



**BALMER LAWRIE & CO. LTD.**

**[A Government of India Enterprise]**

**Regd. Office : 21, Netaji Subhas Road, Kolkata - 700001**

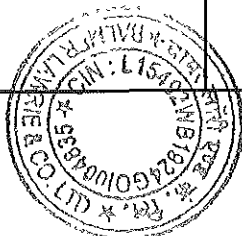
**Tel. No. - (033)2225313, Fax No.-(033)2225292, email-bhavsar.k@balmerlawrie.com, website-www.balmerlawrie.com**

**CIN : L15492WB1924GOI004835**

**Statement of Standalone and Consolidated Audited Financial Results for the Quarter and Year Ended 31st March, 2017**

Rs in Crores

| Sl No | Particulars  | Standalone                |                                     |  | Consolidated  |  |   |  |
|-------|--|---------------------------|-------------------------------------|--|---|--|---|--|
|       |  | 3 months ended 31/03/2017 | Preceding 3 months ended 31/12/2016 | Corresponding 3 months ended in the previous year 31/03/2016 | Year to date figure for current period ended 31/03/2017 (Audited) | Year to date figure for the previous Year ended 31/03/2016 (Audited) | Year to date figure for current period ended 31/03/2017 (Audited) | Year to date figure for the previous Year ended 31/03/2016 (Audited) |
| I     | Revenue from operations  | 499 28                    | 407 50                              | 418 41   | 1828 08   | 1715 60  | 1828 08   | 1715 60  |
| II    | Other income   | 35 90                     | 12 11                               | 30 73  | 73 09   | 62 76  | 73 41   | 63 04  |
| III   | <b>Total Income [I+II]</b>   | <b>535 18</b>             | <b>419 61</b>                       | <b>449 14</b>  | <b>1901 17</b>  | <b>1778 36</b>   | <b>1901 49</b>  | <b>1778 64</b>   |
| IV    | <b>Expenses</b>  |                           |                                     |  |   |  |   |  |
|       | Cost of Materials Consumed   | 290 52                    | 236 32                              | 223 44   | 1069 40   | 977 22   | 1089 40   | 977 22   |
|       | Purchase of Stock-in-Trade   | 0 71                      | 2 13                                | 1 60   | 11 49   | 3 58   | 11 49   | 3 58   |
|       | Changes in Inventories of Finished Goods, Work-in-Progress and Stock -in-Trade                                       | (8 27)                    | 0 33                                | (4 54)   | (0 38)  | (0 78)   | (0 38)  | (0 78)   |
|       | Excise Duty on Sales   | 32 02                     | 29 02                               | 30 18  | 121 72  | 121 05   | 121 72  | 121 05   |
|       | Employee Benefits Expenses   | 52 06                     | 49 23                               | 46 32  | 199 37  | 199 19   | 199 53  | 199 19   |
|       | Finance cost   | 0 45                      | 1 41                                | 0 78   | 4 54  | 4 55   | 4 54  | 4 55   |
|       | Depreciation and Amortisation Expenses   | 6 77                      | 6 48                                | 5 78   | 25 84   | 24 00  | 25 87   | 24 02  |
|       | Other Expenses   | 52 47                     | 51 71                               | 49 67  | 215 08  | 209 34   | 215 51  | 209 89   |
|       | <b>Total expenses [IV]</b>   | <b>426 73</b>             | <b>376 63</b>                       | <b>353 23</b>  | <b>1647 06</b>  | <b>1638 15</b>   | <b>1647 68</b>  | <b>1538 72</b>   |
| V     | <b>Profit/(Loss) before exceptional items and tax (III - IV)</b>   | <b>108 45</b>             | <b>42 98</b>                        | <b>95 91</b>   | <b>254 11</b>   | <b>240 21</b>  | <b>253 81</b>   | <b>239 92</b>  |
| VI    | Exceptional Items  | -                         | -                                   | -  | -   | -  | -   | -  |
| VII   | <b>Profit/(Loss) before tax [V-VI]</b>   | <b>108 45</b>             | <b>42 98</b>                        | <b>95 91</b>   | <b>254 11</b>   | <b>240 21</b>  | <b>253 81</b>   | <b>239 92</b>  |
| VIII  | <b>Tax Expenses</b>  |                           |                                     |  |   |  |   |  |
|       | (1) Current Tax  | 40 45                     | 12 59                               | 23 77  | 88 51   | 77 79  | 88 56   | 77 83  |
|       | (2) Deferred Tax   | (11 70)                   | 4 32                                | (2 99)   | (4 62)  | (1 93)   | (4 62)  | (1 93)   |
| IX    | <b>Profit/(Loss) for the period from continuing operations ( VII- VIII )</b>   | <b>79 70</b>              | <b>26 07</b>                        | <b>75 13</b>   | <b>170 42</b>   | <b>164 35</b>  | <b>170 07</b>   | <b>164 02</b>  |
| X     | Profit/(Loss) from discontinuing operations  | -                         | -                                   | -  | -   | -  | -   | -  |
| XI    | Tax Expenses of discontinuing operations   | -                         | -                                   | -  | -   | -  | -   | -  |
| XII   | <b>Profit/(Loss) from discontinuing operations after Tax [X - XI]</b>  | <b>-</b>                  | <b>-</b>                            | <b>-</b>   | <b>-</b>  | <b>-</b>   | <b>-</b>  | <b>-</b>   |
| XIII  | <b>Profit / ( Loss ) for the period [IX + XII]</b>   | <b>79 70</b>              | <b>26 07</b>                        | <b>75 13</b>   | <b>170 42</b>   | <b>164 35</b>  | <b>170 07</b>   | <b>164 02</b>  |
| XIV   | <b>Other Comprehensive Income</b>  |                           |                                     |  |   |  |   |  |
|       | (A)(i) Items that will not be Reclassified to Profit or Loss   | -                         | -                                   | -  | 1 31  | (3 77)   | 1 01  | (3 88)   |
|       | (A)(ii) Income Tax relating to items that will not be Reclassified to Profit or Loss                                 | -                         | -                                   | -  | (0 45)  | 1 31   | (0 56)  | 1 26   |
|       | (B)(i) Items that will be Reclassified to Profit or Loss   | -                         | -                                   | -  | -   | -  | -   | -  |
|       | (B)(ii) Income Tax relating to items that will be Reclassified to Profit or Loss                                     | -                         | -                                   | -  | -   | -  | -   | -  |
|       | <b>Other Comprehensive Income for the year</b>   | <b>-</b>                  | <b>-</b>                            | <b>-</b>   | <b>0 86</b>   | <b>(2 46)</b>  | <b>0 45</b>   | <b>(2 62)</b>  |
| XV    | <b>Total Comprehensive Income for the period [XIII+XIV]</b>  | <b>79 70</b>              | <b>26 07</b>                        | <b>75 13</b>   | <b>171 28</b>   | <b>161 89</b>  | <b>170 52</b>   | <b>161 40</b>  |
| XVI   | <b>Earnings per Equity Share (for continuing operations)</b><br>(of Rs 10/- each ( not annualised )                  |                           |                                     |  |   |  |   |  |
|       | (a) Basic  | 6 99                      | 2 29                                | 6 59   | 14 95   | 14 42  | 14 92   | 14 39  |
|       | (b) Diluted  | 6 99                      | 2 29                                | 6 59   | 14 95   | 14 42  | 14 92   | 14 39  |
| XVII  | <b>Earnings per Equity Share (for discontinued operations)</b><br>(of Rs 10/- each ( not annualised )                |                           |                                     |  |   |  |   |  |
|       | (a) Basic  | -                         | -                                   | -  | -   | -  | -   | -  |
|       | (b) Diluted  | -                         | -                                   | -  | -   | -  | -   | -  |
| XVIII | <b>Earnings per Equity Share (for discontinued and continuing operations)</b><br>(of Rs 10/- each ( not annualised ) |                           |                                     |  |   |  |   |  |
|       | (a) Basic  | 6 99                      | 2 29                                | 6 59   | 14 95   | 14 42  | 14 92   | 14 39  |
|       | (b) Diluted  | 6 99                      | 2 29                                | 6 59   | 14 95   | 14 42  | 14 92   | 14 39  |



