

3.4 Impairment of Financial Assets

In respect of impairment of its financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition.

To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition. The Company also considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery.

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020**3.5 Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, balance lying with the banks under current account and demand deposits, together with other short-term, highly liquid investments (original maturity less than three months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash Flow Statement is reported using indirect method as per Ind AS 7.

3.6 Employee Benefits Expenses

Employee benefits comprise of salaries and wages of staff deployed by service provider and it includes contribution to provident fund and superannuation fund which was reimbursed to the service provider, who maintains and makes provisions for the aforesaid amounts.

3.7 Segment Reporting

The Company's only business is investment in its subsidiary M/s Balmer Lawrie & Co. Ltd., and hence segment reporting as envisaged by Ind AS 108 notified by the Ministry of Corporate Affairs is not applicable to the Company for Standalone Financial Statements.

3.8 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

Prior period errors are corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

3.9 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

A contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Company can be virtually certain to collect from a third party concerning the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when the inflow of economic benefits is probable, the related asset is disclosed.

3.10 Taxes on Income

Current tax is the amount of tax payable as determined in accordance with the provisions of the Income Tax Act, 1961 on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax base used in the computation of taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Under the current scenario, the company does not have any deferred tax asset or liability.

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020**3.11 Earnings per share**

Basic earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except in case where results are anti-dilutive.

4. Significant Management Judgment in Applying Accounting Policies and Estimation of Uncertainty

The preparation of the Company's Standalone Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures. Actual results may differ from these estimates.

Significant management judgments

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Significant estimates

Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.

Recoverability of receivables and investments

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and investments.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

For and on behalf of the Board of Directors

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

5 Cash and Cash Equivalents

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|-------------------------|-------------------------|-------------------------|
| Balances with banks | | | |
| In current account | 80.63 | 76.75 | 54.26 |
| In Term deposits for original maturity of 3 months or less with scheduled banks | - | - | - |
| | 80.63 | 76.75 | 54.26 |

6 Bank Balances other than above

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|-------------------------|-------------------------|-------------------------|
| <u>Earmarked Balances with Banks in separate accounts</u> | | | |
| For Unclaimed dividends | 243.92 | 240.06 | 206.45 |
| Deposits with maturity for more than three months but up to 12 months | 14,278.44 | 13,535.53 | 11,239.39 |
| | 14,522.36 | 13,775.59 | 11,445.84 |

7 Investments

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|-------------------------|-------------------------|-------------------------|
| Investment in equity instruments of subsidiary (at Cost) (No of shares :105679350: March 31, 2020; 7,04,52,900: March 31, 2019; 7,04,52,900: April 01, 2018) | 3,267.77 | 3,267.77 | 3,267.77 |
| | 3,267.77 | 3,267.77 | 3,267.77 |

Note: Refer Note No. 27 for details on investment.

8 Other Financial Assets

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|------------------|-------------------------|-------------------------|-------------------------|
| Other receivable | 9.45 | 31.50 | 24.00 |
| | 9.45 | 31.50 | 24.00 |

9 Other Financial Liabilities

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---------------------|-------------------------|-------------------------|-------------------------|
| Expenses Payable* | 20.27 | 55.19 | 13.01 |
| Unclaimed Dividends | 243.92 | 240.06 | 206.45 |
| | 264.19 | 295.25 | 219.46 |

Note: * Expense payable includes 1.24 lakh payable to MSMEs(Refer Note No. 28)

Refer Note No.29 for details on unclaimed dividends.

10 Current Tax Assets/ (Liabilities) (Net)

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--|-------------------------|-------------------------|-------------------------|
| Advance Income Tax and TDS | 1,908.63 | 1,636.96 | 1,427.24 |
| Less: Provision for income tax | (1,892.76) | (1,670.15) | (1,442.15) |
| Current tax assets/ (liabilities) (net) | 15.87 | (33.19) | (14.92) |

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

11 Other Non Financial Liabilities

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|------------------------------------|-------------------------|-------------------------|-------------------------|
| Statutory Remittances- TDS Payable | 1.30 | 3.04 | 0.92 |
| | 1.30 | 3.04 | 0.92 |

12 Equity Share Capital

| | As at 31 March 2020 | | As at 31 March 2019 | | As at 31 March 2018 | |
|--|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|
| | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs |
| a) Authorised Share Capital | | | | | | |
| Equity shares of 10/- each with voting rights | 2,50,00,000 | 2,500 | 2,50,00,000 | 2,500 | 2,50,00,000 | 2,500 |
| b) Issued, Subscribed and Paid up Share Capital | | | | | | |
| Equity shares of 10/- each with voting rights | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 |
| | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 |

Reconciliation of share capital

| | For the year ended March 31, 2020 | | For the year ended March 31, 2019 | |
|--|--------------------------------------|-----------------|--------------------------------------|-----------------|
| | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs |
| As at the beginning of the year | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 |
| Shares issued during the year | - | - | - | - |
| As at the closing of the year | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 |

Terms and rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholders holding more than 5% of the equity share capital of the company

| | As at March 31, 2020 | | As at March 31, 2019 | | As at April 01, 2018 | |
|--------------------------|----------------------|------------|----------------------|------------|----------------------|------------|
| Name of the Shareholders | No. of Shares | Percentage | No. of Shares | Percentage | No. of Shares | Percentage |
| President of India | 13,246,098 | 59.67% | 13,246,098 | 59.67% | 13,246,098 | 59.67% |
| CD Equifinance Pvt. Ltd. | 1,553,050 | 7.00% | 1,574,559 | 7.09% | 1,340,586 | 6.04% |

The Company has not issued equity shares pursuant to contract without payment being received in cash, any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date.

13 Other Equity

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|-------------------|----------------------|----------------------|----------------------|
| Capital Reserve | 1,053.04 | 1,053.04 | 1,053.04 |
| General Reserve | 5,316.03 | 5,316.03 | 5,316.03 |
| Retained Earnings | 9,041.79 | 8,231.33 | 5,967.77 |
| | 15,410.86 | 14,600.40 | 12,336.84 |

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

Dividends

| Particulars | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|-------------------------|-------------------------|-------------------------|
| (i) Equity shares | | | |
| Final dividend paid during year ended 31 st March, 2020 of ₹ 34 (31 st March, 2019 - ₹ 24) per fully paid share (Net of Dividend distribution tax) | 7,547.07 | 5327.34 | 3,773.54 |
| (ii) Dividends not recognised at the end of the reporting period | | | |
| In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 37.5 (31 st March, 2019 ₹ 34) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | 8,323.99 | 7,547.07 | 5,327.34 |

14 Interest Income

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|---|--------------------------------------|
| | On Financial Assets measured at amortised cost wherever applicable | |
| Interest Income on deposits from banks | 938.83 | 855.02 |
| | 938.83 | 855.02 |

15 Dividend Income

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| Dividend income from Non-Current Investments | 7,749.82 | 7,045.29 |
| | 7,749.82 | 7,045.29 |

16 Other Income

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|----------------------|--------------------------------------|--------------------------------------|
| Miscellaneous Income | - | 3.02 |
| | - | 3.02 |

17 Employee Benefits Expenses

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| Salaries and Wages | 14.68 | 13.70 |
| Contributions to Provident & Other Funds | 2.08 | 1.09 |
| | 16.76 | 14.79 |

18 Other Expenses

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| Printing and Stationery | 0.19 | 0.21 |
| Telephone, Telex, Postage, Cables and Telegrams | 0.09 | 0.11 |
| Service Charges (Refer Note No. 30) | 52.11 | 48.97 |
| Corporate Social Responsibility (Refer Note below) | 13.02 | 11.82 |
| Travelling and Conveyance | 0.58 | 0.25 |
| Payment to Auditor's (Refer Note below) | 1.48 | 0.71 |
| Bank Charges | 0.03 | 0.04 |
| Listing fees and Other fees(Refer Note below) | 22.53 | 6.86 |
| Miscellaneous Expenses (Refer Note No.31) | 1.72 | 0.67 |
| | 91.75 | 69.64 |

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

Details of payments to Statutory Auditors comprises-

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|------------------------------|--------------------------------------|--------------------------------------|
| As Auditor - Statutory Audit | 1.24 | 0.30 |
| For Taxation | 0.12 | 0.09 |
| For Other Services | 0.12 | 0.32 |
| | 1.48 | 0.71 |

Disclosure in respect of Corporate Social Responsibility expenses:

| | | |
|---------------------------------------|-------|-------|
| 1 Gross amount required to be spent | 13.02 | 11.82 |
| 2 Amount spent during the year | | |
| Prime Minister's National Relief Fund | 13.02 | 11.82 |

Details of payments of Listing Fees & Other Fees:

| | | |
|----------------------|--------------|-------------|
| Trade Subscription | 5.79 | 3.31 |
| Other Fees & Charges | 16.74 | 3.55 |
| | 22.53 | 6.86 |

19 Tax Expense

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Current tax | 220.50 | 228.00 |
| Taxes for earlier years | 2.10 | - |
| Deferred tax expense/(credit) | - | - |
| | 222.60 | 228.00 |

In pursuance to Section 115BAA of the Income Tax Act, 1961, as amended, the company has the option of shifting to a reduced tax rate effective April 1, 2019 along with a consequent reduction in certain tax incentives and subject to certain conditions. The Company evaluated these provisions and have already exercised this option during the current Financial Year.

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.168% (Previous Year: 27.82%) and the reported tax expense in profit or loss are as follows:

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| Accounting profit(loss) before income tax | 8,580.14 | 7,818.90 |
| Applicable rate of tax | 25.168% | 27.82% |
| | 2,159.45 | 2,175.22 |
| Tax effect of: | | |
| Exempted Income under section 10(34) | (1,950.47) | (1,960.00) |
| Corporate Social Responsibility | 3.28 | 3.29 |
| Expenditure incurred to earn dividend income u/s 14A | 8.22 | 9.09 |
| Others(for earlier years) | 2.12 | 0.40 |
| | 222.60 | 228.00 |

20 Earnings/(Loss) Per Equity Share (EPS)

| | | |
|--|----------|----------|
| Net profit/(Loss) for the year | 8357.54 | 7590.90 |
| Weighted average number of equity shares for EPS | 22197269 | 22197269 |
| Par value per share (in Rs.) | 10 | 10 |
| Earnings per share - Basic | 37.65 | 34.20 |
| Earnings per share - Diluted | 37.65 | 34.20 |

21 First Time Adoption of Ind AS

These are the Company's first Financial Statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the Financial Statements for the year ended 31st March, 2020, the comparative information presented in these Financial Statements for the year ended 31st March, 2019 and in the preparation of an opening Ind AS balance sheet at 1st April, 2018 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

A Ind AS optional exemptions

1 Investment in subsidiary

Ind AS 101 provides a one time option to a first time adopter either to measure its investment in subsidiaries as per previous GAAP carrying value or at fair value on date of transition.

The Company has elected to measure its investment in subsidiary as per previous GAAP carrying value.

B Ind AS mandatory exceptions

1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2018 are consistent with the estimates as at the same date made in conformity with Previous GAAP.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

3 Derecognition of Financial asset and financial liabilities

As set out in Ind AS 101, the Company has applied the derecognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

4 Impairment of Financial assets

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Company has assessed impairment of financial assets in conformity with Ind AS 109.

C There is no impact on Other equity, profit after tax or cash flows on transition to Ind AS, except as given below in Note No. 22

22 Transitional Impact of Ind AS

Reconciliation between Financial Results as reported under previous Generally Accepted Accounting Principles (GAAP) and Ind AS are summarised as follows:

| (₹ in Lakhs) | |
|---|--------------------------|
| Particulars | Year Ended 31/03/2019 |
| Net Profit as per Previous GAAP | 7,590.90 |
| Net Profit as per Ind AS | 7,590.90 |
| Cash and Cash Equivalents at the end of the year 31/03/2019 as per Previous GAAP | 13,366.81 |
| Less: (Deposit: 13050 lakhs & Unpaid Dividend: 240.06 lakhs shown under Bank Balances other than cash and Cash Equivalents during current financial year) | (13,290.06) |
| Cash and Cash Equivalents at the end of the year 31/03/2019 as per Ind AS | 76.75 |

23 Contingent Liabilities and Commitments (to the extent not provided for)

Contingent liabilities

| | As at March 31, 2020 | As at March 31, 2019 | As at March 31, 2018 |
|---|-------------------------|-------------------------|-------------------------|
| A BSE has been imposing fines on the Company on quarterly basis for non-compliance of provisions of SEBI LODR Regulations 2015 pertaining to composition of Board of Directors and the composition of some Board level Committees. Suitable reply has been given by the Company to BSE for waiver of these fines as the same were due to factors beyond control of the Company. No response has been received from BSE on these representations. Out of Rs. 35.84 lakhs, Rs. 15.20 lakhs pertains to F.Y. 2018-19 | 35.84 | NIL | NIL |

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

The figures of fine as reflected as on 31st March, 2020 has been calculated based on notices received from BSE Ltd. for quarters ended June, September and December, 2019. The notice for quarter ended March, 2020 has not been received yet. It may be expected that such notice, if issued, would be as per the provisions of SEBI circulars on Standard Operating Procedure for suspension and revocation of trading of specified securities. It would be pertinent to mention that as per the said SEBI Circulars the fine payable for non compliance of Reg 17(1) is Rs.5000 per day, for Reg. 18(1) is Rs. 2000 per day and Reg 19(1)/(2) is Rs 2000 per day of default.

Further, the Composition of the Board was inline with the provisions of Section 149 from October 2019 and subsequently in February'20 the composition of Audit Committee and Nomination & Remuneration Committee were inline with the provisions of the Companies Act 2013. The provisions of fine for non-compliance of the same have been envisaged in Chapter XI and XII of the Act which may extend to Rs. 5,00,000/-. However, the Company being a Government Company, the compliance of the same is not within the control of the Company but as per directions of the administrative ministry.

B Income Tax for the Asst. Year 2008-09 paid under dispute

| As at March 31, 2020 | As at March 31, 2019 | As at March 31, 2018 |
|-------------------------|-------------------------|-------------------------|
| 2.96 | 2.96 | 2.96 |

Disputed Income Tax Paid against which the Company had filed Appeal in view of the facts of the case before the Commissioner of Income Tax (Appeals) for Assessment Year 2008-09 and had paid Rs. 295,530/- under protest. Last date of hearing was on 24th January, 2020. Appeal hearing is pending as on 31st March 2020.

24 Scheme of Arrangement and Reconstruction

(a) A Scheme of Arrangement and Reconstruction ('the Scheme'), made under sections 391 to 394 of the erstwhile Companies Act, 1956 ('the Act'), was executed by and between IBP Co. Ltd. ('IBP') and Balmer Lawrie Investments Ltd. ('the Company') and their respective creditors and shareholders. The Scheme under notification no. GSR/238 dated 2nd February, 1978, was approved by the erstwhile Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Govt. of India, was approved on 8th January, 2002, with the appointed date of 15th October, 2001. Under the Scheme 1,00,64,700 Equity Shares of Rs. 10/- each, fully paid-up, of Balmer Lawrie & Co. Ltd. ('BL'), held by IBP, was transferred to the Company, whereby the Company became holder of 61.8% Equity Shares of BL, with effect from the aforesaid appointed date of the Scheme, i.e., 15th October, 2001.

(b) In consideration of transfer of the aforesaid shares of BL by IBP, the Company had allotted 2,21,47,269 equity shares of ₹ 10/- each, fully paid-up to the shareholders of IBP (consideration other than cash), in the ratio of 1:1.

25 Public Deposit :

The Company has not accepted any Public deposit within the meaning of Section 45-1(bb) of RBI Act, 1934 during the year in question & the company has also passed resolution for non-acceptance of any Public Deposit.

26 Non Banking Financial Company ('NBFC')

Balmer Lawrie Investments Limited is a non-banking financial Company as defined under section 45-I(f) of the Reserve Bank of India Act, 1934. On the basis of application given by the Company the RBI in exercise of their power conferred under section 45-NC of the Reserve Bank of India Act, 1934, has exempted the Company to comply with the formalities of registration and minimum net owned funds, under the Notification No. DNBS.153/CGM(LMF)-2001 dated December 10, 2001. The Financial Statements have been prepared as per the requirements of Division III to the schedule III of the Companies Act, 2013.

27 Investment Details

The Company holds 61.8 % equity shares of Balmer Lawrie & Co. Ltd.(BL). The Company holds 10,56,79,350 equity shares of Balmer Lawrie & Co. Ltd.. Balmer Lawrie & Co. Ltd. issued Bonus Shares during December, 2019 quarter in the ratio of 1:2. Accordingly, BLIL received 352,26,450 shares as bonus shares although the percentage of shareholding in BL remains the same.

28 Details of dues to Micro, Small and Medium Enterprises are given below:

The principal amount remaining unpaid to one of the supplier of services at the end of accounting year 2019-20 ₹ 1.24 lakhs. (Previous Year: Nil)

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

29 Unclaimed Dividend Accounts

The Company has to maintain a dividend account from where the dividends are issued to the shareholders, the amount of unclaimed dividend which remains there for more than seven years is then transferred to the Investor Education & Protection Fund Account.

The Unclaimed Final dividend outstanding in the accounts for the Financial Year 2011-12 was ₹ 24.16 lakhs which has been transferred to the Investors' Education & Protection Fund Account during the year.

30 Service Agreement with Balmer Lawrie & Co. Ltd (BL)

The company has entered into Service Agreement with Balmer Lawrie & Co. Ltd (BL) whereby BL shall act as a Service Provider to maintain Books of Accounts, Statutory Registers, provide services, in nature of administration, finance, taxation, secretarial and other allied functions., provide office space and other requisite infrastructure.

31 Details of Miscellaneous Expenses

Statutory Publication
Other Misc. Expenses

| For the year ended March 31, 2020 (Rs. in Lakhs) | For the year ended March 31, 2019 (Rs. in Lakhs) |
|--|--|
| 1.70 | 0.62 |
| 0.02 | 0.05 |
| 1.72 | 0.67 |

32 Remuneration of Independent Directors and Company Secretary:

Salaries
Contribution to Provident and Gratuity Fund
Perquisites
Sitting fees

| For the year ended March 31, 2020 (Rs. in Lakhs) | For the year ended March 31, 2019 (Rs. in Lakhs) |
|--|--|
| 14.30 | 13.48 |
| 2.08 | 1.09 |
| 0.38 | 0.22 |
| 0.95 | 0.40 |
| 17.71 | 15.19 |

33 Related Party Transactions

In accordance with the requirements of Indian Accounting Standard – 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

a. Details of related parties:

| Names of related parties | Description of relationship |
|---|--|
| Balmer Lawrie & Co. Ltd (BL) | Subsidiary Company |
| Balmer Lawrie (U.K.) Ltd. (BLUK) | Wholly Owned Subsidiary of BL |
| Visakhapatnam Port Logistics Park Limited (VPLPL) | Subsidiary of BL. |
| PT. Balmer Lawrie- Indonesia | An Associate in which BL is having significant influence. Joint Venture of BL. |
| Balmer Lawrie-Van Leer Ltd. | An Associate in which BL is having significant influence. Joint Venture of BL. |
| Balmer Lawrie (UAE) LLC. | An Associate in which BL is having significant influence. Joint Venture of BL. |
| * Transafe Services Ltd | An Associate in which BL is having significant influence. Joint Venture of BL. |
| Avi - Oil India (P) Ltd. | An Associate in which BL is having significant influence. Associate of BL. |
| Key Managerial Personnel (KMP): | |
| Shri Shyam Sundar Khuntia | ** Director – Non Executive |
| Smt. Perin Devi Rao | Government Nominee Director – Non Executive |
| Shri Shyam Singh Mahar | Government Nominee Director – Non Executive |
| Shri Ajay Singhal | Independent Director |
| Smt Shilpa Shashikant Patwardhan | Independent Director |
| Shri Abhishek Lahoti | Company Secretary |

Note: Related Parties have been identified by the management.

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

(*) The 'Corporate Insolvency Resolution Process' (CIRP) has been initiated by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated November 21, 2019 in respect of M/s Transafe Services Limited (TSL), under the provisions of "The Insolvency and Bankruptcy Code, 2016" (IB Code). As directed by the Insolvency Resolution Professional (IRP), the powers of the Board of Directors of TSL stands suspended as per Section 17 of the IB Code from the order date and such powers are now being exercised by the IRP appointed by the Hon'ble NCLT. Consequent to the same, the Balmer Lawrie & Co. Ltd (BL) ceases to have joint control or have any significant influence over TSL and TSL ceases to be a Related Party of Balmer Lawrie & Co. Ltd (BL) of under the extant provisions of Section 2(76) the Companies Act, 2013 or under Ind AS-110 or clause 2(1) (zb) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the year ending 31.03.2020.