*[Handwritten Signature]*

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. in Crores

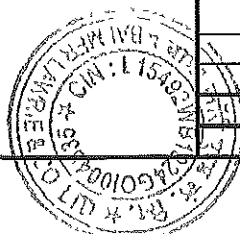
| Sl No | Particulars   | Standalone                |                                     |  | Consolidated  |  |   |
|-------|---|---------------------------|-------------------------------------|--|---|--|---|
|       |   | 3 months ended 31/03/2017 | Preceding 3 months ended 31/12/2016 | Corresponding 3 months ended in the previous year 31/03/2016 | Year to date figure for current period ended 31/03/2017 (Audited) | Year to date figure for the previous Year ended 31/03/2016 (Audited) | Year to date figure for current period ended 31/03/2017 (Audited) |
| 1     | Segment Revenue [Net Sales/Income]                    |                           |                                     |  |   |  |   |
|       | a Industrial Packaging                                | 143 36                    | 122 95                              | 127 85   | 566 92  | 531 76   | 566 92  |
|       | b Logistics Infrastructure & Services                 | 182 82                    | 131 74                              | 139 18   | 566 20  | 538 23   | 566 20  |
|       | c Travel & Tours                                      | 40 40                     | 26 43                               | 32 94  | 163 04  | 165 15   | 163 04  |
|       | d Greases & Lubricants                                | 113 41                    | 106 56                              | 101 36   | 448 97  | 419 92   | 448 97  |
|       | e Others  | 22 51                     | 23 12                               | 25 25  | 100 78  | 86 74  | 100 78  |
|       | Total   | 502 50                    | 410 80                              | 426 58   | 1845 91   | 1741 80  | 1845 91   |
|       | Less Inter Segment Revenue                            | 5 39                      | 4 45                                | 8 89   | 22 93   | 29 23  | 22 93   |
|       | Add Other un-allocable Revenue                        | 2 17                      | 1 15                                | 0 72   | 5 10  | 3 03   | 5 10  |
|       | Net Sales/Income from Operations                      | 499 28                    | 407 50                              | 418 41   | 1828 08   | 1715 60  | 1828 08   |
| 2     | Segment Results [Profit/(Loss) before Tax & Interest] |                           |                                     |  |   |  |   |
|       | a Industrial Packaging                                | 15 47                     | 10 64                               | 17 44  | 59 44   | 61 11  | 59 44   |
|       | b Logistics Infrastructure & Services                 | 51 89                     | 30 24                               | 43 94  | 138 95  | 141 35   | 138 41  |
|       | c Travel & Tours                                      | 20 25                     | 5 52                                | 9 66   | 35 17   | 24 22  | 35 17   |
|       | d Greases & Lubricants                                | 8 44                      | 6 29                                | 10 56  | 31 78   | 38 06  | 31 78   |
|       | e Others  | 6 12                      | 3 82                                | 3 62   | 19 53   | 9 44   | 19 73   |
|       | Total   | 102 17                    | 56 51                               | 85 22  | 284 87  | 274 18   | 284 53  |
|       | Less (i) Interest                                     | 0 45                      | 1 41                                | 0 68   | 4 54  | 4 45   | 4 54  |
|       | (ii) Other un-allocable expenditure                   | (6 73)                    | 12 12                               | (11 37)  | 26 22   | 29 52  | 26 18   |
|       | TOTAL PROFIT BEFORE TAX                               | 108 45                    | 42 98                               | 95 91  | 254 11  | 240 21   | 253 81  |
| 3     | Segment Assets  |                           |                                     |  |   |  |   |
|       | a Industrial Packaging                                | 303 64                    | 277 14                              | 264 03   | 303 64  | 264 03   | 303 64  |
|       | b Logistics Infrastructure & Services                 | 337 22                    | 298 68                              | 278 39   | 337 22  | 278 39   | 377 06  |
|       | c Travel & Vacations                                  | 228 05                    | 242 92                              | 234 94   | 228 05  | 234 94   | 228 05  |
|       | d Greases & Lubricants                                | 211 99                    | 221 12                              | 211 55   | 211 99  | 211 55   | 215 77  |
|       | e Others  | 712 62                    | 637 42                              | 604 01   | 712 62  | 604 01   | 905 41  |
|       | Total   | 1793 52                   | 1677 28                             | 1592 92  | 1793 52   | 1592 92  | 2029 93   |
| 4     | Segment Liabilities                                   |                           |                                     |  |   |  |   |
|       | a Industrial Packaging                                | 69 91                     | 68 12                               | 65 16  | 69 91   | 65 16  | 69 91   |
|       | b Logistics Infrastructure & Services                 | 152 14                    | 168 82                              | 147 59   | 152 14  | 147 59   | 163 99  |
|       | c Travel & Vacations                                  | 103 99                    | 83 03                               | 83 33  | 103 99  | 83 33  | 103 99  |
|       | d Greases & Lubricants                                | 59 01                     | 69 23                               | 61 01  | 59 01   | 61 01  | 59 01   |
|       | e Others  | 242 48                    | 199 41                              | 170 89   | 242 48  | 170 89   | 274 17  |
|       | Total   | 627 53                    | 588 61                              | 527 98   | 627 53  | 527 98   | 671.07  |



The statement of Assets and Liabilities as required under regulation 33 of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 is an under .

Rs. In Crores

|  | Standalone                       |                                  | Consolidated                     |                                  |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  | As at<br>31.03.2017<br>(Audited) | As at<br>31.03.2016<br>(Audited) | As at<br>31.03.2017<br>(Audited) | As at<br>31.03.2016<br>(Audited) |
| <b>A ASSETS</b>                                |                                  |                                  |                                  |                                  |
| <b>1 Non-Current Assets</b>                    |                                  |                                  |                                  |                                  |
| (a) Property, Plant and Equipment              | 382 67                           | 379 16                           | 382 93                           | 379 32                           |
| (b) Capital Work-in-Progress                   | 23 31                            | 7 26                             | 62 66                            | 10 99                            |
| (c) Investment Property                        | 0 62                             | 0 95                             | 0 62                             | 0 95                             |
| (d) Goodwill                                   | 6 89                             | 6 89                             | 6 89                             | 6 89                             |
| (e) Other Intangible assets                    | 6 30                             | 7 21                             | 6 30                             | 7 21                             |
| (f) Intangible Assets under Development        | -                                | -                                | -                                | -                                |
| (g) Financial Assets                           |                                  |                                  |                                  |                                  |
| (i) Investments                                | 87 38                            | 57 50                            | 271 34                           | 247 25                           |
| (iii) Loans                                    | 4 85                             | 5 07                             | 4 85                             | 5 07                             |
| (iii) Others                                   | 5 01                             | 3 52                             | 5 01                             | 3 52                             |
| (h) Deferred Tax Assets (Net)                  | 8 02                             | 4 96                             | -                                | -                                |
| (i) Other Non-Current assets                   | 37 15                            | 36 00                            | 37 15                            | 36 01                            |
| <b>Sub - Total - Non - Current Assets</b>      | <b>562 20</b>                    | <b>508.52</b>                    | <b>777.75</b>                    | <b>697.21</b>                    |
| <b>2 Current Assets</b>                        |                                  |                                  |                                  |                                  |
| (a) Inventories                                | 151 70                           | 119 77                           | 151 70                           | 119 76                           |
| (b) Financial Assets                           |                                  |                                  |                                  |                                  |
| (i) Trade Receivables                          | 281 61                           | 230 33                           | 281 60                           | 230 32                           |
| (ii) Cash and Cash Equivalents                 | 31 06                            | 40 23                            | 52 25                            | 61 50                            |
| (iii) Other Bank Balances                      | 477 59                           | 403 47                           | 477 59                           | 403 47                           |
| (iv) Loans                                     | 4 39                             | 8 51                             | 3 86                             | 3 69                             |
| (v) Others                                     | 207 55                           | 215 61                           | 207 67                           | 215 72                           |
| (c) Other Current Assets                       | 77 42                            | 66 47                            | 77 49                            | 66 51                            |
| <b>Sub - Total - Current assets</b>            | <b>1231.32</b>                   | <b>1084 39</b>                   | <b>1252.16</b>                   | <b>1100.97</b>                   |
| <b>TOTAL - ASSETS</b>                          | <b>1793.52</b>                   | <b>1592.91</b>                   | <b>2029.91</b>                   | <b>1798.18</b>                   |
| <b>B EQUITY AND LIABILITIES</b>                |                                  |                                  |                                  |                                  |
| <b>1 Shareholder's Funds</b>                   |                                  |                                  |                                  |                                  |
| (a) Equity Share Capital                       | 114 00                           | 28 50                            | 114 00                           | 28 50                            |
| (b) Other Equity                               | 1051 99                          | 1036 44                          | 1244 85                          | 1210 24                          |
| <b>Sub-Total - Shareholders Fund</b>           | <b>1165.99</b>                   | <b>1064.94</b>                   | <b>1358.85</b>                   | <b>1238.74</b>                   |
| <b>2. Non - Current Liabilities</b>            |                                  |                                  |                                  |                                  |
| (a) Financial Liabilities                      |                                  |                                  |                                  |                                  |
| (i) Borrowings                                 | -                                | -                                | -                                | -                                |
| (ii) Trade Payables                            | -                                | -                                | -                                | -                                |
| (iii) Other Financial Liabilities              | 0 22                             | 0 23                             | 0 22                             | 0 23                             |
| (b) Provisions                                 | 55 79                            | 65 42                            | 55 79                            | 65 42                            |
| (c) Deferred Tax Liabilities (Net)             | -                                | -                                | 32 02                            | 30 76                            |
| (d) Other Non-Current Liabilities              | 0 04                             | 0 04                             | 0 04                             | 0 04                             |
| <b>Sub - Total - Non - Current Liabilities</b> | <b>56.05</b>                     | <b>65.69</b>                     | <b>88.07</b>                     | <b>96.45</b>                     |
| <b>3 Current Liabilities</b>                   |                                  |                                  |                                  |                                  |
| (a) Financial Liabilities                      |                                  |                                  |                                  |                                  |
| (i) Borrowings                                 | -                                | -                                | -                                | -                                |
| (ii) Trade Payables                            | 307 11                           | 224 29                           | 307 12                           | 224 29                           |
| (iii) Other Financial Liabilities              | 130 66                           | 114 82                           | 141 48                           | 115 41                           |
| (b) Other Current Liabilities                  | 68 06                            | 74 63                            | 68 74                            | 74 75                            |
| (c) Provisions                                 | 19 91                            | 7 93                             | 19 91                            | 7 93                             |
| (d) Current Tax Liabilities (Net)              | 45 74                            | 40 61                            | 45 74                            | 40 61                            |
| <b>Sub - Total - Current Liabilities</b>       | <b>571.48</b>                    | <b>462.28</b>                    | <b>582.99</b>                    | <b>462.99</b>                    |
| <b>TOTAL - EQUITY AND LIABILITIES</b>          | <b>1793.52</b>                   | <b>1592 91</b>                   | <b>2029.91</b>                   | <b>1798.18</b>                   |