(**) Superannuated on 30.04.2020

b. Transactions with Related Parties are as under:

(Rs. In lakhs)

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|--------------------------------------|--------------------------------------|
| Transactions during the year with BL | | |
| Receiving of services (including reimbursement of expenses) | 44.16 | 41.40 |
| Dividend Income | (7,749.82) | (7,045.29) |
| Amount incurred on a/c of Salaries etc. of employees deputed or otherwise | 16.76 | 14.79 |
| Outstanding balances during the year | | |
| <u>Outstanding Payable</u> | (11.45) | (51.57) |
| Salaries and wages | (5.33) | (13.29) |
| Service Charges | (6.12) | (38.28) |
| Investment in Shares | 3,267.77 | 3,267.77 |
| Remuneration to Key Managerial Personnel | 17.71 | 15.19 |

34 Financial instruments

i) Financial Instruments by Category Measured at Amortised Cost:

| Particulars | As at March 31, 2020 | As at March 31, 2019 | As at April 1, 2018 |
|--------------------------------|-------------------------|-------------------------|------------------------|
| Financial assets | | | |
| Cash and Cash Equivalents | 80.63 | 76.75 | 54.26 |
| Bank Balances other than above | 14,522.36 | 13,775.59 | 11,445.84 |
| Other Financial Assets | 9.45 | 31.50 | 24.00 |
| Total | 14,612.44 | 13,883.84 | 11,524.10 |
| Financial liabilities | | | |
| Other Financial Liabilities | 264.19 | 295.25 | 219.46 |
| Total | 264.19 | 295.25 | 219.46 |

(ii) Financial Instruments by Category Measured at Cost:

| | | | |
|--------------|----------|----------|----------|
| Investments* | 3,267.77 | 3,267.77 | 3,267.77 |
|--------------|----------|----------|----------|

The carrying amounts of financial assets and liabilities are considered a reasonable approximation of their fair values.

*The Company has opted to recognise the investments as per Ind AS 27 at cost.

(iii) Fair Values Hierarchy

The Company does not have any financial assets or financial liabilities carried at fair value.

35 Financial Risk Management

i) Risk Management

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 32(i). The main types of risks are credit risk, liquidity risk and market risk.

The Company's risk management is coordinated in close co-operation with the Board of Directors, and focuses on securing the Company's short to medium term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at balance sheet date as summarised in Note 32(i).

The Company has investment in equity instrument of subsidiaries and therefore, credit risk in respect of such financial assets is considered negligible.

The credit risk for cash and cash equivalents and other bank balances are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they are due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by maintaining adequate reserves, back-up facilities such as deposits and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| As at March 31, 2020 | Less than 1 year | 1-5 year | More than 5 years | Total |
|-----------------------------|------------------|----------|-------------------|---------------|
| Other financial liabilities | 264.19 | - | - | 264.19 |
| Total | 264.19 | - | - | 264.19 |

| As at March 31, 2019 | Less than 1 year | 1-5 year | More than 5 years | Total |
|-----------------------------|------------------|----------|-------------------|---------------|
| Other financial liabilities | 295.25 | - | - | 295.25 |
| Total | 295.25 | - | - | 295.25 |

| As at April 1, 2018 | Less than 1 year | 1-5 year | More than 5 years | Total |
|-----------------------------|------------------|----------|-------------------|---------------|
| Other financial liabilities | 219.46 | - | - | 219.46 |
| Total | 219.46 | - | - | 219.46 |

C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of currency risk, interest rate risk and price risk.

Currency risk:

The company does not have any foreign currency transactions, hence, it is not exposed to currency risk.

Interest rate risk:

As the Company does not have any borrowings outstanding, it is not exposed to interest rate risk.

Price risk:

The company does not have any financial instrument which exposes it to price risk.

36 Capital Management

The Company's capital includes issued share capital and all other distributable reserves. The primary objective of the Company's capital management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company does not have any Non-current borrowings and all its capital needs are met by capital or shareholders only.

Notes forming part of Standalone Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

37 Maturity Analysis of Assets and Liabilities

Amounts expected to be recovered/ settled within 12 months and beyond for each line item under asset and liabilities

| Particulars | As at March 31, 2020 | | As at March 31, 2019 | | As at April 1, 2018 | |
|----------------------------------|----------------------|-----------------|----------------------|-----------------|---------------------|-----------------|
| | Within 12 months | After 12 months | Within 12 months | After 12 months | Within 12 months | After 12 months |
| ASSETS | | | | | | |
| Financial assets | | | | | | |
| Cash and cash equivalents | 80.63 | - | 76.75 | - | 54.26 | - |
| Other bank balances | 14,522.36 | - | 13,775.59 | - | 11,445.84 | - |
| Investments | - | 3,267.77 | - | 3,267.77 | - | 3,267.77 |
| Other financial assets | 9.45 | - | 31.50 | - | 24.00 | - |
| Non-financial assets | | | | | | |
| Current tax assets (net) | 15.87 | - | - | - | - | - |
| Other financial assets | - | - | - | - | - | - |
| Total Assets | 14,628.31 | 3,267.77 | 13,883.84 | 3,267.77 | 11,524.10 | 3,267.77 |
| LIABILITIES | | | | | | |
| Financial liabilities | | | | | | |
| Other financial liabilities | 264.19 | - | 295.25 | - | 219.46 | - |
| Non-Financial Liabilities | | | | | | |
| Current tax liabilities (net) | - | - | 33.19 | - | 14.92 | - |
| Other non-financial liabilities | 1.30 | - | 3.04 | - | 0.92 | - |
| Total Liabilities | 265.49 | - | 331.48 | - | 235.30 | - |

38 Impact of COVID-19 Pandemic

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

The Company has made detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its investments as at the Balance sheet date and has concluded that no material adjustments are required to be made in the financial results.

The Management believes that it has considered all the possible impact of known events arising from Covid-19 global health pandemic in the preparation of financial results. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature, extent and duration. The management shall continue to monitor any material changes to future economic conditions on a continuing basis.

39 There have been no events after the reporting date that require disclosure in these Financial Statements.

40 Previous year figures have been regrouped or rearranged wherever considered necessary.

41 Authorisation of Financial Statements

These Financial Statements for the year ended 31st March, 2020 (including comparatives) has been signed by the Board of Directors as on 30.06. 2020

Summary of significant accounting policies and

The accompanying notes are integral part of the financial statements.

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

For and on behalf of the Board of Directors

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata

Date: 30th June, 2020

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Form AOC-1

Information in respect of Subsidiaries , Associates & Joint Ventures
(Pursuant to Section 129(3) of Companies Act 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part - A - Subsidiaries

(Amount in ₹)

| Sl. No. | Particulars | 1 | 2 | 3 |
|---------|--|-------------------------|-----------------------|--|
| 1 | Name of the subsidiary | Balmer Lawrie & Co Ltd. | Balmer Lawrie UK Ltd. | Visakhapatnam Port Logistics Park Ltd. |
| 2 | The date since when subsidiary was acquired | 10/15/2001 | 11/16/1992 | 7/24/2014 |
| 3 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period. | NA | NA | NA |
| 4 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | NA | USD @ ₹ 75.48/USD | NA |
| 5 | Share capital | 1,710,038,460 | 11,926 | 1,350,649,630 |
| 6 | Reserves & surplus | 11486635748 | 4,694,781 | (246,483,405) |
| 7 | Total assets | 18834671000 | 5,414,784 | 2,121,771,980 |
| 8 | Total Liabilities | 5637997252 | 708,078 | 1,017,604,752 |
| 9 | Investments | 1295038000 | - | - |
| 10 | Turnover | 16121614000 | 921,392 | 47,105,593 |
| 11 | Profit /(Loss) before taxation | 2324421000 | (173,270,001) | (160,478,485) |
| 12 | Provision for taxation | 552680000 | 63,479 | - |
| 13 | Profit /(Loss) after taxation | 1,771,741,000 | (173,333,480) | (160,478,485) |
| 14 | Proposed Dividend | 1,282,528,845 | - | - |
| 15 | Extent of shareholding (in percentage) | 61.80% | 100% | 60% |

Note :

- 1 None of the subsidiaries have been liquidated or sold during the year.

Part - B - Associates and Joint Ventures

NIL

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

For and on behalf of the Board of Directors

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Kolkata, 30th June, 2020

INDEPENDENT AUDITORS' REPORT
To The Members of Balmer Lawrie Investments Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Balmer Lawrie Investments Limited ("the Parent"), and its subsidiary (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidate Balance Sheet as at 31st March, 2020, and the Consolidate statement of profit and loss (including other comprehensive income), Consolidate statement of changes in equity and Consolidate statement of cash flows for the year then ended, and notes to the Consolidate Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidate Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidate Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2020, and the consolidated profit, and total consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidate Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidate Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidate Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on the Independent Audit report of Subsidiary Company, we report that:

| Sl. No. | Key Audit Matter | Subsidiary Company Auditor's Response |
|---------|---|---|
| 1. | <p>Adoption of Ind AS 116 Leases</p> <p>The Group has adopted Ind AS 116 Leases (Ind AS 116) in the current year, as mentioned in Note No. 2.8 & Note No.52 to the Consolidated Financial Statements.</p> <p>There is a complexity in application and transition to this accounting standard and since the Group has a large number of leases with different contractual terms, it is an area of focus in our audit. Accordingly, it has been determined as a key audit matter.</p> <p>Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet.</p> | <p>Our audit procedures on adoption of Ind AS 116 include.</p> <ul style="list-style-type: none"> • Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116); • Assessed the Group's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business • Verified the lease contracts as made available to us on sample basis and tested the value of lease, tenure of lease, escalation clause thereon and the restatement methodology adopted by the Group • Evaluated the reasonableness of the discount rates applied in determining the lease liabilities; |

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

| Sl. No. | Key Audit Matter | Subsidiary Company Auditor's Response |
|---------|---|---|
| | <p>The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract arrangement.</p> <p>Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term.</p> <p>Additionally, the standard mandates detailed disclosures in respect of transition. [Refer Note No. 52 to the Consolidated Financial Statements].</p> | <ul style="list-style-type: none"> Assessed the transition approach used by the Group, carve out provisions adopted for short term leases and leases of low value assets, accounting policy adopted for -recognition, measurement and disclosure of lease payments, recognition of ROU Assets and Lease Liability, recognition of income and expense in the Statements of Profit & Loss; Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition |
| 2. | <p>Evaluation of uncertain tax positions</p> <p>The Group Company has tax matters under dispute which involves judgment to determine the possible outcome of these disputes. [Refer Note No 45(ii)(b) to the Consolidated Financial Statement]</p> | <p>We obtained the details of assessment orders to the extent available regarding those assessments for which disputes are continuing and being disclosed as contingent liability from management. We involved our expertise to estimate the possible outcome of the disputes. Our experts considered the assessment orders and other rulings in evaluating management's position on these uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties.</p> |
| 3. | <p>Debtors due for more than three years and credit Balance in sundry debtors accounts (Unallocated Receipts)</p> <p>The Group has credit balance in some customer accounts across all Strategic Business Unit (SBU's). The credit balance in these customer accounts are due to either of the following reasons.</p> <ul style="list-style-type: none"> Amount lying in the nature of advance in the customer account; Amount credited to customer account but the same could not be tracked linked with any sales invoice. Non-reconciliation of these balances in the absence of customer's confirmation resulting in the credit balances lying for long periods. | <p>We have checked the debtor's ageing schedule of the SBU's. The authority is regularly following up on the realization of the same. As is evident from the ageing schedule dues do exist for more than three years against which provision has been made in the accounts.</p> <p>We, during the course of our examination have also checked the unadjusted advances from customers for more than three years and also the credit balances lying in customers' accounts on account of unmatched invoices (unallocated receipts). Some of the advances lying unadjusted for more than three years have been written back during the course of audit. In some cases, the management is in the process of reconciliation with the respective parties and hence the process of write back has been kept in abeyance.</p> <p>It is observed that though letters seeking confirmations are sent, the response has been poor. Steps should be taken to get the confirmations from customers. In addition to practice of seeking confirmation annually, the Group should get confirmation through the sales team on a periodical basis also.</p> <p>The management has to strengthen the internal control process of reconciling the balances of the debtors and to adjust the unallocated receipts on a periodical basis.</p> |

Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Financial Statements:

- Note No. 45(v) which states that trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination/ receipt of such confirmation.
- Note No. 45(xi) which describes the management's assessment of the impact of uncertainties related to COVID-19 pandemic and its consequential effects on the business operations of the Group Company.

- c) Note 28 "Other Trade Payable" includes the sundry creditor for expenses amounting to Rs. 322.57 Lakhs (P.Y. Rs. 326.75 Lakhs) of E&P Division (Kolkata) of subsidiary Company, which are lying unpaid since long, as the matter is under litigation.
- d) Note No. 45(vi) which states that the Group ceases to have joint control or have significant influence over one of its joint venture company, M/s Transafe Services Limited due to initiation of Corporate Insolvency Resolution Process by the Hon'ble National Company Law Tribunal (Kolkata Bench) during the year and appointed Insolvency Resolution Professional to exercise power to control and influence over such joint venture company.

Our opinion is not modified in respect of the above matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially mis-stated.

If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Consolidate Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidate Financial Statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidate Financial Statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the Respective Management and Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the Group's Financial Reporting process.

Auditor's Responsibilities for the Audit of the Consolidate Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Consolidate Financial Statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidate Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures and whether the Consolidate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated Financial Statements of the Holding Company included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of mis-statements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidate Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- a) We did not audit the financial statements / financial information of 1 (One) subsidiary (which includes 2 (Two) step down subsidiaries which have not been audited by their respective auditors), whose financial statements / financial information reflect total assets of **Rs. 2,33,535.62 Lakhs** as at 31st March, 2020, total revenues of **Rs. 1,58,498.14 Lakhs** and net cash outflows used amounting to **Rs. 3232.34 lakhs** for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of **Rs. 3,664.19 Lakhs** for the year ended 31st March, 2020, as considered in the Consolidated Financial Statements, in respect of 1 (One) step down associate & 2 (Two) step down joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries (including step down subsidiaries), step down associates and step down joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on the reports of the other auditors after considering the requirements of Standard of Auditing (SA 600) on 'using the work of another auditor including materiality' and the procedures performed by us as already stated above.
- b) The Consolidated Financial Statements also include the Group's share of net profit/loss of NIL for the year ended 31st March, 2020, as considered in the Consolidated Financial Statements, in respect of 1 (One) Step down joint ventures, whose Financial Statements / financial information have not been audited by us. This financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Step down joint ventures and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associates & joint ventures, is based solely on such unaudited Financial Statements / financial information.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. Companies (Auditor's Report) Order, 2016 ("the Order") issued by the central government of India in terms of the sub-section (11) of section 143 of the Act, is not applicable on the Consolidated Financial Statements as referred in proviso to Para 2 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) 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 Consolidate balance sheet, the Consolidate statement of profit and loss (including other comprehensive income), the Consolidate statement of changes in equity and the Consolidate statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Consolidate Financial Statements comply with the Ind AS specified under section 133 of the Act.
 - e) The provisions of Section 164 (2) of the Companies Act, 2013 are not applicable to Government Companies in terms of notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Company Affairs, Government of India
 - f) With respect to the adequacy of the Internal Financial Controls with reference to Consolidated Financial Statements of the Company including its subsidiary and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March, 2020 on its financial position in its Consolidate Financial Statements - Refer Note 45(ii) to the Consolidate Financial Statements;
 - ii. The Group did not have any Material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Holding company and its Subsidiary company (including Step down subsidiary, Associate and Joint ventures), incorporated in India.
3. As required Under Section 143(5) of Companies Act, 2013 we furnish in "Annexure B" compliance to the directions issued by the Comptroller & Auditor General of India.

FOR B A S & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan
FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660
UDIN- 20301660AAAAAI3448

Place: Kolkata
Date- 30th June, 2020

**Annexure A to the Independent Auditor's Report of even date on the Consolidated
Financial Statements of Balmer Lawrie Investments Limited
for the year ended 31st March, 2020**

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the Consolidated Financial Statements of Balmer Lawrie Investments Limited as of and for the year ended 31st March, 2020, we have audited the Internal Financial Controls Over Financial Reporting of Balmer Lawrie Investments Limited (hereinafter referred to as the 'Holding Company') and its subsidiary company, as of that date.

Management's responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining Internal Financial Controls based on the internal control Over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements and their operating effectiveness.

Our audit of Internal Financial Controls Over Financial Reporting included obtaining an understanding of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

A company's internal financial control Over Financial Reporting with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. A company's Internal Financial Control Over Financial Reporting with reference to these Consolidated Financial Statements 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;

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

- (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 with reference to these Consolidated financial statements

Because of the inherent limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material mis-statements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements to future periods are subject to the risk that the Internal Financial Control Over Financial Reporting with reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary has, in all material respects, adequate Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements and such Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements were operating effectively as at 31st March, 2020, based on the internal control Over Financial Reporting criteria established by the Holding Company and its subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal Financial Controls Over Financial Reporting in so far as it relates to 1 (One) subsidiary company (including 1 (One) step down subsidiary company, 1 (One) Step Down Joint Venture company and 1 (One) Step Down associate company), which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

FOR B A S & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan
FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660
UDIN-20301660AAAAAI3448

Place: Kolkata
Date- 30th June, 2020

ANNEXURE - B TO THE AUDITORS' REPORT

Directions under section 143(5) of the Companies Act, 2013

| CAG's Directions | Our Observation | Impact on Financial Statements |
|--|--|--|
| (1) Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated. | Yes, the accounting transactions of the Group for the year are processed through the IT system vide ERP (SAP accounting package) and as per the examination of records as provided to us, there are consolidated intermediary software's to capture the transactions related to certain functions in certain SBU's (for example Mid Office software for Tours and Travel) and the transactions from these standalone softwares are posted in SAP for accounting purpose. | Nil |
| (2) Whether there is any restructuring of an existing Loan or cases of waiver/ write off of debt/loans/interests, etc. made by the lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. | As per the information and explanations given by the management, there is no restructuring of loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the holding company during the year | Nil |
| (3) Whether the fund received/receivable for specific scheme from Central/State agencies were properly accounted for/utilised as per its term and condition? List the case of deviation | The Subsidiary Company has been sanctioned a Grant - in -Aid of Rs. 7.83 crores in earlier year from the Ministry of Food Processing Industries (MoFPI) for setting up integrated cold chain facilities at Rai, Haryana and Patalganga in Maharashtra. Against the same the company has been disbursed Rs. 4.70 crores till 31.03.2020 for specified assets purchased [for Patalganga, Maharashtra] as according to the scheme document the fund is disbursed upon utilisation for specific purpose. | The accounting for the same has been done with regard to Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance". Accordingly, the same has been treated as deferred income to be apportioned over the useful life of the assets. During the current financial year, a sum of Rs.42.71 Lakhs has been credited to the income in the statement of profit and loss account based on the accounting standard |

Comments in respect of Subsidiary company is on the basis of report furnished by its Auditor.