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**Notes :**

- (i) The Indian Accounting Standards (Ind AS), as notified under the Companies (Indian Accounting Standards) Rules, 2015 are applicable to the Company, its subsidiaries, joint ventures and associates for periods commencing on or after April 1, 2016 with a transition date of April 1, 2015. The results for the quarter and year ended March 31, 2017 are as per the notified Ind AS.
- (ii) Pursuant to the SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, the published figures for the quarter and year ended March 31, 2016 have been recast to Ind AS to the extent applicable to the Company and have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015. These results alongwith results for the current quarter and year ended March 31, 2017 have been audited by the Statutory Auditors of the Company in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- (iii) The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the financial year.
- (iv) During the year, 8,55,01,923 Equity Shares of Rs.10 each were issued and allotted on 27th December, 2016 as fully paid Bonus Shares by capitalisation of free reserves in the proportion of three Bonus Shares of Rs.10 each for every One Equity Shares of Rs.10 each held as on the Record Date. Pursuant to the issue and allotment of Bonus Shares, the earning per share (Basic and Diluted) have been adjusted for all the periods stated above.
- (v) The above results including report on Operating Segment and Consolidated Financial Results have been approved by the Board of Directors at its meeting held on 29th May, 2017.
- (vi) Previous period / year's figures have been re-grouped / re-arranged wherever necessary.
- (vii) A reconciliation between the profit as reported earlier under GAAP and the Ind AS recast profits for the quarter and year ended March 31, 2016 is given below :

Reconciliation of recast standalone and Consolidated financial results as per Ind AS to those reported under previous Generally Accepted Accounting Principles (GAAP) for the reporting periods is as below :

₹. in Crores

| Particulars  | Standalone                               |                                       | Consolidated                          |
|--|--|---------------------------------------|---------------------------------------|
|  | Quarter Ended<br>31-03-2016<br>(Audited) | Year Ended<br>31-03-2016<br>(Audited) | Year Ended<br>31-03-2016<br>(Audited) |
| Profit after Tax as reported under previous GAAP   | 86.39                                    | 163.20                                | 178.88                                |
| <b>Adjustments on account of :</b>   |  |                                       |                                       |
| (i) Reversal of Depreciation on Goodwill   | 0.46                                     | 1.84                                  | 1.84                                  |
| (ii) Reversal of Depreciation on leasehold land  | 0.34                                     | 1.36                                  | 1.36                                  |
| (iii) Rent expenses on account of leasehold land   | (0.34)                                   | (1.36)                                | (1.36)                                |
| (iv) Reversal of Revenue on account of consideration received on others account                      | (273.61)                                 | (1114.94)                             | (1114.94)                             |
| (v) Reversal of cost on account of consideration paid on other account                               | 273.61                                   | 1114.94                               | 1114.94                               |
| (vi) Reversal of Revenue for incomplete tours  | (0.23)                                   | (0.23)                                | (0.23)                                |
| (vii) Reversal of Cost for incomplete tours  | 0.19                                     | 0.19                                  | 0.19                                  |
| (viii) Impact of actuarial gain/loss on defined benefit employee plans                               | 3.77                                     | 3.77                                  | 3.77                                  |
| (ix) Income from amortisation of long term loans and advances  | 0.32                                     | 0.36                                  | 0.36                                  |
| (x) Expenses from amortisation of long term loans and advances                                       | (0.37)                                   | (0.36)                                | (0.36)                                |
| (xi) Fair value gain on investment   | 0.10                                     | 0.10                                  | 0.10                                  |
| (xii) Adjustment on a/c of change in consolidation from proportionate consolidation to equity method | -  | -                                     | (16.01)                               |
| (xiii) Additional deferred tax on IGAAP figures & impact on above adjustments                        | 5.28                                     | (4.52)                                | (4.52)                                |
| <b>Profit after Tax as reported under Ind AS</b>   | <b>95.91</b>                             | <b>164.35</b>                         | <b>164.02</b>                         |

- (viii) The Board of Directors has recommended a dividend @ Rs 7.00 per equity share on the expanded capital base of the Company for the financial year ended 31st March, 2017

Place : Kolkata  
Date : 29th May, 2017



(S. S. KHUNTIA)  
Director (Finance) & CFO  
DIN : 07475677



**बामर लॉरी एण्ड कं. लिमिटेड**  
(भारत सरकार का एक उद्यम)  
**Balmer Lawrie & Co. Ltd.**  
(A Government of India Enterprise)

सचिव विभाग

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

**SECRETARY'S DEPARTMENT**

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

Ref: SECY/StockExchange/2017

Date 29<sup>th</sup> May, 2017

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

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

Dear Sir(s),

Sub. Declaration pursuant to Reg. 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 vide Circular CIR/CFD/CMD/56/2016 dated 25<sup>th</sup> May, 2016

In compliance with Circular CIR/CFD/CMD/56/2016 dated 25<sup>th</sup> May, 2016 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared and confirmed that Auditor's Report on Annual Financial Results (both Standalone and Consolidated) of the Company for the financial year ended 31<sup>st</sup> March, 2017 is with unmodified opinion

Kindly take the above information on record.

Thanking You,

Yours faithfully,

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

**S.S Khuntia**

**Director (Finance) & CFO**

29<sup>th</sup> May, 2017

To  
The Board of Directors  
Balmer Lawrie & Co. Ltd.  
Kolkata

**CEO and CFO Certification**

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Prabal Basu, Chairman & Managing Director, and Shyam Sundar Khuntia Chief Financial Officer, hereby certify that with respect to the Financial Year ended 31<sup>st</sup> March, 2017:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- (1) Significant changes in internal control over financial reporting during the year;

- (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.



**Prabal Basu**  
**(Chairman & Managing Director)**



**Shyam Sundar Khuntia**  
**(Chief Financial Officer)**



29<sup>th</sup> May, 2017

To  
The Board of Directors  
Balmer Lawrie & Co. Ltd.  
Kolkata

CEO and CFO Certification

In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Prabal Basu, Chairman & Managing Director, and Shyam Sundar Khuntia, Chief Financial Officer of Balmer Lawrie & Co. Ltd. hereby certify that the Financial Results of the Company for the quarter ended 31<sup>st</sup> March, 2017:

- i. Do not contain any false or misleading statement or figures and
- ii. Do not omit any material fact, which may make the statements or figures contained therein misleading.



**Prabal Basu**  
(Chairman & Managing Director)



**Shyam Sundar Khuntia**  
(Chief Financial Officer)

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALMER LAWRIE & CO. LIMITED

### *Report on the Standalone Indian Accounting Standards ( Ind AS) Financial Statements*

We have audited the accompanying standalone Ind AS financial statements of **Balmer Lawrie & Co. Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein-after referred to as Ind AS Financial Statements), in which are incorporated the returns for the year ended on that date audited by the Branch Auditors of the Company's branches located under Northern region, Western region and Southern region.

### *Management's Responsibility for the Ind AS Financial Statements*

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and

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pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) in the case of Statement of Profit and Loss, of the Profit for the year ended on that date,
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and
- (d) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date.

### **Emphasis of Matters**

We draw attention to the following matters in the Notes to the Ind AS financial statements, which describe the uncertainty related to the outcome. Our opinion is not qualified in respect of this matter.

- a) Note No.40.7:- Trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination/ receipt of such confirmation.

②

*RAC*  
29/11/17

**Other Matter**

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- a) We did not audit the Ind AS financial statements of three (3) Regions included in the standalone Ind AS financial statements of the Company whose Ind AS financial statement reflect total assets of Rs.92422.05 lakh as at 31<sup>st</sup> March 2017 and total revenue of Rs. 149054.33 lakh for the year ended on that date, as considered in the standalone Ind AS financial statements. The Ind AS financial statements of these regions have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these Regions, is based solely on the report of such branch auditors

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 (" the order ") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure- A", a statement on the matters specified in paragraphs 3 and 4 of the order.
- 2 As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The reports on the account of the three (3) Regions of the Company audited under section 143(8) of the act by branch auditors have been submitted to us and have been properly dealt with by us in preparing this report.
  - d) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts
  - e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) We are informed that provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the Company, being a Government Company in terms of notification no. G.S.R. 463(E) dated 5<sup>th</sup> June 2015 issued by Ministry of Corporate Affairs

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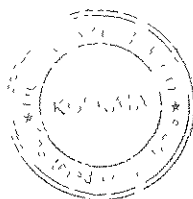


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- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
- i) The Company has disclosed the impact of pending litigations on its Ind AS financial statements – Refer Note 40.2(a) and (b) to the financial statements;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) The Company has provided requisite disclosure in its Ind AS financial statement as to holdings as well as dealings in specified bank notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 and these are in accordance with the books of accounts maintained by the company – Refer Note 40.29 to the Ind AS financial statements;
- v) As required by section 143(5) of the Act, a statement on the matters specified as per directions given by the Comptroller & Auditor General of India, is given in "Annexure- C".