FOR B A S & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan
FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660
UDIN-20301660AAAAAI3448

Place: Kolkata
Date- 30th June, 2020

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Consolidated Balance Sheet as at March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

| Particulars | Note No. | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|----------|----------------------|----------------------|----------------------|
| Non-current Assets | | | | |
| Property, plant and equipment | 4 | 63,958.13 | 56,319.08 | 40,375.07 |
| Right-of-use assets | 5 | 12,683.15 | - | - |
| Capital work-in-progress | 6 | 2,362.25 | 11,717.60 | 13,806.59 |
| Investment property | 7 | 108.53 | 111.39 | 113.55 |
| Other intangible assets | 8 | 275.37 | 391.08 | 527.27 |
| Intangible assets under development | 9 | 7.00 | - | - |
| Investments accounted for using equity method | 10 | 37,350.04 | 32,357.03 | 29,245.92 |
| Financial assets | | | | |
| Investments | 11 | 120.40 | 149.50 | 14.46 |
| Loans | 12 | 217.62 | 420.89 | 428.29 |
| Other financial assets | 13 | 78.86 | 116.31 | 82.55 |
| Other non-current assets | 14 | 1,164.40 | 8,999.85 | 8,684.53 |
| Total non-current assets | | 118,325.75 | 110,582.73 | 93,278.23 |
| Current Assets | | | | |
| Inventories | 15 | 14,505.70 | 14,293.31 | 13,663.32 |
| Financial Assets | | | | |
| Trade receivables | 16 | 27,350.78 | 27,629.10 | 26,978.33 |
| Cash and cash equivalents | 17 | 2,346.88 | 5,575.34 | 7,645.79 |
| Bank balances other than above | 18 | 57,517.33 | 52,846.68 | 54,453.38 |
| Loans | 12 | 866.02 | 1,148.41 | 251.58 |
| Other financial assets | 13 | 20,170.97 | 24,775.38 | 27,202.28 |
| Current tax assets (net) | 29 | 15.87 | - | - |
| Other current assets | 14 | 7,053.15 | 5,196.27 | 7,131.61 |
| Total current assets | | 129,826.70 | 131,464.49 | 137,326.29 |
| Total assets | | 248,152.45 | 242,047.22 | 230,604.52 |
| Equity and Liabilities | | | | |
| Equity | | | | |
| Equity share capital | 19 | 2,219.73 | 2,219.73 | 2,219.73 |
| Other equity | 20 | 108,123.55 | 105,193.25 | 99,108.02 |
| Total of Equity (for shareholders of parent) | | 110,343.28 | 107,412.98 | 101,327.75 |
| Non controlling interest | 21 | 63,819.43 | 63,151.03 | 60,936.37 |
| Total equity | | 174,162.71 | 170,564.01 | 162,264.12 |
| Non-Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 22 | 9,407.85 | 7,608.24 | 1,115.99 |
| Lease liability | 23 | 1,349.70 | - | - |
| Other financial liabilities | 24 | 16.23 | 7.70 | 49.82 |
| Provisions | 25 | 4,327.81 | 4,162.43 | 3,777.48 |
| Deferred tax liabilities (net) | 26 | 8,834.02 | 7,364.03 | 6,314.76 |
| Other non-current liabilities | 27 | 434.19 | 260.51 | 7.06 |
| Total non-current liabilities | | 24,369.80 | 19,402.91 | 11,265.11 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 22 | 152.99 | 161.86 | - |
| Lease liability | 23 | 1,007.84 | - | - |
| Trade payables | 28 | | | |
| (i) total outstanding dues of MSMEs | | 328.26 | 324.16 | 199.31 |
| (ii) total outstanding dues of creditors other than MSMEs | | 21,832.89 | 28,974.92 | 31,638.25 |
| Other financial liabilities | 24 | 13,170.64 | 13,538.81 | 16,184.59 |
| Other current liabilities | 27 | 9,796.75 | 5,238.22 | 6,047.70 |
| Provisions | 25 | 1,664.93 | 1,638.56 | 504.33 |
| Current tax liabilities (net) | 29 | 1,665.64 | 2,203.77 | 2,501.11 |
| Total current liabilities | | 49,619.94 | 52,080.30 | 57,075.29 |
| Total equity and liabilities | | 248,152.45 | 242,047.22 | 230,604.52 |

Summary of significant accounting policies 1-3
The accompanying notes are integral part of the financial statements. 1-54

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

For and on behalf of the Board of Directors

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

| Particulars | Note No. | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|----------|-----------------------------------|-----------------------------------|
| Revenue from operations | | | |
| Interest income | 30 | 938.83 | 855.02 |
| Sale of goods and services | 31 | 153,399.52 | 177,479.41 |
| Total revenue from operations | | 154,338.35 | 178,334.43 |
| Other income | 32 | 5,514.44 | 6,261.75 |
| Total income | | 159,852.79 | 184,596.18 |
| Expenses: | | | |
| Finance costs | 33 | 1,487.02 | 712.41 |
| Fees and commission expenses | 34 | 295.51 | 409.89 |
| Impairment on financial instruments | 35 | 2,664.88 | 2,043.04 |
| Cost of material consumed and services rendered | 36 | 90,755.74 | 110,530.18 |
| Purchase of stock-in-trade | 37 | 2,075.61 | 329.45 |
| Changes in inventories of finished goods and work-in-progress | 38 | (506.63) | 343.82 |
| Employee benefits expenses | 39 | 21,518.25 | 21,285.17 |
| Depreciation and amortisation | 40 | 5,173.13 | 3,031.25 |
| Other expenses | 41 | 18,214.82 | 20,480.16 |
| Total expenses | | 141,678.33 | 159,165.37 |
| Share of profit/loss of Joint Venture accounted for using equity method | | 3,664.19 | 3,584.37 |
| Profit before tax | | 21,838.65 | 29,015.18 |
| Tax expense | 42 | | |
| Current tax | | 5,390.78 | 8,350.58 |
| Deferred tax expenses/(credit) | | 359.25 | 424.13 |
| Total tax expenses | | 5,750.03 | 8,774.71 |
| Net Profit/(loss) for the year | | 16,088.62 | 20,240.47 |
| Profit/(Loss) for the period -attributable to owners of the parent | | 10,571.61 | 12,854.62 |
| Profit/(Loss) for the period -attributable to non controlling interest | | 5,517.01 | 7,385.85 |
| Other comprehensive income | | | |
| Item that will not to be reclassified to profit or loss | | | - |
| A i) Items that will not be reclassified to profit and loss | | (872.01) | (925.66) |
| ii) Income tax relating to items that will not be reclassified to profit or loss | | 219.47 | 323.46 |
| B i) Items that will be reclassified to profit or loss | | | - |
| ii) Income tax relating to items that will be reclassified to profit or loss | | | - |
| C Other Comprehensive Income of joint ventures a and associates (net) | | (23.63) | (37.71) |
| Other comprehensive income/(loss) for the year | | (676.17) | (639.91) |
| Other comprehensive income/(loss) for the year - attributable to owners of the parent | | (417.87) | (395.46) |
| Other comprehensive income/(loss) for the year -attributable to non controlling interest | | (258.30) | (244.45) |
| Total comprehensive income for the year | | 15,412.45 | 19,600.56 |
| Total comprehensive income/(loss) for the year - attributable to owners of the parent | | 10,153.74 | 12,459.16 |
| Total comprehensive income/(loss) for the year -attributable to non controlling interest | | 5,258.71 | 7,141.40 |
| | | 15,412.45 | 19,600.56 |
| Earnings per share (basic and diluted) | 43 | | |
| Basic (Rs.) | | 72.48 | 91.18 |
| Diluted (Rs.) | | 72.48 | 91.18 |
| Summary of significant accounting policies | 1-3 | | |
| The accompanying notes are integral part of the financial statements. | 1-54 | | |

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

For and on behalf of the Board of Directors

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Consolidated Cash Flow Statement for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

| Particulars | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| Cash flow from operating activities | | |
| Net Profit/(Loss) before tax | 21,838.65 | 29,015.18 |
| Adjustments for: | | |
| Depreciation and amortisation | 5,173.13 | 3,031.25 |
| Impairment of Assets | - | 19.36 |
| Write off/provision for doubtful trade receivables (net) | 952.54 | (102.95) |
| Write off/provision for inventories (net) | (0.53) | 45.80 |
| Other write off/provision (net) | 16.82 | 300.82 |
| (Gain)/ Loss on sale of fixed assets (net) | (19.22) | (6.02) |
| (Gain)/ Loss on fair valuation of Investments (net) | - | (634.49) |
| Interest income | (2,604.79) | (2,864.91) |
| Dividend Income | (6.50) | (3.15) |
| Interest on income tax refund | - | - |
| Finance costs | 1,486.99 | 712.37 |
| Operating cash flows before working capital changes | 26,837.09 | 29,513.26 |
| Changes in operating assets and liabilities | | |
| (Increase)/Decrease in trade receivables | (674.22) | (547.82) |
| (Increase)/Decrease in non current assets | 2,162.50 | 2,895.58 |
| (Increase)/Decrease in Inventories | (211.86) | (675.79) |
| (Increase)/Decrease in other short term financial assets | 510.59 | (3,222.11) |
| (Increase)/Decrease in other current assets | (1,931.10) | 347.64 |
| Increase/(Decrease) in trade payables | (7,129.40) | (2,417.00) |
| Increase/(Decrease) in long term provisions | 165.38 | 384.95 |
| Increase/(Decrease) in short term provisions | 748.32 | 448.63 |
| Increase/(Decrease) in other financial liabilities | (416.61) | 440.76 |
| Increase/(Decrease) in other current liabilities | 4,558.53 | (809.48) |
| Cash flow generated from operations | 24,619.22 | 26,358.63 |
| Income taxes paid (net of refunds) | (5,944.79) | (8,647.92) |
| Net cash flow from operating activities | 18,674.43 | 17,710.71 |
| Cash flow from investing activities | | |
| Purchase or construction of Property, plant and equipment | (4,466.30) | (19,724.15) |
| Purchase of Investments | - | (1,162.00) |
| Proceeds on sale of Property, plant and equipment | (352.85) | (369.12) |
| Proceeds on sale of Investment | - | 634.49 |
| Movement in bank deposits | (3,827.62) | 4,064.97 |
| Interest received | 2,604.79 | 2,864.91 |
| Dividend received | 6.50 | 3.15 |
| Net cash generated from investing activities | (6,035.48) | (13,687.75) |
| Cash flow from financing activities | | |
| Proceeds from borrowings | (8.87) | 161.89 |
| Repayment of long-term borrowings | (250.00) | - |
| Dividend paid (including tax on dividend) | (14,819.55) | (11,967.22) |
| Loans Taken | 1,757.44 | 6,424.29 |
| Loans given | - | - |
| Repayment of lease liabilities | (1,059.45) | - |
| Finance cost paid | (1,486.99) | (712.37) |
| Net cash used by financing activities | (15,867.42) | (6,093.41) |
| Net cash increase/(Decrease) in cash and cash equivalents | (3,228.46) | (2,070.45) |
| Cash and cash equivalents at the beginning of the year | 5,575.34 | 7,645.79 |
| Cash and cash equivalents at the end of the year | 2,346.88 | 5,575.34 |
| Movement in cash balance | (3,228.46) | (2,070.45) |

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements.

1-3

1-54

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

For and on behalf of the Board of Directors

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata

Date: 30th June, 2020

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

A Equity share capital

| Particulars | Balance as at April 01, 2018 | Change in equity share capital during the period | Balance as at March 31, 2019 | Change in equity share capital during the Period | Balance as at March 31, 2020 |
|----------------------|------------------------------|--|------------------------------|--|------------------------------|
| Equity Share Capital | 2,219.73 | - | 2,219.73 | | 2,219.73 |

B Other equity

| Particulars | Owners of the Equity | | | | | | | Non controlling interest |
|---|-----------------------|-----------------|-------------------|--------------------------------------|------------------------------------|-----------------|------------|--------------------------|
| | Reserves and surplus | | | | | | Total | |
| | Share Premium Reserve | General Reserve | Retained Earnings | Foreign Currency Translation Reserve | Other Comprehensive Income Reserve | Capital Reserve | | |
| Balance as at April 1, 2018 | 2,241.34 | 27,319.19 | 63,969.24 | 685.75 | 61.89 | 4,830.62 | 99,108.02 | 60,936.37 |
| Profit/(Loss) for the year ended March 31, 2019 | - | - | 12,854.62 | - | - | - | 12,854.62 | 7,385.85 |
| Remeasurement of gain/(loss) | - | - | (395.46) | - | - | - | (395.46) | (244.45) |
| Movement during the year | - | - | 496.45 | (51.54) | - | - | 444.91 | 350.08 |
| Dividend Paid | - | - | (5,327.34) | - | - | - | (5,327.34) | (4,354.90) |
| Dividend distribution tax | - | - | (1,491.50) | - | - | - | (1,491.50) | (921.93) |
| Balance as at March 31, 2019 | 2,241.34 | 27,319.19 | 70,106.01 | 634.20 | 61.89 | 4,830.62 | 105,193.25 | 63,151.03 |
| Profit for the period | - | - | 10,571.61 | - | - | - | 10,571.61 | 5,517.01 |
| Remeasurement gain loss | - | - | (417.88) | - | - | - | (417.88) | (258.30) |
| Movement during the year | - | - | 2,467.20 | (550.18) | - | - | 1,917.02 | 1,184.99 |
| Dividend Paid | - | - | (7,547.07) | - | - | - | (7,547.07) | (4,790.39) |
| Dividend distribution tax | - | - | (1,593.38) | - | - | - | (1,593.38) | (984.90) |
| Balance as at March 31, 2020 | 2,241.34 | 27,319.19 | 73,586.49 | 84.02 | 61.89 | 4,830.62 | 108,123.55 | 63,819.43 |

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements.

As per our report of even date.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

For and on behalf of the Board of Directors

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

1. Group Overview

Balmer Lawrie Investments Limited ("the Company") is a Government Enterprise domiciled in India and registered under the provisions of the Companies Act, 2013. Its shares are listed on two recognized Stock Exchange in India, i.e. Bombay Stock Exchange & Calcutta Stock Exchange. The Company is the holding company of Balmer Lawrie & Co. Limited (BL) by virtue of its acquiring 61.80% shareholding of the BL through a Scheme of Arrangement and Reconstruction between IBP Co. Ltd., Balmer Lawrie Investments Limited and their respective shareholders and creditors in accordance with the provisions of the Companies Act. The Scheme became effective on 5th February, 2002 with an appointed date of 15th October, 2001. The President of India holds 59.67% in the Company. The Company has its registered office situated at 21, Netaji Subash Road, Kolkata -700001.

The Company along with its subsidiary including Subsidiaries, Joint Venture and Associates of subsidiary, herein after collectively referred to as "The Group". The Group is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India.

2. Statement of Compliance, Basis of Preparation and Significant Accounting Policies

Statement of Compliance and Basis of Preparation

The Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 01, 2019. These Consolidated Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms/ guidelines. These are the Group's first Consolidated Financial Statements and the date of transition is April 01, 2018.

These Consolidated Financial Statements are Group's first consolidated statements and the group does not use to prepare the Consolidated Financial Statements earlier under previous GAAP. Hence no reconciliation is required between the previous GAAP and Ind AS.

The mandatory exceptions and optional exemptions availed by the Group on First-time preparation/adoption of Ind AS consolidated financial statement have been detailed in Note 53.

These Consolidated Financial Statements have been prepared on going concern basis following accrual system of accounting. Further, these Financial Statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

Significant Accounting Policies

The significant accounting policies applied in preparation of the Financial Statements are as given below:

2.1 Basis of Consolidation

Subsidiary

Subsidiary is the entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Financial Statements of subsidiary are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases. The Group combines the Financial Statements of the Holding Group and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses.

Equity accounted investees

The Group's interests in equity accounted investees comprise of the interests in associates and joint venture. Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of Profit and Loss and Other Comprehensive Income (OCI) of equity-accounted investees until the date on which significant influence ceases.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of Profit and Loss and Other Comprehensive Income (OCI) of equity-accounted investees until the date on which significant influence or joint control ceases.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

Goodwill relating to the joint venture/ associate is included in the carrying amount of the investment and is not tested for impairment individually. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.2.Revenue Recognition

Revenue arises mainly from the sale of Goods and Services and interest income. To determine whether to recognise revenue, the Group follows a 5-step process:

- (i) Identifying the contract with a customer
- (ii) Identifying the performance obligations
- (iii) Determining the transaction price
- (iv) Allocating the transaction price to the performance obligations
- (v) Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Revenue from services is recognised in the period in which services are rendered, as per the terms of the service contract.

In case of project activities: As per the percentage of completion method after progress of work to a reasonable extent for which control can be transferred to the buyer.

In cases where the Group collects consideration on account of another party, it recognises revenue as the net amount retained on its own account.

Other Income

- (i) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. For all financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR), i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.
- (ii) Dividend from investments in shares on establishment of the Group's right to receive.
- (iii) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement
- (iv) Export incentives are recognised as income only at the time when there is no significant uncertainty as to its measurability and ultimate realisation.

As a practical expedient, as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized from the satisfaction of the performance obligation corresponds directly with the value to the customer of the entity's performance completed to date especially in relation to those contracts where invoicing is on time and material basis.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020**2.3 Property, Plant and Equipment****Recognition and initial measurement****Land**

Land held for use is initially recognized at cost. For land, as no finite useful life can be determined, related carrying amounts are not depreciated. Land also includes land held under finance lease, which is depreciated over the lease term.

Other Tangible assets

PPE other than land is initially recognized at acquisition cost or construction cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group beyond one year. Maintenance or servicing costs of PPE are recognized in the Statement of Profit and Loss as incurred.

Property, plant and equipment manufactured /constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

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

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

Subsequent measurement (depreciation method, useful lives, residual value, and impairment)

PPE are subsequently measured at Cost less accumulated depreciation and impairment loss. Depreciation on Property, plant & equipment other than continuous process plant is provided on pro-rata basis following straight line method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on continuous process plant is as per Schedule II of the Companies Act, 2013.

Depreciation on certain Property, plant & equipment, which have been refurbished/ upgraded and put to further use are being depreciated on a pro rata basis considering their reassessed residual useful life which is not more than the life specified in Schedule II of the Companies Act, 2013.

Depreciation on tangible assets other than Property, plant and equipment is provided on pro-rata basis following straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013:

| Asset category | Estimated useful life (in years) |
|--|---|
| Mobile Phones and Portable Personal Computers | 2 years |
| Assets given to employees under furniture equipment scheme | 5 years |
| Electrical items like air conditioners, fans, refrigerators etc. | 7 years |
| Sofa, Photocopier, Fax machines, Motor Cars & Machine Spares | 5 years |

The residual values of all assets are taken as NIL.

The residual values, useful lives, and method of depreciation are reviewed at the end of each Financial Year. PPE other than land is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-Recognition

An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Capital Work-in-Progress

The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress.' The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under 'Capital Advances.'

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

2.4 Intangible Assets**Recognition and initial measurement**

Intangible assets mainly comprise of computer software which is initially measured at cost. Such assets are recognized where it is probable that the future economic benefits attributable to the assets will flow to the Group.

Subsequent measurement (amortization method, useful lives and residual value)

All intangible assets with finite useful life are amortized on a straight line basis over the estimated useful lives, and a possible impairment is assessed if there is an indication that the intangible assets may be impaired. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates.

- a) Expenditure incurred for acquiring intangible assets like software costing ₹ 500,000 and above and license to use software per item of ₹ 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years.
- c) Goodwill on acquisition is not amortised but tested for impairment annually.
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

Intangible Assets under Development

Expenditure incurred which are eligible for capitalization under intangible assets is carried as 'Intangible assets under development' till they are ready for their intended use.

De-Recognition of Intangible Assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

2.5 Accounting for Research & Development

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.
- b) Capital expenditure relating to research & development is treated in the same way as other fixed assets.

2.6 Impairment of Non - Financial Assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit using an appropriate discount factor.

2.7 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Additionally, when a property given on rent is vacated and the managements intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020**2.8 Leases**

The Company's transition date to Ind AS 116 is April 1, 2018, For subsidiaries, joint ventures and associates, the transition date is April 1, 2019 and therefore for the comparative information (i.e. till March 31, 2019) the Group followed following accounting policy:

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Group obtains ownership of the asset at the end of the lease term. Where the Group is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance lease liability.

The assets held under finance leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Lease rentals for operating leases is recognised in Profit and loss on a straight-line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

For any new contracts entered into on or after April 1, 2019, The Group has adopted Ind AS 116, the accounting policy for the leases is as follows:

The Group as a lessee

The Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- The Group has the right to direct the use of the identified asset throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when any indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

The Group as a lessor

As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

2.9 Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below:

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI), if required
- Investments in equity shares of subsidiaries (carried at cost in accordance with Ind AS 27 read with Ind AS 101).

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied to each category of financial assets, which are described below:

Amortized cost

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Company's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Company has a diversified portfolio of trade receivables from its different segments. Every business segment of the Company has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Company as a whole. The Company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market informations, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL.

Modification of cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020*Financial assets at FVTPL*

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortized cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

*De-recognition of financial assets***De-recognition of financial assets due to a substantial modification of terms and conditions**

The Group derecognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

De-recognition of financial assets other than due to substantial modification

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Group also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

2.10 Impairment of Financial Assets

In respect of impairment of its financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition.

To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition. The Group also considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery.

2.11 Inventories

Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –

- Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.
- Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balance lying with the banks under current account and demand deposits, together with other short-term, highly liquid investments (original maturity less than three months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash flow statement is reported using indirect method as per Ind AS 7.

2.13 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/ or construction of a qualifying asset, till the time such a qualifying asset becomes ready for its intended use sale, are capitalized. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

2.14 Employee Benefit

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plan

A defined contribution plan is a plan under which the Group pays fixed contributions in respect of the employees into a separate fund. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The contributions made by the Group towards defined contribution plans are charged to the profit or loss in the period to which the contributions relate.

Defined benefit plan

The Group has an obligation towards gratuity, Post-Retirement Medical Facility (PRMF) and Other Defined Retirement Benefit (ODRB) which are being considered as defined benefit plans covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service, final salary, and other defined parameters. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside.

The Group's obligation towards defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries.

Actuarial gains/losses resulting from re-measurements of the liability/asset are included in Other Comprehensive Income. Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Other long-term employee benefits:

Liability in respect of compensated absences becoming due or expected to be availed more than one-year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognized at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost, which is amortised on a straight-line basis over the expected remaining period of the Loan. In case of change in expected remaining period of the Loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020**2.15 Foreign Currency Translation****Foreign currency transactions and balances**

Foreign currency transactions are translated into the functional currency of the Group using the exchange rates prevailing on the date of the transaction. The Consolidated Financial Statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

Foreign exchange gains and losses resulting from the settlement of such transactions and the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in the Statement of Profit or Loss. However, for the long-term monetary items recognized in the Consolidated Financial Statements before April 01, 2018, such gains and losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term monetary item, by recognition as income or expense in each of such periods.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date).

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

2.16 Government Grants

- a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.
- b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- c) Government grants relating to the purchase of property, plant and equipment (other than specified Assets) are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Treatment of Grant / Subsidy

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure.
- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets.
- c) When grant/ subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.
- d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

2.17 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the group, and makes strategic decisions and have identified business segment as its primary segment.

2.18 Material Prior Period Items

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

- a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.
- c) Any items exceeding rupees twenty five lacs (₹ 25 Lacs) shall be considered as material prior period item.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

- d) Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the group shall restate the opening balances of assets, liabilities and equity for the earliest prior for which retrospective restatement is practicable (which may be the current period).

2.19 Provisions, Contingent Liabilities, and Contingent Assets

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

A contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Group can be virtually certain to collect from a third party concerning the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when the inflow of economic benefits is probable, the related asset is disclosed.

2.20 Taxation

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax. It is recognized in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, the tax is also recognised in OCI or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of previous years. Current tax and liabilities are off set to the extent it is legally enforceable.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by same tax authority.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

2.21 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except in case where results are anti-dilutive.

3 Significant Management Judgment in Applying Accounting Policies and Estimation of Uncertainty

The preparation of the Group's Financial Statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant Judgements

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Significant estimates

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.

Recoverability of advances/receivables/investments

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables, advances and investments.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

4 Property, plant and equipment

| Description | Land - Freehold | Land - Leasehold | Building and Sidings | Plant and Machinery | Spares for Plant and Machinery | Electrical Installation and Equipment | Furniture and Fittings | Typewriter Accounting Machine and Office Equipment | Tubewell, Tanks and Miscellaneous Equipment | Lab Equipment | Railway Sidings | Vehicles | Total |
|-------------------------------------|-----------------|------------------|----------------------|---------------------|--------------------------------|---------------------------------------|------------------------|--|---|---------------|-----------------|----------|------------|
| Gross block | | | | | | | | | | | | | |
| Gross carrying value | | | | | | | | | | | | | |
| Balance as at April 01, 2018 | 2,419.41 | 3,203.81 | 16,121.66 | 17,157.99 | 29.06 | 2,874.72 | 812.66 | 1,843.42 | 1,824.33 | 621.68 | 238.33 | 376.47 | 47,523.53 |
| Additions during the year | - | - | 13,279.05 | 2,435.20 | 4.71 | 1,415.07 | 335.73 | 232.67 | 267.16 | 90.60 | 777.78 | 26.51 | 18,864.48 |
| Disposals during the year | - | - | (0.17) | (50.57) | (12.55) | (60.62) | (34.96) | (15.85) | (1.55) | (0.16) | - | (40.11) | (216.54) |
| Balance as at March 31, 2019 | 2,419.41 | 3,203.81 | 29,400.54 | 19,542.61 | 21.22 | 4,229.17 | 1,113.43 | 2,060.24 | 2,089.94 | 712.12 | 1,016.11 | 362.87 | 66,171.47 |
| Transfer to right-of-use asset* | - | (3,203.81) | - | - | - | - | - | - | - | - | - | - | (3,203.81) |
| Additions during the year | 9.08 | - | 10,362.47 | 2,079.56 | 35.56 | 515.89 | 380.37 | 351.01 | 236.38 | 15.15 | - | 40.39 | 14,025.86 |
| Disposals during the year | - | - | - | (119.45) | (3.57) | (87.28) | (15.78) | (81.89) | (26.14) | (2.53) | - | (35.43) | (372.07) |
| Balance as at March 31, 2020 | 2,428.49 | - | 39,763.01 | 21,502.73 | 53.21 | 4,657.78 | 1,478.02 | 2,329.36 | 2,300.18 | 724.74 | 1,016.11 | 367.83 | 76,621.45 |
| Accumulated depreciation | | | | | | | | | | | | | |
| Balance as at April 01, 2018 | - | 189.47 | 1,230.10 | 2,509.96 | 20.05 | 949.30 | 230.53 | 944.67 | 466.92 | 222.64 | 62.82 | 322.00 | 7,148.46 |
| Charge for the year | - | 63.56 | 770.54 | 847.28 | 2.82 | 376.68 | 103.49 | 364.62 | 203.02 | 84.01 | 29.77 | 28.16 | 2,873.94 |
| Impairment | - | - | 5.82 | 13.54 | - | - | - | - | - | - | - | - | 19.36 |
| Inter Asset Adjustment | - | - | - | - | - | (0.34) | - | 0.34 | - | - | - | - | - |
| Adjustment for disposals | - | - | (0.13) | (40.88) | (12.55) | (57.17) | (28.05) | (14.77) | (1.16) | (0.16) | 0.13 | (34.64) | (189.38) |
| Balance as at March 31, 2019 | - | 253.03 | 2,006.33 | 3,329.90 | 10.32 | 1,268.47 | 305.97 | 1,294.86 | 668.78 | 306.49 | 92.72 | 315.52 | 9,852.38 |
| Transfer to right-of-use asset* | - | (253.03) | - | - | - | - | - | - | - | - | - | - | (253.03) |
| Charge for the year | - | - | 997.58 | 1,025.50 | 3.80 | 506.00 | 148.66 | 318.83 | 227.51 | 81.41 | 98.08 | 19.42 | 3,426.78 |
| Adjustment for disposals | - | - | - | (115.73) | (3.57) | (84.41) | (15.61) | (81.19) | (25.94) | (2.53) | - | (33.83) | (362.81) |
| Balance as at March 31, 2020 | - | - | 3,003.91 | 4,239.67 | 10.55 | 1,690.05 | 439.02 | 1,532.50 | 870.35 | 385.37 | 190.81 | 301.11 | 12,663.33 |
| Net block | | | | | | | | | | | | | |
| Balance as at April 01, 2018 | 2,419.41 | 3,014.34 | 14,891.56 | 14,648.03 | 9.01 | 1,925.42 | 582.13 | 898.75 | 1,357.41 | 399.04 | 175.51 | 54.48 | 40,375.07 |
| Balance as at March 31, 2019 | 2,419.41 | 2,950.78 | 27,394.21 | 16,212.71 | 10.90 | 2,960.70 | 807.46 | 765.38 | 1,421.16 | 405.63 | 923.39 | 47.36 | 56,319.08 |
| Balance as at March 31, 2020 | 2,428.49 | - | 36,759.11 | 17,263.06 | 42.66 | 2,967.73 | 1,039.00 | 796.86 | 1,429.83 | 339.36 | 825.30 | 66.73 | 63,958.13 |

*After the application of IND AS 116 w.e.f. 1st April, 2019, the balance of land leasehold as appearing in books have been transferred to right-of-use assets (refer note 5).

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

5 Right-of-use assets

| Particulars | Land | Building | Plant and Machinery | Electrical Equipments | Total |
|-------------------------------------|-----------------|------------------|---------------------|-----------------------|------------------|
| Gross carrying value | | | | | |
| Balance as at April 01, 2019 | - | - | - | - | - |
| Transfer from land-leasehold* | 3,203.81 | - | - | - | 3,203.81 |
| Additions during the year | 46.00 | 10,178.67 | 1,096.88 | 30.85 | 11,352.40 |
| Balance as at March 31, 2020 | 3,249.81 | 10,178.67 | 1,096.88 | 30.85 | 14,556.21 |
| Accumulated depreciation | | | | | |
| Balance as at April 01, 2019 | - | - | - | - | - |
| Transfer from land-leasehold* | 253.00 | - | - | - | 253.00 |
| Charge for the year | 63.54 | 917.67 | 616.33 | 22.52 | 1,620.06 |
| Balance as at March 31, 2020 | 316.54 | 917.67 | 616.33 | 22.52 | 1,873.06 |
| Net block | | | | | |
| Balance as at March 31, 2020 | 2,933.27 | 9,260.99 | 480.55 | 8.34 | 12,683.15 |

*Consequent to the application of Ind AS 116 w.e.f. 1st April, 2019, the balance of land-leasehold as appearing in the books have been transferred to right-of-use assets (refer note 4).

6 Capital Work-in-Progress

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--------------------------|----------------------|----------------------|----------------------|
| Capital work-in-progress | 2,362.25 | 11,717.60 | 13806.59 |

7 Investment Property

| | Total |
|--|---------------|
| Gross carrying amount | |
| Balance as at April 01, 2018 | 118.41 |
| Additions | - |
| Disposals/adjustments | - |
| Balance as at March 31, 2019 | 118.41 |
| Additions | - |
| Disposals/adjustments | - |
| Investment property - reclassified | (0.14) |
| Balance as at March 31, 2020 | 118.27 |
| Accumulated depreciation | |
| Balance as at April 01, 2018 | 4.86 |
| Depreciation charge for the year | 2.16 |
| Disposals/adjustments for the year | - |
| Balance as at March 31, 2019 | 7.02 |
| Depreciation charge for the year | 2.82 |
| Investment property - reclassified | (0.10) |
| Balance as at March 31, 2020 | 9.74 |
| Net book value as at March 31, 2020 | 108.53 |
| Net book value as at March 31, 2019 | 111.39 |
| Net book value as at April 01, 2018 | 113.55 |

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets.

(i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended March 31, 2020 or previous ended March 31, 2019.

(iii) Restrictions

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

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

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

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|-----------------------------------|-----------------------------------|
| Rental income | 167.60 | 244.40 |
| Direct operating expenses that generated rental income | 21.98 | 201.01 |
| Direct operating expenses that did not generated rental income | 193.27 | 103.78 |
| Profit from leasing of investment properties | (47.65) | (60.38) |

(v) Leasing arrangements

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

(vi) Fair value

| Particulars | March 31, 2020 | March 31, 2019 | April 01, 2018 |
|-------------|----------------|----------------|----------------|
| Fair value | 4317.73 | 4,168.59 | 4,168.59 |

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- Discounted cash flow projections based on reliable estimates of future cash flows.
- Restrictions on remittance of income receipts or receipt of proceeds from disposals.
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.
- The fair values of investment properties have been determined by external valuer. The main inputs used are rental growth rates, expected vacancy rates, terminal yield and discount rates based on industry data.

8 Other Intangible assets

| Description | Goodwill | Other intangible assets | | |
|--|---------------|-------------------------|---------------|-----------------|
| | | Softwares | Brand value | Total |
| Gross carrying amount | | | | |
| Balance as at April 01, 2018 | 689.32 | 745.19 | 332.63 | 1,077.83 |
| Additions | - | 18.96 | - | 18.96 |
| Disposals/adjustments | - | - | - | - |
| Balance as at March 31, 2019 | 689.32 | 764.15 | 332.63 | 1,096.79 |
| Additions | - | 7.76 | - | 7.76 |
| Disposals/adjustments | - | - | - | - |
| Balance as at March 31, 2020 | 689.32 | 771.91 | 332.63 | 1,104.55 |
| Accumulated amortisation | | | | |
| Balance as at April 01, 2018 | 689.32 | 436.56 | 114.00 | 550.56 |
| Amortisation charge for the year | - | 117.15 | 38.00 | 155.15 |
| Disposals/adjustments for the year | - | - | - | - |
| Balance as at March 31, 2019 | 689.32 | 553.71 | 152.00 | 705.71 |
| Amortisation charge for the year | - | 85.47 | 38.00 | 123.47 |
| Disposals/adjustments for the year | - | - | - | - |
| Balance as at March 31, 2020 | 689.32 | 639.18 | 190.00 | 829.18 |
| Net book value as at April 01, 2018 | 689.32 | 308.63 | 218.63 | 527.27 |
| Net book value as at March 31, 2019 | - | 210.44 | 180.63 | 391.08 |
| Net book value as at March 31, 2020 | - | 132.73 | 142.63 | 275.37 |

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

9 Intangible Assets Under Development

Computer Software for SBU Travel

| As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|----------------------------|----------------------------|----------------------------|
| 7.00 | - | - |
| 7.00 | - | - |

10 *Investments accounted for using equity method

Preference Shares

In Joint Ventures (in India)

Transafe Services Ltd.
(Cumulative Redeemable Preference shares of ₹10 each)

| As at March 31, 2020 | | As at March 31, 2019 | | As at April 01, 2018 | |
|-------------------------|--------|-------------------------|--------|-------------------------|--------|
| No. of Share | Amount | No. of Share | Amount | No. of Share | Amount |

| | | | | | |
|------------|----------|------------|----------|------------|----------|
| 13,300,000 | 1,330.00 | 13,300,000 | 1,330.00 | 13,300,000 | 1,330.00 |
|------------|----------|------------|----------|------------|----------|

Equity Instruments

In Associates (in India)

AVI-OIL India (P) Ltd.
(Ordinary Equity Shares of ₹10 each)

| | | | | | |
|-----------|----------|-----------|----------|-----------|----------|
| 4,500,000 | 1,667.36 | 4,500,000 | 1,592.07 | 4,500,000 | 1,467.17 |
|-----------|----------|-----------|----------|-----------|----------|

In Joint Ventures (in India)

Balmer Lawrie -Van Leer Ltd.
(Ordinary Equity Shares of ₹10 each)

| | | | | | |
|-----------|----------|-----------|----------|-----------|----------|
| 8,601,277 | 7,346.29 | 8,601,277 | 7,113.20 | 8,601,277 | 6,817.52 |
|-----------|----------|-----------|----------|-----------|----------|

Transafe Services Ltd.
(Ordinary Equity Shares of ₹10 each)

| | | | | | |
|------------|----------|------------|----------|------------|----------|
| 11,361,999 | 1,165.12 | 11,361,999 | 1,165.12 | 11,361,999 | 1,165.12 |
|------------|----------|------------|----------|------------|----------|

In Joint Ventures (outside India)

**PT Balmer lawrie Indonesia
(Equity Shares of par value of Indonesian Rupiah (IDR) 10,000 each)

| | | | | | |
|-----------|---|-----------|---|---|---|
| 2,000,000 | - | 2,000,000 | - | - | - |
|-----------|---|-----------|---|---|---|

Balmer Lawrie (UAE) LLC
(Ordinary Equity Shares of AED 1,000 each)

| | | | | | |
|-------|-----------|-------|-----------|-------|-----------|
| 9,800 | 28,336.39 | 9,800 | 23,651.76 | 9,800 | 20,961.23 |
|-------|-----------|-------|-----------|-------|-----------|

Total - Gross

| | | |
|------------------|------------------|------------------|
| 39,845.16 | 34,852.15 | 31,741.04 |
|------------------|------------------|------------------|

Less: Allowance for impairment loss on investments

| | | |
|---|---|---|
| - | - | - |
|---|---|---|

Less Provision for diminution in value Joint venture

| | | |
|------------|------------|------------|
| (1,165.12) | (1,165.12) | (1,165.12) |
|------------|------------|------------|

Less Provision for diminution in value Preference shares

| | | |
|------------|------------|------------|
| (1,330.00) | (1,330.00) | (1,330.00) |
|------------|------------|------------|

Total - Net

| | | |
|------------------|------------------|------------------|
| 37,350.04 | 32,357.03 | 29,245.92 |
|------------------|------------------|------------------|

11 Investments

Other than subsidiaries (in India)

Bridge and roof co. (India) Ltd.
(Ordinary Equity Shares of ₹10 each)

| As at March 31, 2020 | | As at March 31, 2019 | | As at April 01, 2018 | |
|-------------------------|--------|-------------------------|--------|-------------------------|--------|
| No. of Share | Amount | No. of Share | Amount | No. of Share | Amount |

| | | | | | |
|---------|-------|---------|-------|---------|-------|
| 357,591 | 14.01 | 357,591 | 14.01 | 357,591 | 14.01 |
|---------|-------|---------|-------|---------|-------|

Biecco Lawrie Ltd
(Ordinary Equity Shares of ₹10 each)
(Carried in books at a value of ₹1 only), net off Provision for diminution in value

| | | | | | |
|---------|---|---------|---|---------|---|
| 195,900 | - | 195,900 | - | 195,900 | - |
|---------|---|---------|---|---------|---|

Woodlands Multispeciality Hospitals Ltd.
(Ordinary Equity Shares of ₹10 each)

| | | | | | |
|-------|------|-------|------|-------|------|
| 8,850 | 0.45 | 8,850 | 0.45 | 8,850 | 0.45 |
|-------|------|-------|------|-------|------|

Kanpur Flowercycling Pvt Ltd
(Ordinary Equity Shares of ₹9592 each including premium)
Less: Transfer to Incubator

| | | | | | |
|-------|---------|-----|-------|---|---|
| 626 | 60.05 | 626 | 60.05 | - | - |
| (147) | (14.10) | | | | |

RC Hobbytech Solution Pvt Ltd
(Ordinary Equity Shares of ₹1350 each including premium)
Less: Transfer to Incubator

| | | | | | |
|---------------|----------|---------------|-------|--------------|---|
| 5,555 | 74.99 | 5,555 | 74.99 | - | - |
| (1,111) | (15.000) | | | | |
| 120.40 | | 149.50 | | 14.46 | |

*These investments are carried as fair value through Profit and loss and their carrying value approximates their fair value.