Dated . 29.05 2017

Place . Kolkata



For **DUTTA SARKAR & CO.**  
Chartered Accountants

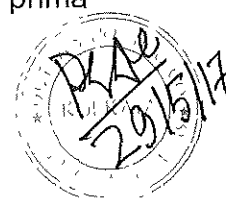
*PAE/29/5/17*  
(Partha Sarathi De)  
Partner

Membership No. - 016727  
Firm Registration No.- 303114E

## ANNEXURE – ‘A’ TO AUDITORS’ REPORT

### AS REPORTED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

- i) In respect of its fixed assets:
- a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which plant and machinery are verified every year and other fixed assets are verified in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As explained to us, in accordance with its programme plant and machinery and certain other fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of Immovable properties are held in the Name of the Company except to the extent of the properties and values specified in Note No.40.1(a) and (b).
- ii) The inventory of the Company except goods in transit has been physically verified during the year by the management. In our opinion, having regard to the nature and location of inventory the frequency of verification is reasonable and no material discrepancies were noticed on such verification.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly clauses 3(iii) (a) to 3(iii) (c) of the Order are not applicable.
- iv) The Company has not given any loans, guarantees, securities or made Investments which is required to be complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v) The Company has not accepted any deposits, according to the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
- vi) We have broadly reviewed the cost record maintained by the Company in respect of the products of Grease and Lubricants, Industrial Packaging & Leather Chemicals where, pursuant to the Companies (Cost records and Audit) Rules, 2014 read with companies (Cost records and Audit) Amendment Rules, 2014 prescribed by the Central Government under section 148 of the Companies Act, 2013 and are of the opinion that, prima

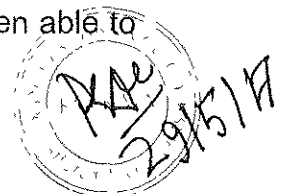


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facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost record with a view to determine whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the central government has not prescribed the maintenance of cost records for any other product of the Company.

- vii) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues to the appropriate authorities and there was no amount due for more than six months as at the last day of the financial year.
- (b) The disputed statutory dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax aggregating to Rs.11465.40 lakh have not been deposited as mentioned in Note No.40.2(a) to the accounts showing the amounts involved and the forum where the dispute is pending.
- viii) The Company has not defaulted in repayment of dues to any financial institutions or Banks as at the Balance Sheet date and there is no debenture holder
- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year under audit. Hence this clause is not applicable.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi) By virtue of Article 7A of the Articles of Association of the company, the President of India is entitled to determine terms and conditions of appointment of the Directors. The inter alia includes determination of remuneration payable to the Whole- Time Directors Hence this clause is not applicable.
- xii) The Company is not a Nidhi Company. Hence this clause is not applicable.
- xiii) According to the information and explanations provided to us and the records of the company examined by us, the Company has not been able to

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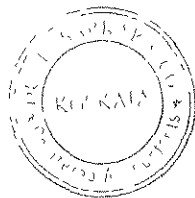
comply with the requirements of Section 177 in respect of composition of Audit Committee, since independent directors on the board are yet to be appointed by the Government of India.

All transactions of the Company with related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statement in Note No. 40.20(i) and (ii) as required by the applicable accounting standard.

- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence this clause is not applicable.
- xv) The Company has not entered into any non cash transactions with directors or persons connected with him. Hence this clause is not applicable.
- xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Hence this clause is not applicable.

Dated :29.05.2017

Place . Kolkata



For **DUTTA SARKAR & CO.**  
Chartered Accountants

*PS*  
(Partha Sarathi De)  
Partner

Membership No – 016727  
Firm Registration No.- 303114E



**“Annexure – B” TO THE INDEPENDENT AUDITORS REPORT**

**Report on the Internal Financial Controls under Paragraph (i) of Sub –section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of BALMER LAWRIE & CO. LIMITED (“the Company”) as of 31<sup>st</sup> March 2017 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk whether material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedure selected depends on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Region's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of record, that in reasonable detail, accurately and fairly reflect the transaction and disposition of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation of management and directors of the Company, and (3) provide reasonable assurance regarding prevention and or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

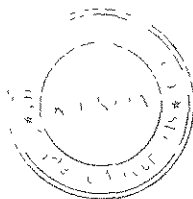
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of internal financial controls over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion the Company has maintained , in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the "Institute of Chartered Accountants of India"

Dated 29.05 2017

Place . Kolkata



For **DUTTA SARKAR & CO.**  
Chartered Accountants

*(Signature)*  
(Partha Sarathi De)  
Partner

Membership No – 016727  
Firm Registration No - 303114E

**Annexure – C**

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

| Sl. No. | Directions  | Auditor's reply                          |
|---------|---|--|
| 1       | Whether the company has clear title/ lease Deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available? | Details are furnished in Annexure "C- 1" |
| 2       | Whether there are any cases of waiver/ write off of debts/ loans/ interest etc if yes, the reason there for and amount involved   | Details are furnished in Annexure "C- 2" |
| 3       | Whether proper records are maintained for inventories lying with third parties & assets received as gift/ grant(s) from the Govt. or other authorities.   | Not applicable                           |

PLA  
29/5/17

Direction under section 143(5) of the Companies Act 2013

**Annexure – C - 1**

Details of freehold and leasehold land for which title/ lease deeds are not available as on 31 03 2017.

| Sl. No. | Location  | Area            | Remarks   |
|---------|---|-----------------|---|
| 1       | New Beerbhoom Coal Co. Ltd. Asansol, Burdawan   | 5353.16 Sq. Mtr | Lease not renewed after year 2000   |
| 2       | Container & Cylinder Division   | 2921.05 Sq.Mtr  | Lease Deed expired on 31 05.2005 and on 19.01.2002. Renewed Lease Deed not available.       |
| 3       | Industrial Packaging Division, Plot No. G-15, G-16, G-17, MIDC, Taloja, Industrial Area, Maharashtra – 410208 | -               | G15, G16 lease deed with MIDC pending for Registration. G17 registered lease deed is found. |
| 4       | Balmer lawrie & Co. Ltd., Manali-Chennai 600068 (LC, GL, AS, PDC, IP)   | 27.54 Acre      | The title of the land has not yet been transferred in the name of the company               |
| 5       | Balmer lawrie & Co. Ltd., Manali-Chennai 600068 (CFS-CHENNAI)   | 10.20. Acre     | The title of the land has not yet been transferred in the name of the company               |

*DLA*  
 29/5/17

Direction under section 143(5) of the Companies Act 2013

Annexure – C - 2

Details of write-off of debts, advances, deposits and fixed assets etc as on 31.03.2017

| Reasons for write-offs  | 31.03.2017    |
|---|---------------|
| <b>1. Debts</b>   |               |
| Liquidated Damage   | 48 24         |
| Difference in Excise Duty   | 19 05         |
| Closed Business/Party not traceable   | 31 58         |
| Adhoc Deduction by customers/Reconciliation Problem                             | 17.72         |
| Quality related Problem / damaged goods   | 42 47         |
| Cancellation Charges, Service Tax not paid by customers                         | 16.35         |
| Service Charges/ No Show tickets etc  | 26.23         |
| Price differential not paid by customers  | 17.25         |
| Difference of VAT, CST  | 22.80         |
| Demurrage Charges/Port charges/Transit Penalty                                  | 71.71         |
| TDS receivable  | 0.33          |
| Risk Purchase   | 1.86          |
| <b>TOTAL</b>  | <b>315 59</b> |
| <b>2. Loans &amp; Advances</b>  |               |
| Detention charges/Tpt charges   | 29.23         |
| <b>TOTAL</b>  | <b>29 23</b>  |
| <b>3. Deposits</b>  |               |
| Sundry Deposits written off   | 0.31          |
| <b>TOTAL</b>  | <b>0 31</b>   |
| <b>4. Fixed Assets</b>  |               |
| Fixed Assets written off  | 0.91          |
| <b>TOTAL</b>  | <b>0 91</b>   |
| <b>5. Write off of debts/ deposits against provisions made in earlier years</b> | <b>198.95</b> |
| <b>GRAND TOTAL</b>  | <b>544.99</b> |

  
 DAA  
 29/5/17

**BALMER LAWRIE & CO. LTD.**

**[A Government of India Enterprise]**

**Regd. Office : 21, Netaji Subhas Road, Kolkata - 700001**

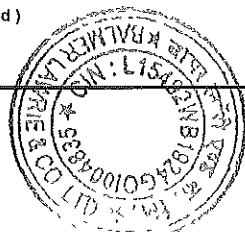
**Tel. No. - (033)22225313, Fax No.-(033)22225292, email-bhavsar.k@balmerlawrie.com, website-www.balmerlawrie.com**

**CIN : L15492WB1924GOI004835**

**Statement of Standalone and Consolidated Audited Financial Results for the Quarter and Year Ended 31st March, 2017**

Rs in Crores

| SI No. | Particulars   | Standalone                |                                     |  | Consolidated  |  |   |  |
|--------|---|---------------------------|-------------------------------------|--|---|--|---|--|
|        |   | 3 months ended 31/03/2017 | Preceding 3 months ended 31/12/2016 | Corresponding 3 months ended in the previous year 31/03/2016 | Year to date figure for current period ended 31/03/2017 (Audited) | Year to date figure for the previous Year ended 31/03/2016 (Audited) | Year to date figure for current period ended 31/03/2017 (Audited) | Year to date figure for the previous Year ended 31/03/2016 (Audited) |
| I      | Revenue from operations   | 499 28                    | 407 50                              | 418 41   | 1828 08   | 1715 60  | 1828 08   | 1715 60  |
| II     | Other Income  | 35 90                     | 12 11                               | 30 73  | 73 09   | 62 76  | 73 41   | 63 04  |
| III    | <b>Total Income [I+II]</b>  | <b>535 18</b>             | <b>419 61</b>                       | <b>449 14</b>  | <b>1901 17</b>  | <b>1778 36</b>   | <b>1901 49</b>  | <b>1778 64</b>   |
| IV     | <b>Expenses</b>   |                           |                                     |  |   |  |   |  |
|        | Cost of Materials Consumed  | 290 52                    | 236 32                              | 223 44   | 1069 40   | 977 22   | 1069 40   | 977 22   |
|        | Purchase of Stock-in-Trade  | 0 71                      | 2 13                                | 1 60   | 11 49   | 3 58   | 11 49   | 3 58   |
|        | Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade                                     | (8 27)                    | 0 33                                | (4 54)   | (0 38)  | (0 78)   | (0 38)  | (0 78)   |
|        | Excise Duty on Sales  | 32 02                     | 29 02                               | 30 18  | 121 72  | 121 05   | 121 72  | 121 05   |
|        | Employee Benefits Expenses  | 52 06                     | 49 23                               | 46 32  | 199 37  | 199 19   | 199 53  | 199 19   |
|        | Finance cost  | 0 45                      | 1 41                                | 0 78   | 4 54  | 4 55   | 4 54  | 4 55   |
|        | Depreciation and Amortisation Expenses  | 6 77                      | 6 48                                | 5 78   | 25 84   | 24 00  | 25 87   | 24 02  |
|        | Other Expenses  | 52 47                     | 51 71                               | 49 67  | 215 08  | 209 34   | 215 51  | 209 89   |
|        | <b>Total expenses [IV]</b>  | <b>426 73</b>             | <b>376 63</b>                       | <b>353 23</b>  | <b>1647 06</b>  | <b>1538 15</b>   | <b>1647 68</b>  | <b>1538 72</b>   |
| V      | <b>Profit/(Loss) before exceptional items and tax (III - IV)</b>  | <b>108 45</b>             | <b>42 98</b>                        | <b>95 91</b>   | <b>254 11</b>   | <b>240 21</b>  | <b>253 81</b>   | <b>239 92</b>  |
| VI     | Exceptional items   | -                         | -                                   | -  | -   | -  | -   | -  |
| VII    | <b>Profit/(Loss) before tax [V-VI]</b>  | <b>108 45</b>             | <b>42 98</b>                        | <b>95 91</b>   | <b>254 11</b>   | <b>240 21</b>  | <b>253 81</b>   | <b>239 92</b>  |
| VIII   | <b>Tax Expenses</b>   |                           |                                     |  |   |  |   |  |
|        | (1) Current Tax   | 40 45                     | 12 59                               | 23 77  | 88 51   | 77 79  | 88 56   | 77 83  |
|        | (2) Deferred Tax  | (11 70)                   | 4 32                                | (2 99)   | (4 82)  | (1 93)   | (4 82)  | (1 93)   |
| IX     | <b>Profit/(Loss) for the period from continuing operations ( VII- VIII )</b>                                      | <b>79 70</b>              | <b>26 07</b>                        | <b>75 13</b>   | <b>170 42</b>   | <b>164 35</b>  | <b>170 07</b>   | <b>164 02</b>  |
| X      | Profit/(Loss) from discontinuing operations   | -                         | -                                   | -  | -   | -  | -   | -  |
| XI     | Tax Expenses of discontinuing operations  | -                         | -                                   | -  | -   | -  | -   | -  |
| XII    | Profit/(Loss) from discontinuing operations after Tax [X - XI]  | -                         | -                                   | -  | -   | -  | -   | -  |
| XIII   | <b>Profit / ( Loss ) for the period [IX + XII]</b>  | <b>79 70</b>              | <b>26 07</b>                        | <b>75 13</b>   | <b>170 42</b>   | <b>164 35</b>  | <b>170 07</b>   | <b>164 02</b>  |
| XIV    | <b>Other Comprehensive Income</b>   |                           |                                     |  |   |  |   |  |
|        | (A)(i) Items that will not be Reclassified to Profit or Loss  | -                         | -                                   | -  | 1 31  | (3 77)   | 1 01  | (3 88)   |
|        | (A)(ii) Income Tax relating to items that will not be Reclassified to Profit or Loss                              | -                         | -                                   | -  | (0 45)  | 1 31   | (0 56)  | 1 26   |
|        | (B)(i) Items that will be Reclassified to Profit or Loss  | -                         | -                                   | -  | -   | -  | -   | -  |
|        | (B)(ii) Income Tax relating to items that will be Reclassified to Profit or Loss                                  | -                         | -                                   | -  | -   | -  | -   | -  |
|        | <b>Other Comprehensive Income for the year</b>  | <b>-</b>                  | <b>-</b>                            | <b>-</b>   | <b>0 86</b>   | <b>(2 46)</b>  | <b>0 45</b>   | <b>(2 62)</b>  |
| XV     | <b>Total Comprehensive Income for the period [XIII+XIV]</b>   | <b>79 70</b>              | <b>26 07</b>                        | <b>75 13</b>   | <b>171 28</b>   | <b>161 89</b>  | <b>170 52</b>   | <b>161 40</b>  |
| XVI    | <b>Earnings per Equity Share (for continuing operations) (of Rs 10/- each ( not annualised )</b>                  |                           |                                     |  |   |  |   |  |
|        | (a) Basic   | 6 99                      | 2 29                                | 6 59   | 14 95   | 14 42  | 14 92   | 14 39  |
|        | (b) Diluted   | 6 99                      | 2 29                                | 6 59   | 14 95   | 14 42  | 14 92   | 14 39  |
| XVII   | <b>Earnings per Equity Share (for discontinued operations) (of Rs 10/- each ( not annualised )</b>                |                           |                                     |  |   |  |   |  |
|        | (a) Basic   | -                         | -                                   | -  | -   | -  | -   | -  |
|        | (b) Diluted   | -                         | -                                   | -  | -   | -  | -   | -  |
| XVIII  | <b>Earnings per Equity Share (for discontinued and continuing operations) (of Rs 10/- each ( not annualised )</b> |                           |                                     |  |   |  |   |  |
|        | (a) Basic   | 6 99                      | 2 29                                | 6 59   | 14 95   | 14 42  | 14 92   | 14 39  |
|        | (b) Diluted   | 6 99                      | 2 29                                | 6 59   | 14 95   | 14 42  | 14 92   | 14 39  |



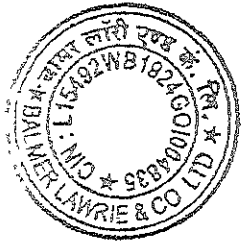
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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. in Crores