** Refer details given in Note No. 45(iv) of the notes to accounts for the year.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

Financial Assets
12 Loans

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|------------------------------------|----------------------------|----------------------------|----------------------------|
| Measured at amortised cost | | | |
| Non-current | | | |
| Secured considered good | | | |
| Other loans | 217.62 | 240.89 | 248.29 |
| Unsecured considered good | | | |
| Loans to Transafe Services Ltd. | - | 180.00 | 180.00 |
| Doubtful | | | |
| Security deposits | 16.67 | 16.67 | - |
| Loans to Transafe Services Ltd. | 180.00 | | |
| Others | 8.25 | 8.25 | 8.25 |
| | 422.54 | 445.81 | 436.54 |
| | (204.92) | (24.92) | (8.25) |
| Less: Provision for doubtful loans | <u>217.62</u> | <u>420.89</u> | <u>428.29</u> |
| Current | | | |
| Secured Considered good | | | |
| Loans to employees | 54.05 | 53.45 | 85.01 |
| Unsecured Considered good | | | |
| Advances to employees | 27.74 | 30.70 | 19.61 |
| Other loans and advances | 784.23 | 1,064.26 | 146.96 |
| Gross loans | <u>866.02</u> | <u>1,148.41</u> | <u>251.58</u> |

13 Other Financial Assets

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|----------------------------|----------------------------|----------------------------|
| Non-current | | | |
| Dues from Transafe Services Ltd.- doubtful | 80.87 | 80.87 | 80.87 |
| Other receivables | 78.86 | 116.31 | 82.55 |
| Gross total | 159.73 | 197.18 | 163.42 |
| Less: Provision for doubtful assets | (80.87) | (80.87) | (80.87) |
| | <u>78.86</u> | <u>116.31</u> | <u>82.55</u> |
| Current | | | |
| Accrued income | 2,395.59 | 2,226.70 | 2,240.70 |
| Security deposits | 766.38 | 908.38 | 841.46 |
| Other Receivables -considered good | 17,009.00 | 21,640.30 | 24,120.12 |
| Other Receivables - considered doubtful | 2,865.89 | 2,758.79 | 2,219.34 |
| Gross total | <u>23,036.86</u> | <u>27,534.17</u> | <u>29,421.62</u> |
| Less - Provision for doubtful other receivables | -2,865.89 | -2,758.79 | -2,219.34 |
| | <u>20,170.97</u> | <u>24,775.38</u> | <u>27,202.28</u> |

14 Other Assets

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--|----------------------------|----------------------------|----------------------------|
| Non-Current | | | |
| Security deposits | 683.19 | 690.46 | 496.06 |
| Capital advances | 119.37 | 177.40 | 152.81 |
| Balances with government authorities | 270.60 | 267.14 | 263.13 |
| Prepaid expenses | 20.73 | 7,781.56 | 7,670.65 |
| Others | 70.51 | 83.29 | 101.88 |
| | <u>1,164.40</u> | <u>8,999.85</u> | <u>8,684.53</u> |
| Current | | | |
| Advances to contractors and suppliers | 2,772.03 | 2,727.66 | 2,530.49 |
| Balances with government authorities | 3,260.68 | 1,612.19 | 1,519.81 |
| Prepaid expenses | 558.73 | 848.11 | 963.61 |
| Others | 1,226.02 | 724.37 | 2,941.55 |
| | <u>7,817.46</u> | <u>5,912.33</u> | <u>7,955.46</u> |
| Less: Provision for doubtful advances to contractors and suppliers | (764.31) | (716.06) | (823.85) |
| | <u>7,053.15</u> | <u>5,196.27</u> | <u>7,131.61</u> |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

15 Inventories

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--|----------------------------|----------------------------|----------------------------|
| Raw materials and components | 9,087.64 | 9,352.96 | 8,556.08 |
| Goods-in-transit | 0.06 | - | 1.00 |
| Slow moving and non moving | 205.59 | 168.45 | 175.09 |
| Less: Impairment provision for slow and non moving | (145.96) | (121.06) | (131.12) |
| Total - Raw Materials and components | 9,147.33 | 9,400.35 | 8,601.05 |
| Work in Progress | 1,177.56 | 966.40 | 1,286.44 |
| Slow moving and non moving | - | - | 1.38 |
| Less: Impairment provision for slow and non moving | - | - | (0.75) |
| Total - Work in Progress | 1,177.56 | 966.40 | 1,287.07 |
| Finished goods | 3,289.08 | 2,882.55 | 2,933.91 |
| Goods-in transit | 30.35 | 120.74 | 114.22 |
| Slow moving and non moving | 143.37 | 199.05 | 150.58 |
| Less: Impairment provision for slow and non moving | (83.08) | (118.09) | (91.31) |
| Total - Finished goods | 3,379.72 | 3,084.25 | 3,107.40 |
| Stores and spares | 740.10 | 770.82 | 625.03 |
| Slow moving and non moving | 230.55 | 232.64 | 174.44 |
| Less: Impairment provision for slow and non moving | (169.56) | (161.15) | (131.67) |
| Total - Stores and spares | 801.09 | 842.31 | 667.80 |
| | 14,505.70 | 14,293.31 | 13,663.32 |

16 Trade Receivables

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--|----------------------------|----------------------------|----------------------------|
| Outstanding for a period less than six months | | | |
| Unsecured, considered good | 25,118.86 | 24,938.40 | 24,945.08 |
| Credit impaired | 8.64 | 81.90 | 4.64 |
| Less: Provision for credit impaired | (8.64) | (81.90) | (4.64) |
| | 25,118.86 | 24,938.40 | 24,945.08 |
| Outstanding for a period exceeding six months | | | |
| Unsecured, considered good | 2,231.92 | 2,690.70 | 2,033.25 |
| Credit impaired | 1,459.47 | 1,197.17 | 804.98 |
| Less: Provision for credit impaired | (1,459.47) | (1,197.17) | (804.98) |
| | 2,231.92 | 2,690.70 | 2,033.25 |
| Total | 27,350.78 | 27,629.10 | 26,978.33 |

17 Cash and Cash Equivalents

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---------------------------------------|----------------------------|----------------------------|----------------------------|
| Cash in hand | 9.29 | 3.75 | 3.94 |
| Balances with banks - current account | 2,337.59 | 5,571.59 | 7,641.85 |
| | 2,346.88 | 5,575.34 | 7,645.79 |

There are no repatriation restrictions with respect to cash and bank balances available with the Company.

18 Bank Balances other than above

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--|----------------------------|----------------------------|----------------------------|
| Unclaimed dividend accounts | 703.38 | 603.25 | 441.12 |
| Bank Term Deposits (with maturity more than 3 months but upto 12 months) | 56,729.50 | 52,165.64 | 53,942.50 |
| Margin money deposit with banks | 84.45 | 77.79 | 69.76 |
| | 57,517.33 | 52,846.68 | 54,453.38 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

19 Equity share capital

| | As at March 31, 2020 | | As at March 31, 2019 | | As at April 01, 2018 | |
|--|----------------------|-----------------|----------------------|-----------------|----------------------|-----------------|
| | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs |
| a) Authorised Share Capital | | | | | | |
| Equity shares of 10/- each with voting rights | 2,50,00,000 | 2,500.00 | 2,50,00,000 | 2,500.00 | 2,50,00,000 | 2,500.00 |
| b) Issued, Subscribed and Paid up Share Capital | | | | | | |
| Equity shares of 10/- each with voting rights | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 |
| | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 | 22,197,269.00 | 2,219.73 |

Reconciliation of share capital

| | For the year ended March 31, 2020 | | For the year ended March 31, 2019 | |
|--|-----------------------------------|-----------------|-----------------------------------|-----------------|
| | No. of Shares | in lakhs | No. of Shares | in lakhs |
| As at the beginning of the year | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 |
| Shares issued during the year | - | - | - | - |
| As at the closing of the year | 22,197,269 | 2,219.73 | 22,197,269 | 2,219.73 |

Terms and rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholders holding more than 5% of the equity share capital of the company

| | As at March 31, 2020 | | As at March 31, 2019 | | As at 01 April 2018 | |
|--------------------------|----------------------|------------|----------------------|------------|---------------------|------------|
| Name of the Shareholders | No. of Shares | Percentage | No. of Shares | Percentage | No. of Shares | Percentage |
| President of India | 13,246,098 | 59.67% | 13,246,098 | 59.67% | 13,246,098 | 59.67% |
| CD Equifinance Pvt. Ltd. | 1,553,050 | 7.00% | 1,574,559 | 7.09% | 1,340,586 | 6.04% |

The Company has not issued equity shares pursuant to contract without payment being received in cash, any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date.

20 Other Equity

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--------------------------------------|----------------------|----------------------|----------------------|
| Share Premium Reserve | 2,241.34 | 2,241.34 | 2,241.34 |
| General Reserve | 27,319.19 | 27,319.19 | 27,319.19 |
| Retained Earnings | 73,586.49 | 70,106.01 | 63,969.24 |
| Foreign Currency Translation Reserve | 84.02 | 634.20 | 685.75 |
| Other Comprehensive Income Reserve | 61.89 | 61.89 | 61.89 |
| Capital Reserve | 4,830.62 | 4,830.62 | 4,830.62 |
| | 108,123.55 | 105,193.25 | 99,108.02 |

Nature and purpose of Other Reserves

Securities Premium

Securities Premium represents premium received on issue of shares. This shall be utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

Retained Earnings

Retained Earnings are the portion of company's net income that is left out after distributing dividends to shareholders. These are kept aside by the company for reinvesting it in the main business.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

Foreign Currency Translation Reserve

This is generated on account of two principal reasons

- (i) The amount generated out of conversion of balance sheet items at year end rate and P&L items at average rate.
- (ii) The amount generated on account of difference of conversions between previous year and current year rates.

Other Comprehensive Income (OCI) Reserve

(i) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Fair Value through Other Comprehensive Income (FVOCI) equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) The Company has recognised remeasurement benefits on defined benefits plans through Other Comprehensive Income

Capital reserve

(i) Capital Reserve of Rs. 10.53 crores arose on conversion of shares from erstwhile IBP Ltd to Balmer Lawrie Investments Ltd at the time transfer of shares. The amount remains constant since then as such Capital Reserved could not be utilized otherwise.

(ii) Capital reserve of Rs. 37.78 Crore represents, the difference between the investment value acquired and the consideration paid at the time of acquisition of Balmer Lawrie and Co. Ltd. shares.

Dividends

| Particulars | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|----------------------------|----------------------------|----------------------------|
| (i) Equity shares | | | |
| Final dividend paid during the year ended 31 st March, 2020 of ₹ 34 (31 st March, 2019 - ₹ 24) per fully paid share (Net of Dividend distribution tax) | 7,547.08 | 5,327.34 | 3,773.54 |
| (ii) Dividends not recognised at the end of the reporting period | | | |
| In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 37.5 (31 st March, 2019 ₹ 34) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | 8,323.99 | 7,547.08 | 5,327.34 |

21 Non Controlling Interest

Non controlling interest

| As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|----------------------------|----------------------------|----------------------------|
| 63,819.43 | 63,151.03 | 60,936.37 |
| 63,819.43 | 63,151.03 | 60,936.37 |

22 Borrowings

Non-Current

Borrowings

| As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|----------------------------|----------------------------|----------------------------|
| 9,407.85 | 7,608.24 | 1,115.99 |
| 9,407.85 | 7,608.24 | 1,115.99 |
| Current | | |
| Borrowings | | |
| 152.99 | 161.86 | - |
| 152.99 | 161.86 | - |

The Group has availed Term Loan of Rs. 15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant - in- aid from Ministry of food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the fixed and movable assets of Temperature Controlled Warehouses at Rai and Patalganga respectively. The Loan is repayable in 12 equal instalments starting from 18 months from the date of 1st drawal.

VPLPL a subsidiary of the company has availed Rs 65.47 Crore as loan out of sanctioned loan of Rs 125 Crore at a rate of 10 basis point above three months MCLR rate. This loan is secured by first charge on the entire fixed assets (present and future) of VPLPL and equitable mortgage on the leasehold right of project land.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

23 Lease liability

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--------------------|----------------------------|----------------------------|----------------------------|
| Non-Current | | | |
| Lease liability | 1,349.70 | - | - |
| | 1,349.70 | - | - |
| Current | | | |
| Lease liability | 1007.84 | - | - |
| | 1,007.84 | - | - |

24 Other Financial Liabilities

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|--|----------------------------|----------------------------|----------------------------|
| Non-Current | | | |
| Deposits | 16.23 | 7.70 | 49.82 |
| | 16.23 | 7.70 | 49.82 |
| Current | | | |
| Current maturities of long term borrowings | 264.22 | 306.39 | 374.35 |
| Security deposits | 3,435.14 | 3,527.11 | 3,192.94 |
| Unclaimed dividend | 703.38 | 603.25 | 441.12 |
| Expenses payable* | 8.82 | 3.62 | 1.93 |
| Other financial liabilities | 8,759.08 | 9,098.44 | 12,174.25 |
| | 13,170.64 | 13,538.81 | 16,184.59 |

* Expense payable includes Rs 1.24 lakhs relating to MSME .

25 Provisions

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|-----------------------|----------------------------|----------------------------|----------------------------|
| Non-Current | | | |
| Actuarial Provisions | 2,551.55 | 2,249.76 | 1,942.85 |
| Long Term Provisions | 1,776.26 | 1,912.67 | 1,834.63 |
| | 4,327.81 | 4,162.43 | 3,777.48 |
| Current | | | |
| Actuarial Provisions | 467.75 | 432.19 | 341.39 |
| Short term provisions | 1,197.18 | 1,206.37 | 162.94 |
| | 1,664.93 | 1,638.56 | 504.33 |

26 Deferred tax liabilities

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|----------------------------|----------------------------|----------------------------|
| Deferred tax liability arising on account of : | | | |
| Property, plant and equipment | 4,682.06 | 6,157.70 | 5,089.96 |
| Deferred tax asset arising on account of : | | | |
| Adjustment for VRS expenditure | - | (118.49) | (299.05) |
| Provision for loans, debts, deposits and advances | (1,455.12) | (2,885.22) | (2,135.48) |
| Defined benefit plans | (1,474.31) | (1,221.38) | (718.82) |
| Provision for Inventory | (100.32) | (139.88) | (122.81) |
| Provision for diminution in investment | (593.29) | (871.89) | (863.17) |
| Net Liability due to profit transfer of group companies | 7,775.00 | 6,444.79 | 5,496.19 |
| Impairment of assets | - | (6.77) | (132.06) |
| Others | - | 5.17 | - |
| | 8,834.02 | 7,364.03 | 6,314.76 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

Movement in deferred tax liabilities
Particulars

| | As at April 01, 2019 | Recognised in profit and loss | Recognised in Other Compre- hensive Income | As at March 31, 2020 |
|---|----------------------------|-------------------------------------|--|----------------------------|
| Property, plant and equipment | 6,157.70 | (1,475.64) | - | 4,682.06 |
| Adjustment for VRS expenditure | (118.49) | 118.49 | - | - |
| Provision for loans, debts, deposits and advances | (2,885.22) | 1,430.10 | - | (1,455.12) |
| Defined benefit plans | (1,221.38) | (33.46) | (219.47) | (1,474.31) |
| Provision for Inventory | (139.88) | 39.56 | - | (100.32) |
| Provision for dimunition in investment | (871.89) | 278.60 | - | (593.29) |
| Net Liability due to profit transfer of group companies | 6,444.79 | - | 1,330.21 | 7,775.00 |
| Impairment of assets | (6.77) | 6.77 | - | - |
| Others | 5.17 | (5.17) | - | - |
| | 7364.03 | 359.25 | 1,110.75 | 8,834.02 |

Movement in deferred tax liabilities
Particulars

| | As at April 01, 2018 | Recognised in profit and loss | Recognised in Other Compre- hensive Income | As at March 31, 2019 |
|---|----------------------------|-------------------------------------|--|----------------------------|
| Property, plant and equipment | 5089.96 | 1,067.74 | - | 6,157.70 |
| Adjustment for VRS expenditure | (299.05) | 180.56 | - | (118.49) |
| Provision for loans, debts, deposits and advances | (2,135.48) | (749.74) | - | (2,885.22) |
| Defined benefit plans | (718.82) | (179.10) | (323.46) | (1,221.38) |
| Provision for Inventory | (122.81) | (17.07) | - | (139.88) |
| Provision for dimunition in investment | (863.17) | (8.72) | - | (871.89) |
| Net Liability due to profit transfer of group companies | 5496.19 | - | 948.60 | 6,444.79 |
| Impairment of assets | (132.06) | 125.29 | - | (6.77) |
| Others | - | 5.17 | - | 5.17 |
| | 6314.76 | 424.13 | 625.14 | 7364.03 |

27 Other Non Financial Liabilities

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|-------------------------|----------------------------|----------------------------|----------------------------|
| Non-Current | | | |
| Advances from Customers | 8.55 | 3.55 | 3.55 |
| Others | 425.64 | 256.96 | 3.51 |
| | 434.19 | 260.51 | 7.06 |
| Current | | | |
| Advances from Customers | 2,518.30 | 1,141.58 | 1,247.06 |
| Statutory Dues | 1,565.68 | 511.57 | 660.9 |
| Deferred Income | 410.95 | 168.43 | 181.66 |
| Others | 5,301.82 | 3,416.64 | 3,958.08 |
| | 9,796.75 | 5,238.22 | 6,047.70 |

28 Trade Payables

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|----------------------------|----------------------------|----------------------------|
| Outstanding dues of Micro Enterprises and Small Enterprises | 328.26 | 324.16 | 199.31 |
| Outstanding dues of creditors other than Micro Enterprises and Small Enterprise | 21,832.89 | 28,974.92 | 31,638.25 |
| | 22,161.15 | 29,299.08 | 31,837.56 |

29 Current Tax Assets/Liabilities (net)

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|----------------------------|----------------------------|----------------------------|
| A. Current tax liabilities (net) | | | |
| Provision for taxation (Net of advance) | 1,665.64 | 2,203.77 | 2,501.11 |
| | 1,665.64 | 2,203.77 | 2,501.11 |
| B. Current tax assets (net) | | | |
| Tax assets (net of provision) | 15.87 | - | - |
| | 15.87 | - | - |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

30 Interest Income

Interest Income on bank deposits
Interest Income on others

| For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--------------------------------------|--------------------------------------|
| 938.83 | 855.02 |
| - | |
| 938.83 | 855.02 |

(A) Sale of goods

Sale of Products
Sale of Trading Goods

| For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--------------------------------------|--------------------------------------|
| 88,085.89 | 103,556.48 |
| 2,148.76 | 329.45 |

(B) Sale of services

| | |
|-----------|-----------|
| 55,924.97 | 64,925.17 |
|-----------|-----------|

(B) Other operating income

| | |
|-------------------|-------------------|
| 7,239.90 | 8,668.31 |
| 153,399.52 | 177,479.41 |

32 Other Income

Profit on disposal of property, plant and equipment
Profit on disposal of investments
Unclaimed balances and excess provision written back
Gain on foreign currency transactions (net)
Provision for debts, deposits, loans and advances and inventories considered doubtful, written back
Interest income on bank deposits
Interest income on others
Dividends from investments
Miscellaneous income

| For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--------------------------------------|--------------------------------------|
| 23.11 | 22.28 |
| - | 634.49 |
| 1,263.99 | 1,068.77 |
| 2.06 | 70.15 |
| 459.98 | 775.86 |
| 3,123.22 | 2,785.93 |
| 112.06 | 232.75 |
| 6.50 | 3.15 |
| 523.52 | 668.37 |
| 5,514.44 | 6,261.75 |

33 Finance Costs

Interest on borrowings
Interest on lease liabilities
Bank Charges

| For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--------------------------------------|--------------------------------------|
| 1,061.61 | 558.10 |
| 281.20 | - |
| 144.21 | 154.31 |
| 1,487.02 | 712.41 |

34 Fees and Commission Expenses

Selling commission

| For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--------------------------------------|--------------------------------------|
| 295.51 | 409.89 |
| 295.51 | 409.89 |

35 Impairment on Financial Instruments

Write off of debts, deposits, loan and advances
Provision for doubtful debts and advances

| For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--------------------------------------|--------------------------------------|
| 1,294.78 | 481.97 |
| 1,370.10 | 1,561.07 |
| 2,664.88 | 2,043.04 |

Balmer Lawrie Investments Limited

CIN: L65999WB2001GOI093759

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

36 Cost of Materials Consumed and Services Rendered

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|----------------------------|--------------------------------------|--------------------------------------|
| Cost of materials consumed | 60,194.67 | 74,752.68 |
| Cost of services rendered | 30,561.07 | 35,777.50 |
| | 90,755.74 | 110,530.18 |

37 Purchase of Trading Goods

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-------------------------|--------------------------------------|--------------------------------------|
| Trading goods purchased | 2,075.61 | 329.45 |
| | 2,075.61 | 329.45 |

38 Changes in Inventories of Trading Goods, Work-in-Progress and Finished Goods

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Change in work in progress | | |
| Opening stock | 966.40 | 1,287.07 |
| Closing stock | 1,177.56 | 966.40 |
| Change during the year | (211.16) | 320.67 |
| Change in finished goods | | |
| Opening stock | 3,084.25 | 3,107.40 |
| Closing stock | 3,379.72 | 3,084.25 |
| Change during the year | (295.47) | 23.15 |
| | (506.63) | 343.82 |

39 Employee Benefits Expenses

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|--------------------------------------|--------------------------------------|
| Salaries and wages | 17,150.16 | 17,477.27 |
| Contribution to provident and other funds | 2,450.88 | 2,188.19 |
| Staff welfare expenses | 1,917.21 | 1,619.71 |
| | 21,518.25 | 21,285.17 |

40 Depreciation, Amortization and Impairment

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|--------------------------------------|--------------------------------------|
| Depreciation on property, plant and equipment | 3,426.78 | 2,873.94 |
| Depreciation on investment properties | 2.82 | 2.16 |
| Amortisation on intangible assets | 123.47 | 155.15 |
| Amortisation on right-of-use assets | 1,620.06 | - |
| | 5,173.13 | 3,031.25 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

41 Other Expenses

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| Manufacturing expenses | 1,609.42 | 1,679.77 |
| Consumption of stores and spares | 800.42 | 889.24 |
| Repairs and maintenance | | |
| - buildings | 368.72 | 276.50 |
| - plant and machinery | 458.66 | 414.73 |
| - others | 630.42 | 561.95 |
| Corporate social responsibility expenses | 527.68 | 528.06 |
| Power and fuel | 2,473.14 | 2,563.00 |
| Electricity and gas | 436.88 | 407.47 |
| Rent | 762.45 | 1,372.32 |
| Insurance | 309.47 | 270.21 |
| Packing, despatching, freight and shipping charges | 3,848.56 | 4,257.08 |
| Rates and taxes | 162.64 | 161.28 |
| Payment to auditors | | |
| Statutory/Branch auditors | 23.01 | 22.32 |
| Tax audit | 0.97 | 0.94 |
| Other certification | 3.57 | 2.62 |
| Reimbursement of expenses | 2.10 | 2.29 |
| Balances written off | 1.54 | 12.40 |
| Loss on disposal of property, plant and equipment | 2.35 | 406.04 |
| Cash discount | 278.23 | 340.22 |
| Travelling expenses | 946.80 | 988.58 |
| Printing and stationary | 224.01 | 297.24 |
| Motor car expenses | 147.45 | 153.71 |
| Service charge | 7.95 | 7.57 |
| Listing fees and other fees | 22.53 | 6.86 |
| Communication charges | 331.20 | 286.84 |
| Impairment of assets | - | 19.36 |
| Miscellaneous expenses | 3,834.64 | 4,551.54 |
| | 18,214.82 | 20,480.16 |

42 Tax Expense

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-------------------------|--------------------------------------|--------------------------------------|
| Current Tax | 6,098.68 | 9,093.80 |
| Taxes for Earlier Years | (707.90) | (743.22) |
| Deferred Tax | 359.25 | 424.13 |
| | 5,750.03 | 8,774.71 |

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.17% (27.82%) and the reported tax expense in profit or loss are as follows:

| Particulars | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| Accounting profit before income tax | 18,174.46 | 25,430.81 |
| Income tax rate | 25.17% | 27.82% |
| Tax Expense | 4,574.15 | 7,074.85 |
| Rate effect of subsidiaries | | 1,756.58 |
| Current Income tax of Foreign Subsidiary | 0.63 | 5.63 |
| Tax impact on deemed dividend of Foreign Subsidiary | 160.09 | |
| Exempt Dividend Income | - | |
| Provisions (net) | 499.23 | 556.43 |
| CSR Expenses | 132.81 | 183.68 |
| VRS Expenses | (85.34) | (184.03) |
| Depreciation Difference | (154.47) | 6.48 |
| Impairment of asset | 0.98 | 6.77 |
| Additional Deduction for R&D expenses in I Tax | - | (322.08) |
| Loss of Subsidiaries | 962.35 | |
| Adjustments in respect of Previous years income tax | (707.90) | (743.22) |
| Expenditure incurred to earn dividend income u/s 14A | 8.22 | 9.09 |
| Others | 0.02 | 0.40 |
| | 5,390.78 | 8,350.58 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| 43 Earning per share | | |
| Profit after tax | 16,088.62 | 20,240.47 |
| No. of shares | 22,197,269 | 22,197,269 |
| Face value of share | 10 | 10 |
| Earnings per share (Basic/diluted) per share | 72.48 | 91.18 |

44 Accounting for Employee Benefits
Defined Contribution Plans

The disclosures are made consequent to adoption of Ind AS 19 on Employee Benefits, issued by the Institute of Chartered Accountants of India, by the group. Defined Benefit/s Plans / Long Term Employee benefits in respect of Gratuity, Leave Encashment, Post-retirement medical benefits and Long Service Awards are recognized in the Statement of Profit & Loss on the basis of Actuarial valuation done at the year end. Actuarial gain /loss on post-employment benefit plans that is gratuity and post-retirement medical benefit plans are recognized in Other Comprehensive Income.