| Sl No | Particulars   | Standalone                |                                     |  |  | Consolidated  |  |   |
|-------|---|---------------------------|-------------------------------------|--|--|---|--|---|
|       |   | 3 months ended 31/03/2017 | Preceding 3 months ended 31/12/2016 | Corresponding 3 months ended in the previous year 31/03/2016 | Year to date figure for current period ended 31/03/2017 (Audited.) | Year to date figure for the previous Year ended 31/03/2016 (Audited.) | Year to date figure for current period ended 31/03/2017 (Audited.) | Year to date figure for the previous Year ended 31/03/2016 (Audited.) |
| 1     | Segment Revenue [Net Sales/Income]                    | 143.36                    | 122.95                              | 127.85   | 566.92   | 531.76  | 566.92   | 531.76  |
|       | a Industrial Packaging                                | 182.82                    | 131.74                              | 139.18   | 566.20   | 538.23  | 566.20   | 538.23  |
|       | b Logistics Infrastructure & Services                 | 40.40                     | 26.43                               | 32.94  | 163.04   | 165.15  | 163.04   | 165.15  |
|       | c Travel & Tours                                      | 113.41                    | 106.56                              | 101.36   | 448.97   | 419.92  | 448.97   | 419.92  |
|       | d Greases & Lubricants                                | 22.51                     | 23.12                               | 25.25  | 100.78   | 86.74   | 100.78   | 86.74   |
|       | e Others  | 502.50                    | 410.80                              | 426.58   | 1845.91  | 1741.80   | 1845.91  | 1741.80   |
|       | Total   | 5.39                      | 4.45                                | 8.89   | 22.93  | 29.23   | 22.93  | 29.23   |
|       | Less Inter Segment Revenue                            | 2.17                      | 1.15                                | 0.72   | 5.10   | 3.03  | 5.10   | 3.03  |
|       | Add Other un-allocable Revenue                        | 499.28                    | 407.50                              | 418.41   | 1828.08  | 1715.60   | 1828.08  | 1715.60   |
|       | Net Sales/Income from Operations                      | 15.47                     | 10.64                               | 17.44  | 59.44  | 61.11   | 59.44  | 61.11   |
| 2     | Segment Results [Profit/(Loss) before Tax & Interest] | 51.89                     | 30.24                               | 43.94  | 138.95   | 141.35  | 138.41   | 140.84  |
|       | a Industrial Packaging                                | 20.25                     | 5.52                                | 9.66   | 35.17  | 24.22   | 35.17  | 24.22   |
|       | b Logistics Infrastructure & Services                 | 8.44                      | 6.29                                | 10.56  | 31.78  | 38.06   | 31.78  | 38.06   |
|       | c Travel & Tours                                      | 6.12                      | 3.82                                | 3.62   | 19.53  | 9.44  | 19.73  | 9.62  |
|       | d Greases & Lubricants                                | 102.17                    | 56.61                               | 85.22  | 284.87   | 274.18  | 284.53   | 273.85  |
|       | e Others  | 0.45                      | 1.41                                | 0.68   | 4.54   | 4.45  | 4.54   | 4.45  |
|       | Total   | (6.73)                    | 12.12                               | (11.37)  | 26.22  | 29.52   | 26.18  | 29.48   |
|       | Less (i) Interest                                     |                           |                                     |  |  |   |  |   |
|       | (ii) Other un-allocable expenditure                   |                           |                                     |  |  |   |  |   |
|       | TOTAL PROFIT BEFORE TAX                               | 108.45                    | 42.98                               | 95.91  | 254.11   | 240.21  | 253.81   | 239.92  |
| 3     | Segment Assets  | 303.64                    | 277.14                              | 264.03   | 303.64   | 264.03  | 303.64   | 264.23  |
|       | a Industrial Packaging                                | 337.22                    | 298.68                              | 278.39   | 337.22   | 278.39  | 377.06   | 263.33  |
|       | b Logistics Infrastructure & Services                 | 228.05                    | 242.92                              | 234.94   | 228.05   | 234.94  | 228.05   | 240.17  |
|       | c Travel & Vacations                                  | 211.99                    | 221.12                              | 211.55   | 211.99   | 211.55  | 215.77   | 211.99  |
|       | d Greases & Lubricants                                | 712.62                    | 637.42                              | 604.01   | 712.62   | 604.01  | 905.41   | 798.47  |
|       | e Others  | 1793.52                   | 1677.28                             | 1592.92  | 1793.52  | 1592.92   | 2029.93  | 1798.19   |
|       | Total   | 69.91                     | 68.12                               | 65.16  | 69.91  | 65.16   | 69.91  | 61.16   |
| 4     | Segment Liabilities                                   | 152.14                    | 168.82                              | 147.59   | 152.14   | 147.59  | 163.99   | 134.01  |
|       | a Industrial Packaging                                | 103.99                    | 83.03                               | 83.33  | 103.99   | 83.33   | 103.99   | 78.33   |
|       | b Logistics Infrastructure & Services                 | 59.01                     | 69.23                               | 61.01  | 59.01  | 61.01   | 59.01  | 58.01   |
|       | c Travel & Vacations                                  | 242.48                    | 199.41                              | 170.89   | 242.48   | 170.89  | 274.17   | 227.94  |
|       | d Greases & Lubricants                                | 627.53                    | 588.61                              | 527.98   | 627.53   | 527.98  | 671.07   | 569.45  |
|       | e Others  |                           |                                     |  |  |   |  |   |
|       | Total   |                           |                                     |  |  |   |  |   |

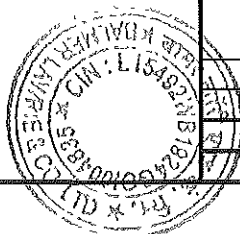
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The statement of Assets and Liabilities as required under regulation 33 of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 is an under :

Rs. In Crores

|           |  | Standalone                       |                                  | Consolidated                     |                                  |
|-----------|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|           |  | As at<br>31.03.2017<br>(Audited) | As at<br>31.03.2016<br>(Audited) | As at<br>31.03.2017<br>(Audited) | As at<br>31.03.2016<br>(Audited) |
| <b>A</b>  | <b>ASSETS</b>                                  |                                  |                                  |                                  |                                  |
| <b>1</b>  | <b>Non-Current Assets</b>                      |                                  |                                  |                                  |                                  |
|           | ( a ) Property, Plant and Equipment            | 382 67                           | 379 16                           | 382 93                           | 379 32                           |
|           | ( b ) Capital Work-in-Progress                 | 23 31                            | 7 26                             | 62 66                            | 10 99                            |
|           | ( c ) Investment Property                      | 0 62                             | 0 95                             | 0 62                             | 0 95                             |
|           | ( d ) Goodwill                                 | 6 89                             | 6 89                             | 6 89                             | 6 89                             |
|           | ( e ) Other Intangible assets                  | 6 30                             | 7 21                             | 6 30                             | 7 21                             |
|           | ( f ) Intangible Assets under Development      | -                                | -                                | -                                | -                                |
|           | ( g ) Financial Assets                         |                                  |                                  |                                  |                                  |
|           | (i) Investments                                | 87 38                            | 57 50                            | 271 34                           | 247 25                           |
|           | (iii) Loans                                    | 4 85                             | 5 07                             | 4 85                             | 5 07                             |
|           | (iii) Others                                   | 5 01                             | 3 52                             | 5 01                             | 3 52                             |
|           | ( h ) Deferred Tax Assets (Net)                | 8 02                             | 4 96                             | -                                | -                                |
|           | ( i ) Other Non-Current assets                 | 37 15                            | 36 00                            | 37 15                            | 36 01                            |
|           | <b>Sub - Total - Non - Current Assets</b>      | <b>562.20</b>                    | <b>508.52</b>                    | <b>777.75</b>                    | <b>697.21</b>                    |
| <b>2</b>  | <b>Current Assets</b>                          |                                  |                                  |                                  |                                  |
|           | (a) Inventories                                | 151 70                           | 119 77                           | 151 70                           | 119 76                           |
|           | (b) Financial Assets                           |                                  |                                  |                                  |                                  |
|           | (i) Trade Receivables                          | 281 61                           | 230 33                           | 281 60                           | 230 32                           |
|           | (ii) Cash and Cash Equivalents                 | 31 06                            | 40 23                            | 52 25                            | 61 50                            |
|           | (iii) Other Bank Balances                      | 477 59                           | 403 47                           | 477 59                           | 403 47                           |
|           | (iv) Loans                                     | 4 39                             | 8 51                             | 3 86                             | 3 69                             |
|           | (v) Others                                     | 207 55                           | 215 61                           | 207 67                           | 215.72                           |
|           | (c) Other Current Assets                       | 77 42                            | 66 47                            | 77 49                            | 66 51                            |
|           | <b>Sub - Total - Current assets</b>            | <b>1231.32</b>                   | <b>1084 39</b>                   | <b>1252.16</b>                   | <b>1100.97</b>                   |
|           | <b>TOTAL - ASSETS</b>                          | <b>1793.52</b>                   | <b>1592.91</b>                   | <b>2029.91</b>                   | <b>1798.18</b>                   |
| <b>B</b>  | <b>EQUITY AND LIABILITIES</b>                  |                                  |                                  |                                  |                                  |
| <b>1</b>  | <b>Shareholder's Funds</b>                     |                                  |                                  |                                  |                                  |
|           | ( a ) Equity Share Capital                     | 114 00                           | 28 50                            | 114 00                           | 28 50                            |
|           | ( b ) Other Equity                             | 1051 99                          | 1036 44                          | 1244 85                          | 1210 24                          |
|           | <b>Sub-Total - Shareholders Fund</b>           | <b>1165.99</b>                   | <b>1064.94</b>                   | <b>1358.85</b>                   | <b>1238.74</b>                   |
| <b>2</b>  | <b>Non - Current Liabilities</b>               |                                  |                                  |                                  |                                  |
|           | ( a ) Financial Liabilities                    |                                  |                                  |                                  |                                  |
|           | (i) Borrowings                                 | -                                | -                                | -                                | -                                |
|           | (ii) Trade Payables                            | -                                | -                                | -                                | -                                |
|           | (iii) Other Financial Liabilities              | 0 22                             | 0 23                             | 0 22                             | 0 23                             |
|           | ( b ) Provisions                               | 55 79                            | 65 42                            | 55 79                            | 65 42                            |
|           | ( c ) Deferred Tax Liabilities (Net)           | -                                | -                                | 32 02                            | 30 76                            |
|           | ( d ) Other Non-Current Liabilities            | 0 04                             | 0 04                             | 0 04                             | 0 04                             |
|           | <b>Sub - Total - Non - Current Liabilities</b> | <b>56 05</b>                     | <b>65.69</b>                     | <b>88.07</b>                     | <b>96.45</b>                     |
| <b>3.</b> | <b>Current Liabilities</b>                     |                                  |                                  |                                  |                                  |
|           | ( a ) Financial Liabilities                    |                                  |                                  |                                  |                                  |
|           | (i) Borrowings                                 | -                                | -                                | -                                | -                                |
|           | (ii) Trade Payables                            | 307 11                           | 224 29                           | 307 12                           | 224 29                           |
|           | (iii) Other Financial Liabilities              | 130 66                           | 114 82                           | 141 48                           | 115 41                           |
|           | ( b ) Other Current Liabilities                | 68 06                            | 74 63                            | 68 74                            | 74 75                            |
|           | ( c ) Provisions                               | 19 91                            | 7 93                             | 19 91                            | 7 93                             |
|           | ( d ) Current Tax Liabilities (Net)            | 45 74                            | 40 61                            | 45 74                            | 40 61                            |
|           | <b>Sub - Total - Current Liabilities</b>       | <b>571.48</b>                    | <b>462.28</b>                    | <b>582.99</b>                    | <b>462 99</b>                    |
|           | <b>TOTAL - EQUITY AND LIABILITIES</b>          | <b>1793.52</b>                   | <b>1592.91</b>                   | <b>2029.91</b>                   | <b>1798.18</b>                   |