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 1368.22 lacs (₹ 1142.24 lacs); Superannuation fund ₹ 679.11 lacs (₹ 629.07 lacs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 9.38 lacs (₹ 16.39 lacs).

Defined Benefit Plans
Post Employment Benefit Plans
A. Gratuity

The gratuity plan entitles an employee, who has rendered atleast five years of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the group by way of transfer of requisite amount to the fund.

The reconciliation of the group's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below:

| | (₹ in Lacs) | | |
|---------------------------------------|-------------------------|-------------------------|-------------------------|
| Particulars | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Defined benefit obligation | 6,378.65 | 5,931.59 | 5,531.35 |
| Fair value of plan assets | 5,748.26 | 5,248.30 | 5,508.91 |
| Net defined benefit obligation | 630.39 | 683.28 | 22.44 |

(i) The movement of the group's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

| | (₹ in Lacs) | | |
|---|-------------------------|-------------------------|-------------------------|
| Particulars | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Opening value of defined benefit obligation | 5,931.59 | 5,531.35 | 5,835.57 |
| Add: Current service cost | 416.13 | 350.24 | 326.51 |
| Add: Current interest cost | 361.53 | 386.22 | 437.68 |
| Plan amendment : Vested portion at end of period (past service) | - | - | - |
| Add: Actuarial (gain)/loss due to - | | | |
| - changes in demographic assumptions | - | - | - |
| - changes in experience adjustment | 400.28 | 443.68 | (147.36) |
| - changes in financial assumptions | 330.48 | 119.13 | (219.42) |
| Add: Acquisition Adjustment | 9.97 | - | - |
| Less: Benefits paid | (1,071.33) | (899.02) | (701.64) |
| Closing value of defined benefit obligation thereof- | 6,378.65 | 5,931.59 | 5,531.35 |
| Unfunded | 630.39 | 683.28 | 22.44 |
| Funded | 5,748.26 | 5,248.30 | 5,508.91 |

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

| | (₹ in Lacs) | | |
|---|-------------------------|-------------------------|-------------------------|
| Assumptions | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Discount rate (per annum) | 6.70% | 7.60% | 7.98% |
| Rate of increase in compensation levels/Salary growth rate | 6.00% | 6.00% | 6.00% |
| Expected average remaining working lives of employees (years) | 11 | 11 | 12 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

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

| Particulars | (₹ in Lacs) | | |
|---|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Opening balance of fair value of plan assets | 5,248.30 | 5,508.91 | 4,023.43 |
| Add: Contribution by employer | 1,125.68 | 460.64 | 1,887.22 |
| Return on Plan Assets excluding Interest Income | 8.58 | (240.90) | (21.17) |
| Add: Interest income | 427.06 | 418.68 | 321.07 |
| Add: Acquisition Adjustment | 9.97 | - | - |
| Less: Benefits paid | (1,071.33) | (899.02) | (701.64) |
| Closing balance of fair value of plan assets | 5,748.26 | 5,248.30 | 5,508.91 |

(iv) Expense related to the group's defined benefit plans in respect of gratuity plan is as follows:

| Amount recognised in Other comprehensive income | (₹ in Lacs) | |
|--|---|---|
| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Actuarial (gain)/loss on obligations-changes in demographic assumptions | - | - |
| Actuarial (gain)/loss on obligations-changes in financial assumptions | 330.48 | 119.13 |
| Actuarial (gain)/loss on obligations-Experience Adjustment | 400.28 | 443.68 |
| Return on Plan Assets excluding Interest Income | 8.58 | (240.90) |
| Total expense/ (income) recognized in the statement of Other Comprehensive Income | 722.19 | 803.70 |

| Amount recognised in the Statement of Profit and Loss | (₹ in Lacs) | |
|---|---|---|
| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Current service cost | 416.13 | 350.24 |
| Past service cost (vested) | - | - |
| Net Interest cost (Interest cost-expected return) | (65.53) | (32.46) |
| Total expense recognized in the Statement of Profit & Loss | 350.60 | 317.78 |

| Amount recognised in Balance Sheet | (₹ in Lacs) | | |
|------------------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Defined benefit obligation | 6,378.65 | 5,931.59 | 5,531.35 |
| Classified as: | | | |
| Non-Current | 6,361.58 | 4,890.65 | 4,771.63 |
| Current | 17.07 | 1,040.94 | 759.72 |

| | (₹ in Lacs) | | |
|--|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Expected returns on plan assets are based on a weighted average of expected returns of the various assets in the plan, and include an analysis of historical returns and predictions about future returns. The return on plan assets was | 435.64 | 177.78 | 299.90 |

(v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies. Plan assets can be broken down into the following major categories of investments:

| Particulars | (₹ in Lacs) | | |
|---|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Government of India securities/ State Government securities | 47.23% | 46.61% | 46.30% |
| Corporate bonds | 45.48% | 47.24% | 47.59% |
| Others | 7.29% | 6.15% | 6.11% |
| Total plan assets | 100.00% | 100.00% | 100.00% |

Interest costs have been included under 'finance costs' and service cost has been recorded under 'employee benefits expense' in statement of comprehensive income.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

(vi) Sensitivity Analysis

The significant actuarial assumption for the determination of defined benefit obligation in respect of gratuity plans is the discount rate. The calculation of the net defined benefit obligation is sensitive to this assumption. The following table summarises the effects of changes in this actuarial assumption on the defined benefit obligation:

| Particulars | As at | |
|--|-----------------|-----------------|
| | March 31, 2020 | |
| | Increase | Decrease |
| Changes in discount rate in % | 0.50 | 0.50 |
| Defined benefit obligation after change | 6,191.00 | 6,579.00 |
| Original defined benefit obligation | 6,378.65 | 6,378.65 |
| Increase/(decrease) in defined benefit obligation | (187.65) | 200.35 |
| Changes in salary growth rate in % | 0.50 | 0.50 |
| Defined benefit obligation after change | 6,507.00 | 6,253.00 |
| Original defined benefit obligation | 6,378.65 | 6,378.65 |
| Increase/(decrease) in defined benefit obligation | 128.35 | (125.65) |
| Changes in Attrition rate in % | 0.50 | 0.50 |
| Defined benefit obligation after change | 6,379.00 | 6,378.00 |
| Original defined benefit obligation | 6,378.65 | 6,378.65 |
| Increase/(decrease) in defined benefit obligation | 0.35 | (0.65) |
| Changes in Mortality rate in % | 10 | 10 |
| Defined benefit obligation after change | 6,381.00 | 6,376.00 |
| Original defined benefit obligation | 6,378.65 | 6,378.65 |
| Increase/(decrease) in defined benefit obligation | 2.35 | (2.65) |
| (₹ in Lacs) | | |
| Particulars | As at | |
| | March 31, 2019 | |
| | Increase | Decrease |
| Changes in discount rate in % | 0.50 | 0.50 |
| Defined benefit obligation after change | 5,776.00 | 6,096.00 |
| Original defined benefit obligation | 5,931.59 | 5,931.59 |
| Increase/(decrease) in defined benefit obligation | (155.59) | 164.41 |
| Changes in salary growth rate in % | 0.50 | 0.50 |
| Defined benefit obligation after change | 6,034.00 | 5,832.00 |
| Original defined benefit obligation | 5,931.59 | 5,931.59 |
| Increase/(decrease) in defined benefit obligation | 102.41 | (99.59) |
| Changes in Attrition rate in % | 0.50 | 0.50 |
| Defined benefit obligation after change | 5,936.00 | 5,928.00 |
| Original defined benefit obligation | 5,931.59 | 5,931.59 |
| Increase/(decrease) in defined benefit obligation | 4.41 | (3.59) |
| Changes in Mortality rate in % | 10 | 10 |
| Defined benefit obligation after change | 5,962.00 | 5,901.00 |
| Original defined benefit obligation | 5,931.59 | 5,931.59 |
| Increase/(decrease) in defined benefit obligation | 30.41 | (30.59) |

B. Post Retirement Medical Benefits Scheme (Non-funded)

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependent spouse, parents and children as per applicable rules.

| Particulars | As at | | |
|---|----------------|----------------|----------------|
| | March 31, 2020 | March 31, 2019 | April 01, 2018 |
| Opening value of defined benefit obligation | 406.13 | 376.60 | 348.71 |
| Add: Current service cost | - | - | - |
| Add: Current interest cost | 22.02 | 24.19 | 23.73 |
| Add: Actuarial (gain)/loss due to - | | | |
| - changes in demographic assumptions | - | - | - |
| - changes in experience adjustment | 116.30 | 109.91 | 127.47 |
| - changes in financial assumptions | 33.52 | 12.05 | (20.74) |
| Less: Benefits paid | (155.06) | (116.62) | (102.57) |
| Closing value of defined benefit obligation Thereof- | 422.92 | 406.13 | 376.60 |
| Unfunded | 422.92 | 406.13 | 376.60 |
| Funded | - | - | - |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

| (₹ in Lacs) | | |
|--|--------------------------------------|--------------------------------------|
| Amount recognised in Other comprehensive income | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Actuarial (gain)/loss on obligations-change in demographic assumptions | - | - |
| Actuarial (gain)/loss on obligations-change in financial assumptions | 33.52 | 12.05 |
| Actuarial (gain)/loss on obligations-Experience Adjustment | 116.30 | 109.91 |
| Total expense/ (income) recognized in the statement of Other Comprehensive Income | 149.82 | 121.96 |

| Amount recognised in the Statement of Profit & Loss | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|--------------------------------------|--------------------------------------|
| Current service cost | - | - |
| Net Interest cost(Interest Cost-Expected return) | 22.02 | 24.19 |
| Total expense recognized in the statement of Profit & Loss | 22.02 | 24.19 |

| (₹ in Lacs) | | | |
|--------------------------------|-------------------------|-------------------------|-------------------------|
| Assumptions | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Discount rate (per annum) | 6.70% | 7.60% | 7.98% |
| Superannuation age | 60 | 60 | 60 |
| Early retirement & disablement | 0.10% | 0.10% | 0.10% |

| (₹ in Lacs) | | | |
|------------------------------------|-------------------------|-------------------------|-------------------------|
| Amount recognised in Balance Sheet | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Defined benefit obligation | 422.92 | 406.13 | 376.60 |
| Classified as: | | | |
| Non-Current | 354.64 | 341.36 | 316.78 |
| Current | 68.28 | 64.77 | 59.82 |

Sensitivity Analysis

The significant actuarial assumption for the determination of defined benefit obligation in respect of Post retirement medical benefits is the discount rate. The calculation of the net defined benefit obligation is sensitive to this assumption. The following table summarises the effects of changes in this actuarial assumption on the defined benefit obligation:

| Particulars | As at March 31, 2020 | |
|--|-------------------------|--------------|
| | Increase | Decrease |
| Changes in Discount rate in % | 0.50 | 0.50 |
| Defined benefit obligation after change | 409.00 | 436.00 |
| Original defined benefit obligation | 422.92 | 422.92 |
| Increase/(decrease) in defined benefit obligation | (13.92) | 13.08 |

| | | |
|--|---------------|-------------|
| Changes in Mortality rate in % | 10 | 10 |
| Defined benefit obligation after change | 414.00 | 430.00 |
| Original defined benefit obligation | 422.92 | 422.92 |
| Increase/(decrease) in defined benefit obligation | (8.92) | 7.08 |

Sensitivity Analysis

The significant actuarial assumption for the determination of defined benefit obligation in respect of Post retirement medical benefits is the discount rate. The calculation of the net defined benefit obligation is sensitive to this assumption. The following table summarises the effects of changes in this actuarial assumption on the defined benefit obligation:

| Particulars | As at March 31, 2019 | |
|--|-------------------------|--------------|
| | Increase | Decrease |
| Changes in Discount rate in % | 0.50 | 0.50 |
| Defined benefit obligation after change | 394.00 | 418.00 |
| Original defined benefit obligation | 406.13 | 406.13 |
| Increase/(decrease) in defined benefit obligation | (12.13) | 11.87 |

| | | |
|--|---------------|-------------|
| Changes in Mortality rate in % | 10 | 10 |
| Defined benefit obligation after change | 397.00 | 413.00 |
| Original defined benefit obligation | 406.13 | 406.13 |
| Increase/(decrease) in defined benefit obligation | (9.13) | 6.87 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

C. Other Long Term Benefit Plans
Leave Encashment (Non-funded), Long Service Award (Non-funded) and Half Pay Leave (Non-funded)

The group provides for the encashment of accumulated leave subject to a maximum of 300 days. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation. An amount of ₹ 141.60 lacs (₹ 832.10 lacs) has been recognised in the Statement of Profit and Loss.

| Leave Encashment (Non-funded) | (₹ in Lacs) | | |
|-------------------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Amount recognized in Balance Sheet: | | | |
| Current | 172.75 | 201.36 | 190.78 |
| Non Current | 871.57 | 701.36 | 760.36 |

Long Service Award is given to the employees to recognise long and meritorious service rendered to the group. The minimum eligibility for the same starts on completion of 10 years of service and thereafter every 5 years of completed service. An amount of ₹ 0.80 lacs [₹ (-) 20.19 lacs] has been recognised in the Statement of Profit and Loss.

| Long Service Award (Non-funded) | (₹ in Lacs) | | |
|-------------------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Amount recognized in Balance Sheet: | | | |
| Current | 69.28 | 60.73 | 41.26 |
| Non Current | 417.95 | 346.57 | 351.83 |

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. An amount of ₹ 240.83 lacs (₹ 358.90 lacs) has been recognised in the Statement of Profit and Loss.

| Half Pay Leave (Non-funded) | (₹ in Lacs) | | |
|-------------------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Amount recognized in Balance Sheet: | | | |
| Current | 157.45 | 105.33 | 49.52 |
| Non Current | 901.24 | 712.52 | 513.88 |

- 45(i)** (a) Conveyance deeds of certain land costing Rs. 2427.39 Lakhs (Rs. 2,484.37 Lakhs) and buildings, with written down value of Rs. 3349.16 Lakhs (Rs. 3,211.46 Lakhs) are pending registration / mutation.
(b) Certain buildings & sidings with written down value of Rs. 7498.33 Lakhs (Rs. 6,603.58 Lakhs) are situated on leasehold/rented land. Some of the leases with Kolkata Port Trust have expired and are under renewal.

45(ii) Contingent liabilities and commitments
a) Contingent liabilities

| As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|-------------------------|-------------------------|-------------------------|
| 35.84 | NIL | NIL |

BSE has been imposing fines on the Company on quarterly basis - for non-compliance of provisions of SEBI LODR Regulations 2015 pertaining to composition of Board of Directors and the composition of some Board level Committees. Suitable reply has been given by the Company to BSE for waiver of these fines as the same were due to factors beyond control of the Company. No response has been received from BSE for these representations.

The figures of fine as reflected as on 31st March, 2020 has been calculated based on notices received from BSE Ltd. for quarters ended June, September and December, 2019. The notice for quarter ended March, 2020 has not been received yet. It may be expected that such notice, if issued, would be as per the provisions of SEBI circulars on Standard Operating Procedure for suspension and revocation of trading of specified securities. It would be pertinent to mention that as per the said SEBI Circulars the fine payable for non compliance of Reg 17(1) is Rs.5000 per day, for Reg. 18(1) is Rs. 2000 per day and Reg 19(1)/(2) is Rs 2000 per day of default.

Further, the Composition of the Board was inline with the provisions of Section 149 from October 2019 and subsequently in February'20 the composition of Audit Committee and Nomination & Remuneration Committees was inline with the provisions of the Companies Act 2013. The provisions of fine for non-compliance of the same have been envisaged in Chapter XI and XII of the Act which may extend to Rs. 500000/-. However, the Company being a Government Company, the compliance of the same is not within the control of the Company but as per directions of the administrative ministry.

- b)** Disputed demand for Excise Duty, Customs Duty, Income Tax, Service Tax and Sales Tax amounting to Rs. 6588.70 Lakhs (Rs. 14,348.82 Lakhs) against which the group has lodged appeal/petition before appropriate authorities.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

- c) Claims against the company not acknowledged as debts amount to Rs. 943.01 Lakhs (Rs.1,076.63 Lakhs) in respect of which the group has lodged appeals/petitions before appropriate authorities. In respect of employees/ex-employees related disputes financial effect is ascertainable on settlement.
 - d) Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to Rs. 3300.77 Lakhs (Rs. 1,562.87 Lakhs).
 - e) Counter guarantees given to various banks in respect of guarantees/loans given by them amount to Rs. 8187.35 Lakhs (Rs.8,794.18 Lakhs)
- 45(iii)** During the previous financial year 2018-19, the group started the process of closing down the wholly owned subsidiary Balmer Lawrie (UK) Limited (BLUK) and as a part of restructuring initiative a comprehensive portion of its paid-up shares was purchased back by the subsidiary company as per laid down guidelines of the United Kingdom. The wholly owned subsidiary issued share capital now stands at 100 equity shares with a face value of US \$ 1 each, which are still held by the company.
- 45(iv)** During the previous financial year 2018-19, as a part of restructuring of BLUK, its 50% share (2,000,000 shares) in PT. Balmer Lawrie Indonesia (PTBLI) were transferred to the company and investment in PTBLI to the tune of ₹1027.32 Lakhs was recognised. During the current financial year, it has been decided that since currently the Net worth of PTBLI is negative, a provision to the tune of ₹1027.32 Lakhs is created in the books of accounts of the company and the amount to be paid to BLUK against the same is also adjusted.
- 45(v)** Trade receivables, loans and advances and deposits of which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.
- 45(vi)** The 'Corporate Insolvency Resolution Process' (CIRP) has been initiated by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated November 21, 2019 in respect of M/s Transafe Services Limited (TSL), under the provisions of "The Insolvency and Bankruptcy Code, 2016" (IB Code). As directed by the Insolvency Resolution Professional (IRP), the powers of the Board of Directors of TSL stands suspended as per Section 17 of the IB Code from the order date and such powers are now being exercised by the IRP appointed by the Hon'ble NCLT. Consequent to the same, the company ceases to have joint control or have any significant influence over TSL and TSL ceases to be a Related Party under the extant provisions of Section 2(76) the Companies Act, 2013 or under IND AS-110 or clause 2(1) (zb) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the year ending 31.03.2020. However, for the year ending 31.03.2019, TSL was considered a Related Party and therefore, the figures of Previous Year ending 31.03.2019 have not been reclassified.
- 45(vii) Scheme of Arrangement and Reconstruction**
- (a) A Scheme of Arrangement and Reconstruction ('the Scheme'), made under sections 391 to 394 of the erstwhile Companies Act, 1956 ('the Act'), was executed by and between IBP Co. Ltd. ('IBP') and Balmer Lawrie Investments Ltd. ('the Company') and their respective creditors and shareholders. The Scheme under notification no. GSR/238 dated 2nd February 1978, was approved by the erstwhile Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Govt. of India, was approved on 8th January 2002, with the appointed date of 15th October 2001. Under the Scheme 1,00,64,700 Equity Shares of Rs. 10/- each, fully paid-up, of Balmer Lawrie & Co. Ltd. ('BL'), held by IBP, was transferred to the Company, whereby the Company became holder of 61.8% Equity Shares of BL, with effect from the aforesaid appointed date of the Scheme, i.e., 15th October 2001.
- (b) In consideration of transfer of the aforesaid shares of BL by IBP, the Company had allotted 2,21,47,269 equity shares of ₹ 10/- each, fully paid-up to the shareholders of IBP (consideration other than cash), in the ratio of 1:1.
- 45(viii) Non Banking Financial Company ('NBFC')**
- Balmer Lawrie Investments Limited is a non-banking financial Company as defined under section 45-I(f) of the Reserve Bank of India Act, 1934. On the basis of application given by the Company the RBI in exercise of their power conferred under section 45-NC of the Reserve Bank of India Act, 1934, has exempted the Company to comply with the formalities of registration and minimum net owned funds, under the Notification No. DNBS.153/CGM(LMF)-2001 dated December 10, 2001.
- 45(ix)** The review of the residual value and the useful life of the assets (including for Property, Plant & Equipment, Intangible Assets and Investment Properties) is done by the management on a regular basis a periodic intervals.
- 45(x) Unpaid Dividend Accounts**
- The group has to maintain a dividend account from where the dividends are issued to the shareholders, the amount of unclaimed dividend which remains there for more than seven years is then transferred to the Investor Education & Protection Fund Account. The unpaid Final dividend outstanding in the accounts for the financial year 2011-12 was ₹ 61.53 lakhs which has been transferred to the Investors' Education & protection Fund Account during the year.
- 45(xi) Impact of COVID-19 pandemic**
- The spread of Covid-19 has severely affected the businesses around the globe. In many countries including India, there has been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines, social distancing and other emergency measures. Some of the services of the company have been identified as Essential Services and have been permitted to be allowed during the lockdown phases. The Company is also running its manufacturing facilities and is providing goods and services to its Customers.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

The Company has made detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade Receivables, Inventories and Investments as at the Balance sheet date, and based on the internal and external information upto the date of approval of these Financial Statements including credit reports and economic forecasts has concluded that no material adjustments are required to be made in the financial results.

The management believes that it has considered all the possible impact of known events arising from Covid-19 global health pandemic in the preparation of financial results. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature, extent and duration. The management shall continue to monitor any material changes to future economic conditions on a continuing basis.

Information about business segment for the year ended 31st March, 2020 in respect of reportable segments as notified by the Ministry of Corporate Affairs in the Ind As 108 in respect of "Operating Segments" is attached in Note No. 46.

46 Segment Reporting
Segment Revenue

| Particulars | For the year ended March 31, 2020 | | | For the year ended March 31, 2019 | | |
|------------------------------|-----------------------------------|-----------------------|---------------------------------|-----------------------------------|-----------------------|---------------------------------|
| | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers |
| Industrial Packaging | 55,430 | 2,158 | 53,272 | 64,086 | 1,083 | 63,003 |
| Logistics Infrastructure | 18,265 | 199 | 18,066 | 18,591 | 33 | 18,558 |
| Logistic Services | 27,310 | 951 | 26,359 | 33,246 | 62 | 33,184 |
| Travel & Vacations | 17,060 | 3,896 | 13,164 | 15,977 | 314 | 15,663 |
| Greases & Lubricants | 37,160 | 5,931 | 31,229 | 37,600 | 95 | 37,505 |
| Investment Business | 939 | - | 939 | 855 | - | 855 |
| Others | 12,384 | 1,075 | 11,309 | 9,573 | 6 | 9,567 |
| Total Segment Revenue | 168,548 | 14,210 | 154,338 | 179,927 | 1,593 | 178,334 |

Segment Profit/(Loss) before Interest & Income Tax (excluding portion of JVs and associates)

| Particulars | For the year ended March 31, 2020 | | | For the year ended March 31, 2019 | | |
|-----------------------------|-----------------------------------|-----------------------|---------------------------------|-----------------------------------|-----------------------|---------------------------------|
| | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers |
| Industrial Packaging | 5,390 | - | 5,390 | 5,416 | - | 5,416 |
| Logistics Infrastructure | 2,476 | - | 2,476 | 4,373 | - | 4,373 |
| Logistic Services | 4,454 | - | 4,454 | 7,971 | - | 7,971 |
| Travel & Vacations | 5,502 | - | 5,502 | 6,025 | - | 6,025 |
| Greases & Lubricants | 3,432 | - | 3,432 | 3,854 | - | 3,854 |
| Investment Business | 830 | - | 830 | 773 | - | 773 |
| Others | (3,910) | - | (3,910) | (2,981.19) | - | (2,981) |
| Total Segment Profit | 18,174 | - | 18,174 | 25,431 | - | 25,431 |

Segment Assets

| Particulars | As at March 31, 2020 | | | | As at March 31, 2019 | | | | As at April 01, 2018 | | | |
|------------------------------------|----------------------|---|---------------------------------|----------------|----------------------|---|---------------------------------|----------------|----------------------|---|---------------------------------|----------------|
| | Segment assets | Investment in associates and joint ventures | Additions to non-current assets | Segment assets | Segment assets | Investment in associates and joint ventures | Additions to non-current assets | Segment assets | Segment assets | Investment in associates and joint ventures | Additions to non-current assets | Segment assets |
| Industrial Packaging | 30,812 | - | - | 30,812 | 54,865 | - | - | 54,865 | 31,765 | - | - | 31,765 |
| Logistics Infrastructure | 25,350 | - | - | 37,861 | 22,111 | - | - | 22,111 | 21,653 | - | - | 21,653 |
| Logistic Services | 21,896 | - | - | 9,385 | 12,202 | - | - | 12,202 | 7,756 | - | - | 7,756 |
| Travel & Vacations | 33,478 | - | - | 33,478 | 34,239 | - | - | 34,239 | 32,538 | - | - | 32,538 |
| Greases & Lubricants | 17,111 | - | - | 17,111 | 10,136 | - | - | 20,610 | 19,349 | - | - | 19,349 |
| Investments Business | 14,628 | - | - | 14,628 | 13,884 | - | - | 13,884 | 11,524 | - | - | 11,524 |
| Others | 40,178 | - | - | 40,178 | 20,610 | - | - | 10,136 | 6,331 | - | - | 6,331 |
| Total Segment Assets | 183,453 | - | - | 183,453 | 168,047 | - | - | 168,047 | 130,916 | - | - | 130,916 |
| Unallocated | - | - | - | - | - | - | - | - | - | - | - | - |
| Deferred tax assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Investments | 14,007 | (1,056) | - | 12,951 | 13,841 | 166 | - | 14,007 | 8,738 | 5,103 | - | 13,841 |
| Derivative financial Instruments | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Assets | 51,749 | - | - | 51,749 | 59,993 | - | - | 59,993 | 85,846 | - | - | 85,846 |
| Total Assets as per the B/S | 249,209 | (1,056) | - | 248,153 | 241,881 | 166 | - | 242,047 | 225,500 | 5,103 | - | 230,604 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

Impairment of Assets

| Particulars | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|-----------------------------------|-------------------------|-------------------------|-------------------------|
| | - | 19.36 | 381.58 |
| Industrial Packaging | - | - | - |
| Logistics Infrastructure | - | - | - |
| Logistic Services | - | - | 689.31 |
| Travel & Vacations | - | - | - |
| Greases & Lubricants | - | - | - |
| Others | - | - | - |
| Total Impairment of Assets | - | 19.36 | 1,070.89 |

Segment Liabilities

| Particulars | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|-------------------------|-------------------------|-------------------------|
| Industrial Packaging | 7,990 | 8,784 | 9,079 |
| Logistics Infrastructure | 17,407 | 7,624 | 5,148 |
| Logistic Services | 7,806 | 10,889 | 10,961 |
| Travel & Vacations | 8,492 | 11,784 | 17,062 |
| Greases & Lubricants | 4,291 | 6,169 | 6,468 |
| Investments Business | 265 | 298 | 220 |
| Others | 10,205 | 17,168 | 2,363 |
| Total Segment Liabilities | 56,457 | 62,716 | 51,301 |
| Inter-segment Eliminations | | | |
| Unallocated | | | |
| Deferred tax liabilities | 1,059 | 919 | 6,315 |
| Current tax liabilities | 1,690 | 3,248 | 2,793 |
| Current borrowings | 153 | 306 | - |
| Non current borrowings | 854 | 1,224 | - |
| Derivative financial instruments | - | - | - |
| Other Liabilities | 13,777 | 3,070 | 7,931 |
| Total Liabilities as per the Balance Sheet | 73,990 | 71,483 | 68,340 |

47 Financial instruments

i) Financial instruments by category

| Particulars | As at March 31, 2020 | | As at March 31, 2019 | | As at April 01, 2018 | |
|-----------------------------------|-------------------------|--------------------|-------------------------|--------------------|-------------------------|--------------------|
| | FVTPL | Amortised cost* | FVTPL | Amortised cost* | FVTPL | Amortised cost* |
| Financial assets | | | | | | |
| Cash and Cash equivalents | - | 2,346.88 | - | 5,575.34 | - | 7,645.79 |
| Bank balances other than above | - | 57,517.33 | - | 52,846.68 | - | 54,453.38 |
| Trade receivables | - | 27,350.78 | - | 27,629.10 | - | 26,978.33 |
| Loans | - | 1,083.64 | - | 1,569.30 | - | 679.87 |
| Investment | 120.40 | - | 149.50 | - | 14.46 | - |
| Other financial assets | - | 20,249.83 | - | 24,891.69 | - | 27,284.83 |
| Total | 120.40 | 108,548.46 | 149.50 | 112,512.11 | 14.46 | 117,042.20 |
| Financial liabilities | | | | | | |
| Trade payable | - | 22,161.15 | - | 29,299.08 | - | 31,837.56 |
| Borrowings | - | 9,560.84 | - | 7,770.10 | - | 1,115.99 |
| Lease Liabilities | - | 2,357.54 | - | - | - | - |
| Other financial liabilities | - | 13,186.87 | - | 13,546.51 | - | 16,234.41 |
| Total | - | 47,266.40 | - | 50,615.69 | - | 49,187.96 |

*In respect of all financial assets/liabilities stated above as measured at amortised cost; the respective carrying values are considered to be materially same to their fair values.

ii) Fair values hierarchy

The group does not have any financial assets or financial liabilities carried at fair value, except for investments measured at fair value as disclosed above.

In respect of investments above the management estimates that the fair value would not be materially different from its carrying value, hence no fair value hierarchy disclosures are given in respect to these instruments.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

48 Financial Risk Management**i) Risk Management**

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the group is exposed to and how the group manages the risk and the related impact in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|--------------------------------|---|--|---|
| Credit risk | Trade Receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost | Ageing analysis | Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, wherever feasible. Periodic review/ monitoring of trade receivables |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Periodic review of cash flow forecasts |
| Market risk - foreign exchange | Recognised financial assets and liabilities not denominated in Indian rupee (INR) | Cash flow forecasting and monitoring of forex rates on regular basis | Review of cash flow forecasts and hedging through forward contracts |

The group's risk management other than in respect of trade receivables is carried out by a corporate department under policies approved in-principle by the board of directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Group's risk in respect of trade receivables is managed by the Chief Operating Officer of the respective Strategic Business Units.

A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables. Receivables which are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous monitoring of credit worthiness of customers, ability to repay and their past track record.

Similarly all group companies closely monitor their trade receivables which includes tracking the credit worthiness of the customers, ability to pay, default rates, past history etc. Accordingly expected credit loss has also been computed and accounted for by them.

ProvisionsFor receivables

There are no universal expected loss percentages for the group as a whole. The group generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the group estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

For other Financial assets

Loans - are given to regular employees who are on the payroll of the company as per the employment terms and primarily secured in case of house building and vehicle loans. For other loans the amounts are well within the net dues to the employees and hence credit risk is taken as nil.

Deposits - represent amounts lying with customers mainly government and public sector undertakings on account of security deposits, earnest money deposits and retention money given as per contractual terms. Based on past records the risk of default is minimal.

Cash & Cash equivalents - represent cash in hand and balances lying in current accounts with various consortium banks who have high credit ratings

Other Bank balances - mainly represent fixed deposits having maturities up to one year and includes accrued interest on such deposits. These deposits have been taken with various public and private sector banks having the high credit rating.

B) Liquidity risk

Liquidity risk arises from borrowings and other liabilities. The group has taken a loan of Rs 15 Crores from Standard Chartered Bank (in FY 2017-18) to avail of Grant in aid from the Ministry of Food Processing Industries (MoFPI) and expects to repay the same as per schedule. The three tranches of ₹ 1.25 crores each amounting to ₹ 3.75 crores was paid as and when it was due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the group maintains flexibility in funding by maintaining availability under committed facilities.

Individual management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The group takes into account the liquidity of the market in which the entities operate. In addition, the group's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

The Group does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they fall due.

C) Market Risk

Market risk arises due to change in foreign exchange rates or interest rates.

1) Interest rate risk

The group is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The group including one of the JV's has invested in preference share capital of another joint venture company, Transafe services limited which has been entirely provided for in the books of the group company on account of total erosion of net worth of the JV and hence no further income is being accrued on this account. The group has borrowings on which interest is payable which is susceptible to change in rates.

2) Foreign currency risk

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

Some group companies like Avi-oil significantly import raw materials and is exposed to foreign exchange risk primarily with USD & Euro which is not hedged. Similarly BLVL has business transactions involving several currencies exposing it to foreign currency risk arising from foreign currency receivables and payables which it manages by entering into forward contracts.

49 Capital Management

The Group's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return

to shareholders

The group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Balmer Lawrie & Co. Ltd. (subsidiary company) has an insignificant amount of ₹ 11.25 Crores of debt outstanding on the current Balance sheet date and Visakhapatnam Port Logistics Park Limited (step down subsidiary company) has a debt of Rs.85.54 crores outstanding as on balance sheet date.

| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---------------------|----------------------------|----------------------------|----------------------------|
| Total equity | 174,163 | 170,564 | 162,264 |
| Total assets | 248,152 | 242,047 | 230,605 |
| Equity ratio | 70.18% | 70.47% | 70.36% |

50 Interest in Other entities

a) Subsidiaries

The group's subsidiaries at 31st March, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

| Name of entity | Place of business/ country of incorporation | Ownership interest held by the group | | | Ownership held by non- controlling interests | | |
|---|---|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| | | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Balmer Lawrie & Co. Ltd. | India | 61.80% | 61.80% | 61.80% | 38.20% | 38.20% | 38.20% |
| Balmer Lawrie UK Ltd.(Subsidiary of Balmer Lawrie & Co. Ltd.) | United Kingdom | 100% | 100% | 100% | NIL | NIL | NIL |
| Vishakhapatnam Port Logistics Park Ltd. (Subsidiary of Balmer Lawrie & Co. Ltd.) | India | 60% | 60% | 60% | 40% | 40% | 40% |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

b) Non-controlling interests (NCI)

Financial information of subsidiaries that have material non-controlling interests is provided below. The amounts disclosed for each subsidiary are before inter-company eliminations.

(i) Accumulated balances of material Non-Controlling Interest:

| | As at March 31, 2020 | As at March 31, 2019 | As at April 1, 2018 |
|---|----------------------------|----------------------------|---------------------------|
| Balmer Lawrie & Co. Ltd. | 59,402.76 | 58,092.45 | 55,655.15 |
| Vishakhapatnam Port Logistics Park Ltd. | 4,416.67 | 5,058.58 | 5,281.22 |

(ii) Summarised balance sheet

| | Balmer Lawrie & Co. Ltd. (Consolidated financial statements) | | |
|--|---|----------------------------|---------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 1, 2018 |
| Non-current assets | 118,316.30 | 110,551.23 | 93,254.22 |
| Non-current liabilities | 24,369.80 | 19,402.91 | 11,265.11 |
| Net non-current assets | 93,946.50 | 91,148.32 | 81,989.11 |
| Current assets | 115,219.32 | 117,663.74 | 125,837.29 |
| Current liabilities | 49,365.90 | 51,800.39 | 56,851.07 |
| Net current assets | 65,853.42 | 65,863.35 | 68,986.22 |
| Net assets | 159,799.92 | 157,011.67 | 150,975.33 |
| Accumulated non-controlling interests | 63,819.42 | 63,151.03 | 60,936.37 |

Summarised statement of profit and loss

| | Balmer Lawrie & Co. Ltd. (Consolidated) | |
|---|---|--------------------------------------|
| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Revenue | 153,443.68 | 177,520.81 |
| Profit/(loss) for the year | 15,480.91 | 19,694.87 |
| Other comprehensive income/(loss) | (676.17) | (639.91) |
| Total comprehensive profit | 14,804.74 | 19,054.96 |
| Profit attributable to non-controlling interests | 5,655.41 | 7,278.99 |
| Dividend paid to non-controlling interests | 4,790.39 | 4,354.90 |

Summarised cash flow statement

| Balmer Lawrie & Co. Ltd. | Balmer Lawrie & Co. Ltd. (Consolidated) | |
|---|---|--------------------------------------|
| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Cash flow from operating activities | 18,873.32 | 19,406.17 |
| Cash flow from investing activities | (6,035.48) | (13,687.75) |
| Cash flow from financing activities | (16,070.17) | (7,811.36) |
| Net increase/(decrease) in cash and cash equivalents | (3,232.34) | (2,092.94) |

(b) Interest in associates and joint ventures of Balmer Lawrie & Co. Ltd.

| Name of entity | Place of business/ country of incorporation | % of Ownership Interest | Relationship | Accounting method |
|---|--|----------------------------|---------------|-------------------|
| Balmer Lawrie (UAE) LLC* | United Arab Emirates | 49.00% | Joint Venture | Equity Method |
| Balmer Lawrie Van Leer Ltd. | India | 47.91% | Joint Venture | Equity Method |
| Transafe Service Ltd. | India | 50.00% | Joint Venture | Equity Method |
| Avi Oil India (P) Ltd. | India | 25.00% | Associate | Equity Method |
| PT Balmer Lawrie Indonesia | Indonesia | 50.00% | Joint Venture | Equity Method |
| Total equity accounted investments | | | | |

*The statement of Balmer Lawrie (UAE) LLC accounting year is based on calendar year i.e. from January to December.

Avi Oil India (P) Ltd. is classified as an associate on the basis of the shareholding pattern which leads to significant influence over the Company by the Company. Further, in Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd., PT Balmer Lawrie Indonesia and Transafe Services Ltd. both the partners have equal nominee representatives in the Board. Hence, these entities are classified as joint ventures and the Company recognises its share in net assets through equity method except for Transafe Services Ltd. (Refer below)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

The 'Corporate Insolvency Resolution Process' (CIRP) has been initiated by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated November 21, 2019 in respect of M/s Transafe Services Limited (TSL), under the provisions of "The Insolvency and Bankruptcy Code, 2016" (IB Code). As directed by the Insolvency Resolution Professional (IRP), the powers of the Board of Directors of TSL stands suspended as per Section 17 of the IB Code from the order date and such powers are now being exercised by the IRP appointed by the Hon'ble NCLT. Consequent to the same, the company ceases to have joint control or have any significant influence over TSL.