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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF**  
**DIRECTORS OF BALMER LAWRIE & CO.LIMITED**

***Report on the consolidated Ind AS financial statements***

We have audited the accompanying consolidated Ind AS financial statements of **Balmer Lawrie & Co. Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries( the holding company and its subsidiaries together to as "the Group") and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2017, and the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

***Management's Responsibility for the consolidated Ind As financial statements***

The Holding Company's Board of Directors is responsible for the matters stated in the Companies Act 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies( Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and jointly controlled entities and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statement by the Directors of the Holding Company, as aforesaid.

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**Auditor's Responsibility**

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and fair presentation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub paragraph (a) of the other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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- (a) in the case of the Balance Sheet, of the consolidated state of affairs of the Group and jointly controlled entities as at March 31, 2017,
- (b) in the case of Statement of Profit and Loss, of the Profit of the Group and jointly controlled entities for the year ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows of the Group and jointly controlled entities for the year ended on that date and;
- (d) in the case of the Statement of Changes in Equity, of the changes in equity of the Group and jointly controlled entities for the year ended on that date

We draw attention to the following matters in the Notes to the consolidated Ind AS financial statements:

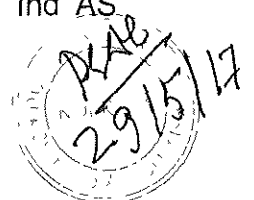
- a) One of the Joint Venture Company M/s Transafe Services Limited, where Company holds 50% stake, accumulated losses has exceeded its net worth by Rs.8804.26 lac as on the Balance sheet date and its application for revival under Sick Companies Act 1985 made to BIFR (Case No. 83/2013) is pending as stated in Note. No 40.8 These conditions indicate existence of uncertainty that may cast significant doubt about its ability to continue as going concern. However the financial statements of the Company have been prepared on a going concern basis
- b) Note No.40.13 Trade receivables, loans and advances and deposits of which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination/ receipt of such confirmation.

Our opinion is not modified in respect on above matters.

#### Other Matter

We did not audit the consolidated Ind AS financial statements of two (2) subsidiaries, and six (6) jointly controlled entities, whose financial statements reflect total assets of Rs. 23639.61 lac as at 31<sup>st</sup> March 2017 and total revenue of Rs. 32.11 lac, and net cash inflows amounting to Rs.(-)8.00 lac for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS

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financial statements, in so far as it relates to the amounts and disclosures included in respect of above subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order ") issued by the Central Government in terms of Section 143(11) of the Act, based on the comments in the auditors' reports of the Holding company and jointly controlled companies incorporated in India, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report to the extent applicable, that
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The reports on the account of the jointly controlled entities audited under section 143(8) of the act by other auditors have been submitted to us and have been properly dealt with by us in preparing this report

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(H)



- d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- e) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of the reports of the statutory auditors of jointly controlled companies incorporated in India, none of the directors of jointly controlled companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act. We are informed that the provisions of Section 164(2) of the Act are not applicable to the Holding Company and its subsidiary companies incorporated in India being Government companies in terms of notification no. G.S.R.463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and jointly controlled entities incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and jointly controlled entities – Refer Note No.40.4 (a) and (b) of the consolidated Ind AS financial statements,
  - ii) The Group and jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and jointly controlled entities incorporated in India.

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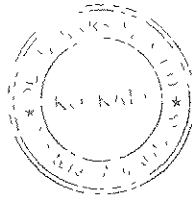
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- iv) The Holding company and jointly controlled entities incorporated in India have provided requisite disclosure in its financial statement as to holdings as well as dealings in specified bank notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 and these are in accordance with the books of accounts maintained by the company – Refer Note 40.14 to the financial statements;

Dated · 29.05 2017

Place . Kolkata

For **DUTTA SARKAR & CO.**  
*Chartered Accountants*



  
(Partha Sarathi De)  
Partner

Membership No. - 016727  
Firm Registration No.- 303114E

## ANNEXURE – ‘A’ TO AUDITORS’ REPORT

### AS REPORTED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

“Our reporting on the Order includes 5 (five) jointly controlled entities in India to which the Order is applicable, which has been audited by other auditors and our report in respect of these entities is based solely on auditors’ report, to the extent considered applicable for reporting under the order in the case of consolidated Ind AS financial statements”.

- i) In respect of the fixed assets of the Holding Company and jointly controlled entities incorporated in India:
  - a) The respective entities have generally maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
    - b) The respective entities have regular programmes of physical verification of its fixed assets by which plant and machinery are verified every year and other fixed assets are verified in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the respective entities and nature of its assets. As explained to us, in accordance with its programme fixed assets were verified during the year and no material discrepancies were noticed on such verification.
  - (c ) According to the information and explanations given to us and on the basis of our examination of the records of the respective entities, title deeds of Immovable properties are held in the name of the respective entities except to the extent of the properties and values specified in Note No 40.3(b).
- ii) The inventories of the Holding company and jointly controlled entities incorporated in India have been physically verified during the year by the management of respective entities except goods in transit. In our opinion, having regard to the nature and location of inventory the frequency of verification is reasonable and no material discrepancies were noticed on such verification.
- iii) The Holding company and jointly controlled entities incorporated in India, have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the

Contd





Contd

Companies Act 2013. Accordingly clause 3(iii)(a) to 3(iii)(c) of the Order are not applicable

- iv) The Holding company and jointly controlled entities incorporated in India, have not given any loans, guarantees, securities or made Investments which is required to be complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v) The Holding company and jointly controlled entities incorporated in India, have not accepted any deposits, according to the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) We have broadly reviewed the cost record maintained by the Holding company and jointly controlled entities incorporated in India, pursuant to the Companies (Cost records and Audit) Rules, 2014 read with companies (Cost records and Audit) Amendment Rules, 2014 prescribed by the Central Government under section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost record with a view to determine whether they are accurate or complete. However, the above requirements are not applicable in case of Balmer Lawrie Hind Terminals Pvt. Ltd. and Transafe Services Ltd, jointly controlled entities.
- vii) In respect of undisputed statutory dues of the Holding company and jointly controlled entities incorporated in India:
- a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to the respective entities with appropriate authorities.
- b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax, Cess and other statutory dues in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable

Contd



Contd

- c) The particulars of dues of Income Tax, Sales Tax, Service tax, Excise Duty, Value Added Tax and Cess as at 31<sup>st</sup> March, 2017 aggregating to Rs.15106.53 lac which have not been deposited on account of dispute, as mentioned in Note No 40.4(a) to the Accounts showing the amounts involved and the Forum where dispute is pending.
- viii) One of the Joint Venture Company M/s Transafe Services Limited has defaulted in repayment of dues to certain Banks amounting to Rs. 3764.96 lac as at the Balance Sheet date as stated in Note No. 40.9. The Holding company and other jointly controlled entities incorporated in India has not defaulted in repayment of dues to any financial institutions or Banks as at the Balance Sheet date and there is no debenture holder.
- ix) The Holding company and jointly controlled entities incorporated in India have not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year under audit Hence this clause is not applicable.
- x) According to the information and explanation given to us no fraud on or by the Holding company has been noticed or reported during the year. Also in accordance with the information and explanation given to us, no fraud on or by the jointly controlled entities incorporated in India, has been noticed or reported during the year.
- xi) By virtue of Article 7A of the Articles of Association of the Holding company, the President of India is entitled to determine terms and conditions of appointment of the Directors. This inter alia includes determination of remuneration payable to the Whole- Time Directors. Hence this clause is not applicable to Holding Company.
- By virtue of Section 197 read with schedule V, are applicable only to Public Companies. Hence, this clause is not applicable to Jointly controlled entities incorporated in India.
- xii) The Holding company and jointly controlled entities incorporated in India, is not a Nidhi Company. Hence this clause is not applicable.
- xiii) According to the information and explanations provided to us and the records of the Holding Company examined by us, the Holding Company has not been able to comply with the requirements of Section 177 in respect of composition of Audit Committee, since independent directors on the board are yet to be appointed by the Government of India.

Contd



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According to the information and explanations provided to us, a jointly controlled entity incorporated in India namely, Transafe Services Limited has not complied with the requirements of section 177 as there is no independent director in the Audit Committee.

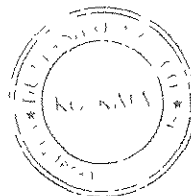
According to the information and explanations given to us by the management, all transactions of the Holding company and jointly controlled entities incorporated in India with related parties are in compliance with section 188 of Companies Act, 2013 where applicable.