(i) Commitments and contingent liabilities in respect of associates and joint ventures

(₹ in Lakhs)

| Summarised balance sheet | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
|---|-------------------------|-------------------------|-------------------------|
| Capital Commitments | 3,300.77 | 569.96 | 608.87 |
| Contingent liabilities | | | |
| Claims not acknowledged as debts | 943.01 | 70.44 | 144.74 |
| Counter Guarantees | 8,187.35 | 2,180.54 | 1,946.97 |
| Disputed demands | 6,585.74 | 4,101.49 | 3,576.38 |
| Total commitments and contingent liabilities | 19,016.87 | 6,922.43 | 6,276.96 |

(c) Summarised financial information for associates and joint ventures

(c) (i)- Associates

| Summarised Balance Sheet | Avi Oil India Pvt. Ltd. | | |
|-------------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Current assets | 5,737.31 | 5,363.84 | 4,585.91 |
| Current liabilities | 783.66 | 479.74 | 321.11 |
| Net current assets | 4,953.65 | 4,884.10 | 4,264.80 |
| Non-current assets | 2,589.90 | 2,055.93 | 2,074.96 |
| Non-current liabilities | 874.12 | 571.74 | 471.08 |
| Net non-current assets | 1,715.78 | 1,484.19 | 1,603.88 |
| Net assets | 6,669.43 | 6,368.29 | 5,868.68 |

(c) (i)- Joint Ventures

| Summarised balance sheet | Balmer Lawrie Van Leer Ltd. | | | Transafe Services Ltd.* | | |
|--|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 | As at March 31, 2020 | As at March 31, 2019 | As at April 01, 2018 |
| Cash & Cash Equivalents | 1,705.95 | 425.00 | 349.86 | - | 63.49 | 25.08 |
| Current assets excluding Cash & cash equivalents | 18,212.82 | 17,036.00 | 16,674.82 | - | 3,030.28 | 3,035.09 |
| Current Financial liabilities (excluding Trade payables) | 15,573.84 | 12,595.00 | 11,508.03 | - | 17,247.89 | 13,126.88 |
| Other Current liabilities | 4,769.16 | 4,445.00 | 5,905.81 | - | 2,080.34 | 2,205.06 |
| Net current assets | (424.23) | 421.00 | (389.15) | - | (16,234.46) | (12,271.78) |
| Non-current assets | 21,515.09 | 17,860.00 | 16,149.71 | - | 9,415.67 | 9,933.21 |
| Non-current Financial liabilities (excluding Trade payables) | 5,042.50 | 2,337.00 | 231.52 | - | 4,988.28 | 7,077.62 |
| Other Non-current liabilities | 714.84 | 1,097.00 | 1,299.18 | - | 64.38 | 67.98 |
| Net non-current assets | 15,757.75 | 14,426.00 | 14,619.00 | - | 4,363.01 | 2,787.61 |
| Net assets | 15,333.52 | 14,847.00 | 14,229.85 | - | (11,871.45) | (9,484.17) |

| Summarised balance sheet | PT Balmer Lawrie Indonesia | | | Balmer Lawrie (UAE) LLC | | |
|---|----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | As at March 31,2020 | As at March 31,2019 | As at April 01,2018 | As at March 31,2020 | As at March 31,2019 | As at April 01,2018 |
| Cash & Cash Equivalents | 113.99 | 50.92 | 212.45 | 2,513.00 | 2,389.52 | 6,752.74 |
| Current assets excluding Cash & cash equivalents | 1,658.41 | 2,034.20 | 2,174.85 | 53,057.99 | 51,191.20 | 37,542.22 |
| Current Financial liabilities (excluding Trade payables) | 1,399.97 | 791.18 | 933.70 | 524.76 | 10,518.86 | 6,912.00 |
| Other Current liabilities | 360.03 | 1,016.62 | 1,206.31 | 9,134.23 | - | - |
| Net current assets | 12.41 | 277.32 | 247.29 | 45,911.99 | 43,061.86 | 37,382.97 |
| Non-current assets | 1,159.99 | 1,263.90 | 1,261.98 | 19,105.55 | 7,768.13 | 7,841.10 |
| Non-current Financial liabilities (excluding Trade payables) | 1,788.23 | 1,847.06 | 1,878.70 | 7,188.17 | 2,561.10 | 2,446.05 |
| Other Non-current liabilities | - | - | - | - | - | - |
| Net non-current assets | (628.25) | (583.16) | (616.72) | 11,917.38 | 5,207.03 | 5,395.04 |
| Net assets | (615.84) | (305.84) | (369.43) | 57,829.37 | 48,268.89 | 42,778.02 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

(c) (ii)- Associate

| Summarised statement of profit and loss | Avi Oil India Pvt. Ltd. | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Revenue | 4,697.00 | 6,318.57 |
| Interest income including other income | 96.10 | 126.23 |
| Cost of Sales | 1,938.91 | 2,871.48 |
| Employee benefits expense | 1,019.85 | 1,021.29 |
| Depreciation and amortisation | 280.33 | 215.39 |
| Interest expense | 62.02 | 32.73 |
| Other expenses | 766.40 | 1,103.83 |
| Income tax expense | 181.15 | 350.17 |
| Profit for the year | 544.44 | 849.91 |
| Other comprehensive income (net of tax) | 27.95 | (23.81) |
| Total comprehensive income | 572.39 | 826.10 |
| Dividend received | 56.25 | 67.50 |

(c) (ii)- Joint Ventures

| Summarised statement of profit and loss | Balmer Lawrie Van Leer Ltd. | | Transafe Services Ltd.* | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | For the year ended March 31,2020 | For the year ended March 31,2019 | For the year ended March 31,2020 | For the year ended March 31,2019 |
| Revenue | 43,552.62 | 49,884.00 | - | 2,494.52 |
| Other Income | 801.10 | 110.00 | - | 56.69 |
| Interest income | - | 33.00 | - | 7.47 |
| Cost of sales | 25,064.13 | 31,396.00 | - | 1,144.95 |
| Employee benefit expenses | 5,115.77 | 4,544.00 | - | 507.85 |
| Depreciation and amortisation | 1,372.15 | 1,244.00 | - | 848.80 |
| Interest expense | 979.59 | 940.00 | - | 1,805.84 |
| other expenses | 7,980.69 | 8,164.00 | - | 1,006.95 |
| Income tax expense | 1,325.00 | 1,297.00 | - | (369.34) |
| Profit for the year | 2,516.39 | 2,442.00 | - | (2,386.37) |
| Other comprehensive income | (80.50) | (93.00) | - | (0.90) |
| Total comprehensive income | 2,435.89 | 2,349.00 | - | (2,387.27) |
| Dividend received | 774.11 | 688.00 | - | - |

| Summarised statement of profit and loss | PT Balmer Lawrie Indonesia | | Balmer Lawrie (UAE) LLC | |
|---|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| | For the year ended March 31,2020 | For the year ended March 31,2019 | For the year ended Dec 31, 2019 | For the year ended Dec 31, 2018 |
| Revenue | 2,306.31 | 3,969.00 | 83,455.60 | 71,392.94 |
| Other Income | 9.64 | 18.23 | 67.45 | - |
| Interest income | 0.11 | - | 7.45 | 108.55 |
| Cost of sales | 1,551.22 | 4,799.02 | 64,549.80 | 53,425.09 |
| Employee benefit expenses | 470.15 | 295.83 | 938.06 | 802.82 |
| Depreciation and amortisation | 112.79 | 13.96 | 2,904.55 | 1,646.87 |
| Interest expense | 269.09 | 324.75 | 352.80 | 8.91 |
| other expenses | 233.64 | 477.12 | 7,530.50 | 9,093.76 |
| Income tax expense | - | (5.70) | - | - |
| Profit for the year | (320.81) | 64.37 | 7,254.79 | 6,524.05 |
| Other comprehensive income | - | 8.46 | - | - |
| Total comprehensive income | (320.81) | 72.83 | 7,254.79 | 6,524.05 |
| Dividend received | - | - | 1,849.35 | 1,651.46 |

PT Balmer lawrie Indonesia and Transafe Services Ltd's a JV whose network have turned negative on all the applicable balance sheet dates, have not been consolidated further as per Ind AS requirements.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

(d) Non controlling interest in subsidiaries

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

| Summarised balance sheet | BLAC Console | | |
|-------------------------------|-------------------|-------------------|-------------------|
| | March 31, 2020 | March 31, 2019 | April 01, 2018 |
| Current assets | 115,219.32 | 117,663.74 | 125,837.29 |
| Current liabilities | 49,365.90 | 51,800.39 | 56,851.07 |
| Net current assets | 65,853.42 | 65,863.35 | 68,986.22 |
| Non-current assets | 118,316.30 | 110,551.23 | 93,254.22 |
| Non-current liabilities | 24,369.80 | 19,281.53 | 11,265.11 |
| Net non-current assets | 93,946.50 | 91,269.70 | 81,989.11 |
| Net assets | 159,799.92 | 157,133.05 | 150,975.33 |
| NCI at BLAC console level | 4,416.67 | 5,058.58 | 5,281.22 |
| % held by NCI | 38.20% | 38.20% | 38.20% |
| Accumulated NCI at BLIL level | 63,819.43 | 63,151.03 | 60,936.37 |

| Summarised profit and loss | BLAC Console | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Revenue | 153,443.68 | 177,520.81 |
| Profit for the period | 15,480.91 | 19,694.87 |
| Other comprehensive income | (676.17) | (639.91) |
| Total comprehensive income | 14,804.74 | 19,054.96 |
| Total comprehensive income held by NCI at BLAC level | (641.91) | (222.64) |
| % held by NCI | 38.20% | 38.20% |
| Profit allotted to NCI | 5,655.41 | 7,278.99 |
| Dividend paid to NCI | 4,790.39 | 4,354.90 |

| Summarised cash flow statement | BLAC Console | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Cash flow from operating activities | 18,873.32 | 19,406.17 |
| Cash flow from investing activities | (6,035.48) | (13,687.75) |
| Cash flow from financing activities | (16,070.17) | (7,811.36) |
| Net increase and (decrease) in cash and cash equivalents | (3,232.34) | (2,092.94) |
| % of holding by NCI | 38.20% | 38.20% |
| Impact on cash flows | (1,234.75) | (799.50) |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

51(a) Additional information to Consolidated Financial Statements for the year ended March 31, 2020

| Name of the Entity in the Group | Net Assets i.e. total assets minus total liabilities | | Share in profit or Loss | | Share in Other Comprehensive Income | | Share in total Comprehensive Income | |
|---------------------------------------|--|-------------------|----------------------------|------------------|-------------------------------------|-----------------|-------------------------------------|------------------|
| | As a % of Consl net assets | Amount | As a % of Consl net assets | Amount | As a % of Consl net assets | Amount | As a % of Consl net assets | Amount |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Parent | 8.25% | 14,362.82 | 3.78% | 607.72 | - | - | 3.94% | 607.72 |
| Subsidiaries | | | | | | | | |
| Balmer Lawrie & Co. Limited (console) | 91.75% | 159,799.89 | 96.22% | 15,480.89 | 100.00% | -676.17 | 96.06% | 14,804.72 |
| Total | 100.00% | 174,162.71 | 100% | 16,088.62 | 100% | (676.17) | 100% | 15,412.44 |

51(b) Additional information to Consolidated Financial Statements for the year ended March 31, 2019

| Name of the Entity in the Group | Net Assets i.e. total assets minus total liabilities | | Share in profit or Loss | | Share in Other Comprehensive Income | | Share in total Comprehensive Income | |
|---------------------------------------|--|-------------------|----------------------------|------------------|-------------------------------------|-----------------|-------------------------------------|------------------|
| | As a % of Consl net assets | Amount | As a % of Consl net assets | Amount | As a % of Consl net assets | Amount | As a % of Consl net assets | Amount |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Parent | 7.95% | 13,552.36 | 2.70% | 545.61 | 0.00% | - | 2.78% | 545.61 |
| Subsidiaries | | | | | | | | |
| Balmer Lawrie & Co. Limited (console) | 92.05% | 157,011.65 | 97.30% | 19,694.86 | 100.00% | (639.91) | 97.22% | 19,054.95 |
| Total | 100% | 170,564.01 | 100% | 20,240.47 | 100% | (639.91) | 100% | 19,600.56 |

52 Leases

The Company does not have any leases, however the Subsidiaries in the Group has a few of the lease contracts. The Group applies Ind AS 116 to its leases and the date of transition (for the subsidiaries) to Ind AS 116 is 01 April 2019. The balances of subsidiaries and joint venture has been consolidated using exemptions available under Ind AS 101, refer Note 53 for details.

(i) Transition to Ind AS 116

Effective 1st April, 2019, the leases are being accounted under Ind AS 116 "Leases" (the standard) using the modified retrospective transition approach. Consequently, the Group has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Holding Company's incremental borrowing rate at the date of initial application. Comparative as at/ for the year ended 31st March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the erstwhile standard. (Refer Note No. 5 & para 2.8 of significant Accounting policies)

(ii) Amounts recognised in Balance Sheet

| Right of Use Liability Particulars | As at March 31, 2020 | | | | |
|------------------------------------|------------------------------|-----------------|-------------------|-----------------------|-----------------|
| | Right of Use - Others | | | | Total |
| | Right of Use- Land Leasehold | Buildings | Plant & Machinery | Electrical Equipments | |
| Gross Block | - | 563.21 | 436.29 | 8.34 | 1,007.84 |
| Balance as at April 1, 2019 | - | 1,285.52 | 64.18 | - | 1,349.70 |
| Total | - | 1,848.73 | 500.47 | 8.34 | 2,357.54 |

(iii) Reconciliation of Lease Liabilities

| Particulars | As at March 31, 2020 | | | | |
|---|------------------------------|-----------------------|-------------------|-----------------------|-------------------|
| | Right of Use- Land Leasehold | Right of Use - Others | | | Total |
| | | Buildings | Plant & Machinery | Electrical Equipments | |
| Opening Balance of Right of Use Lease Liabilities | - | 2,289.63 | 1,096.51 | 30.85 | 3,416.99 |
| Add: Interest Expenses on lease liabilities | - | 199.49 | 79.75 | 1.96 | 281.20 |
| Less: Rental Expenses paid during the year | - | (640.39) | (675.79) | (24.47) | (1,340.65) |
| Total | - | 1,848.73 | 500.47 | 8.34 | 2,357.54 |

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

(iv) Maturity profile of the lease liabilities :

| | (₹ in Lakhs) | | | |
|---------------------------|---------------|-----------|-------------------|----------|
| Year ended March 31, 2020 | Within 1 year | 1-3 years | More than 3 years | Total |
| Lease liability | 1007.84 | 774.87 | 574.83 | 2,357.54 |

(v) The following are the amounts recognised in the statement of profit and loss:

| | (₹ in Lakhs) | | | | |
|---|------------------------------------|-----------------|-------------------|-----------------------|-----------------|
| Particulars | For the year ended March 31, v2020 | | | | |
| | Right of Use- Land Leasehold | Buildings | Plant & Machinery | Electrical Equipments | Total |
| Depreciation expense of Right of Use assets | 63.54 | 917.67 | 616.33 | 22.52 | 1,620.06 |
| Interest expense on Lease Liabilities | - | 199.49 | 79.75 | 1.96 | 281.20 |
| Rent expense in term of short term leases/ low value leases | - | 762.45 | - | 209.77 | 972.22 |
| Total | 63.54 | 1,879.61 | 696.08 | 234.25 | 2,873.48 |

(vi) Total cash outflow due to leases

| | (₹ in Lakhs) |
|------------------------------------|-------------------|
| Lease Rentals paid during the year | Total |
| | (1,340.65) |
| | (1,340.65) |

(vii) Extension and termination options

The Group has several lease contracts that include extension and termination options which are used for regular operations of its business. These options are negotiated by management to provide flexibility in managing the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

53 First time adoption of Ind AS

These are the group's first Consolidated Financial Statements prepared in accordance with Ind AS.

The Group has adopted Ind AS to prepare financials statements for the year ended March 31, 2020. The comparative information presented in these Financial Statements for the year ended March 31, 2019 and opening Ind AS balance sheet at April 01, 2018 (the Company's date of transition) has also been prepared on same grounds. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following notes:

A Ind AS optional exemption

- As set out in IndAS 101, the Group has measured the assets and liabilities of its subsidiaries, joint ventures and associates at the same carrying values in there respective Financial Statements after adjusting for consolidation and equity accounting adjustments.

B Ind AS mandatory exceptions (applicable to the Company only)
1 Estimates

An group's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2018 are consistent with the estimates as at the same date made in conformity with Previous GAAP.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2020

(All amounts in rupee lakhs, unless stated otherwise)

3 Derecognition of Financial asset and financial liabilities

As set out in Ind AS 101, the Company has applied the derecognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

- C** These Consolidated Financial Statements are Group's first Consolidated Financial Statements as the Group had taken exemption of not consolidating the temporary controlled subsidiary "Balmer Lawrie and Company Limited" and its subsidiaries, joint ventures & associates thereof. However, there is no such exemption available under Ind AS and therefore, these Consolidated Financial Statements have been prepared from the Company's transition date to Ind AS using the Optional exemption available under Ind AS 101 as specified in sub point A above. Further there is no Ind AS adjustment n transition on the holding Company. Hence, no reconciliation between Previous GAAP and Ind AS is required to be disclosed.

54 Authorisation of financial statements

These Financial Statements for the year ended 31st March, 2020 (including comparatives) has been signed by the Board of Directors as on 30.06.2020

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements.

For BAS & CO LLP
Chartered Accountants
FRN: 323347E/E300008

For and on behalf of the Board of Directors

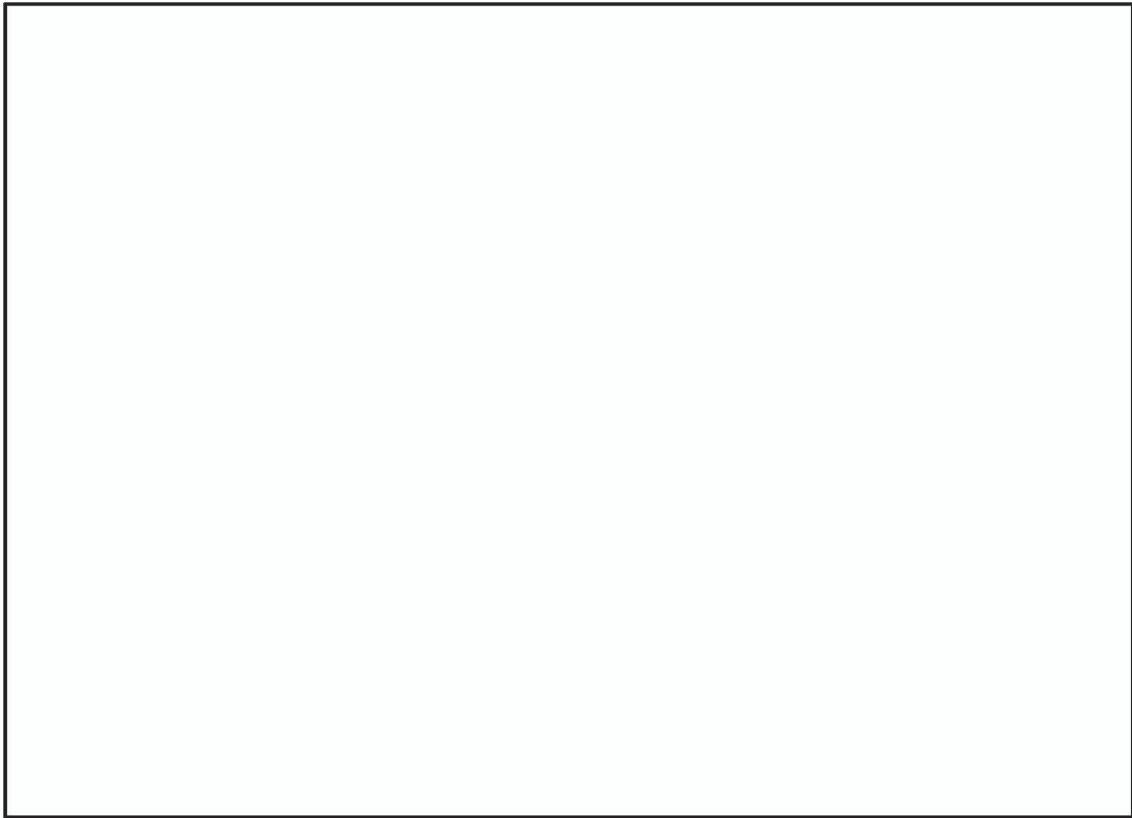
CA Vikas Jalan, FCA, DISA, FAFD (ICAI)
(Managing Partner)
Membership No: 301660

Sandip Das
Director
(DIN:08217697)

Perin Devi Rao
Director
(DIN:07145051)

Abhishek Lahoti
Company Secretary

Place : Kolkata
Date: 30th June, 2020



If undelivered, please return to :

C B Management Services (P) Ltd.
P-22, Bondel Road, Kolkata-700 019