Disclosures have been made in the financial statement in Note No. 40.1 as required by the applicable accounting standard to the extent applicable for consolidated Ind AS financial statements

- xiv) The Holding Company and jointly controlled entities incorporated in India has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence this clause is not applicable.
- xv) The Holding company and jointly controlled entities incorporated in India has not entered into any non cash transactions with directors or persons connected with him. Hence this clause is not applicable.
- xvi) The Holding company and jointly controlled entities incorporated in India is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Hence this clause is not applicable.

Dated : 29.05.2017

Place : Kolkata



For **DUTTA SARKAR & CO.**  
Chartered Accountants

*PS*  
(Partha Sarathi De)  
Partner

Membership No. -016727

Firm Registration No.- 303114E

**“Annexure – B” to the Auditors’ Report**

**Report on the Internal Financial Controls under Paragraph (i) of Sub –section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

“Our reporting includes 5 (five) jointly controlled entities in India to which the Act is applicable, which has been audited by other auditors and our report in respect of these entities is based solely on other auditors’ report, to the extent considered applicable for reporting under the Act in the case of consolidated Ind AS financial statements”.

We have audited the internal financial controls over financial reporting of BALMER LAWRIE & CO LIMITED (“the Holding Company”) as of 31<sup>st</sup> March 2017 in conjunction with our audit of the financial statement of the Company for the year ended on that date and other auditors have audited the internal financial controls over financial reporting of Jointly Controlled Entities incorporated in India as of 31<sup>st</sup> March 2017 in conjunction with their audit of the financial statement of the respective jointly controlled entities for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The management of the Holding Company and jointly controlled entities incorporated in India is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and jointly controlled entities incorporated in India considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the policies of Holding Company and jointly controlled entities incorporated in India, the safeguarding of their assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding Company's and jointly controlled entities' internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk whether material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedure selected depends on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and jointly controlled entities' internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of record, that in reasonable detail, accurately and fairly reflect the transaction and disposition of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only

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in accordance with authorisation of management and directors of the Company; and (3) provide reasonable assurance regarding prevention and or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have material effect on the consolidated Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of internal financial controls over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion the Holding company and jointly controlled entities incorporated in India have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Holding company and jointly controlled entities incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the "Institute of Chartered Accountants of India".

Dated :29.05 2017

Place : Kolkata



For **DUTTA SARKAR & CO.**  
Chartered Accountants

(Partha Sarathi De)  
Partner

Membership No. – 016727  
Firm Registration No.- 303114E

(₹ in Lacs)

| Particulars                             | Note No | As at 31 March 2017 | As at 31 March 2016 | As at 1st April 2015 |
|---|---------|---------------------|---------------------|----------------------|
| <b>ASSETS</b>                           |         |                     |                     |                      |
| <b>(1) Non-Current Assets</b>           |         |                     |                     |                      |
| (a) Property, Plant and Equipment       | 2       | 38,266 78           | 37,916 49           | 35,920 73            |
| (b) Capital work-in-progress            |         | 2,331 30            | 725 55              | 429 81               |
| (c) Investment Property                 | 3       | 61 88               | 95 25               | 97 79                |
| (d) Goodwill                            | 4       | 689 32              | 689 32              | 689 32               |
| (e) Other Intangible assets             | 4       | 629 60              | 720 63              | 678 01               |
| (f) Intangible assets under development |         | -                   | -                   | 17 25                |
| <b>(g) Financial Assets</b>             |         |                     |                     |                      |
| (i) Investments                         | 5       | 8,737 76            | 5,749 86            | 5,740 26             |
| (ii) Loans                              | 6       | 485 28              | 507 10              | 333 02               |
| (iii) Others                            | 7       | 501 09              | 351 78              | 346 61               |
| (h) Deferred tax Assets (net)           | 8       | 802 10              | 495 56              | -                    |
| (i) Other Non Current assets            | 9       | 3,715 16            | 3,600 62            | 3,840 89             |
| <b>Total Non Current Assets</b>         |         | <b>56,220 27</b>    | <b>50,852 16</b>    | <b>48,093 69</b>     |
| <b>(2) Current Assets</b>               |         |                     |                     |                      |
| (a) Inventories                         | 10      | 15,169 64           | 11,976 49           | 13,010 37            |
| <b>(b) Financial Assets</b>             |         |                     |                     |                      |
| (i) Trade Receivables                   | 11      | 28,160 55           | 23,032 54           | 21,580 82            |
| (ii) Cash & cash equivalents            | 12      | 3,106 48            | 4,023 01            | 2,782 37             |
| (iii) Other Bank Balances               | 13      | 47,758 91           | 40,347 37           | 34,301 31            |
| (iv) Loans                              | 14      | 439 11              | 851 04              | 695 13               |
| (v) Others                              | 15      | 20,754 91           | 21,561 35           | 17,513 16            |
| (c) Other Current Assets                | 16      | 7,742 33            | 6,647 38            | 6,820 54             |
| <b>Total Current Assets</b>             |         | <b>1,23,131 93</b>  | <b>1,08,439 18</b>  | <b>96,703 70</b>     |
| <b>Total Assets</b>                     |         | <b>1,79,352 20</b>  | <b>1,59,291 34</b>  | <b>1,44,797 39</b>   |
| <b>EQUITY AND LIABILITIES</b>           |         |                     |                     |                      |
| <b>Equity</b>                           |         |                     |                     |                      |
| (a) Equity Share Capital                | 17      | 11,400 25           | 2,850 06            | 2,850 06             |
| (b) Other Equity                        | 18      | 1,05,198 52         | 1,03,643 82         | 93,343 02            |
| <b>Total Equity</b>                     |         | <b>1,16,598 77</b>  | <b>1,06,493 88</b>  | <b>96,193 08</b>     |
| <b>LIABILITIES</b>                      |         |                     |                     |                      |
| <b>(1) Non-Current Liabilities</b>      |         |                     |                     |                      |
| <b>(a) Financial Liabilities</b>        |         |                     |                     |                      |
| (i) Borrowings                          |         | -                   | -                   | -                    |
| (ii) Trade Payables                     | 19      | -                   | -                   | 0 02                 |
| (iii) Other Financial Liabilities       | 19      | 21 85               | 22 70               | 113 91               |
| (b) Provisions                          | 20      | 5,579 30            | 6,542 40            | 6,006 91             |
| (c) Deferred Tax Liabilities (net)      | 8       | -                   | -                   | 144 19               |
| (d) Other Non Current liabilities       | 21      | 4 12                | 4 22                | 8 03                 |
| <b>Total Non Current Liabilities</b>    |         | <b>5,605 27</b>     | <b>6,569 32</b>     | <b>6,273 06</b>      |
| <b>(2) Current Liabilities</b>          |         |                     |                     |                      |
| <b>(a) Financial Liabilities</b>        |         |                     |                     |                      |
| (i) Borrowings                          |         | -                   | -                   | -                    |
| (ii) Trade Payables                     | 22      | 30,711 56           | 22,429 25           | 21,770 90            |
| (iii) Other Financial Liabilities       | 23      | 13,065 52           | 11,482 02           | 9,007 11             |
| (b) Other Current liabilities           | 24      | 6,805 63            | 7,462 44            | 5,565 90             |
| (c) Provisions                          | 25      | 1,990.88            | 793 17              | 963 83               |
| (d) Current Tax liabilities (net)       | 26      | 4,574 57            | 4,061 26            | 5,023 51             |
| <b>Total Current Liabilities</b>        |         | <b>57,148.16</b>    | <b>46,228 14</b>    | <b>42,331 25</b>     |
| <b>Total Equity and Liabilities</b>     |         | <b>1,79,352 20</b>  | <b>1,59,291 34</b>  | <b>1,44,797 39</b>   |

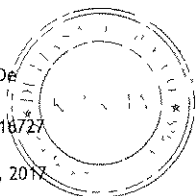
Summary of significant accounting policies 1  
The accompanying notes are integral part of the financial statements.

This is the balance sheet referred to in our report of even date  
As per our report attached

For Dutta Sarkar & Co  
Chartered Accountants  
Firm Registration No 303114E

CA Partha Sarathi De  
Partner  
Membership No 018727

Kolkata, 29th May, 2017



*[Signature]*

Chairman &  
Managing Director

*[Signature]*

Director(Finance)  
& Chief Financial  
Officer

*[Signature]*  
K. Bhasara

Directors

*[Signature]*  
Secretary

BALMER LAWRIE & CO LIMITED  
Statement of Profit and Loss for the year ended 31st March 2017

|  | Note No. | For The Year Ended<br>31 March 2017 | (₹ in Lacs)<br>For The Year Ended<br>31 March 2016 |
|--|----------|-------------------------------------|--|
| <b>Revenue</b>   |          |                                     |  |
| Revenue from operations  | 27       | 1,82,808 25                         | 1,71,560 04  |
| Other income   | 28       | 7,309 23                            | 6,275 97   |
|  |          | <u>1,90,117 48</u>                  | <u>1,77,836.01</u>                                 |
| <b>Expenses</b>  |          |                                     |  |
| Cost of materials consumed & Services rendered                                   | 29       | 1,06,940 86                         | 97,721 82  |
| Purchase of stock in-trade   | 30       | 1,148 67                            | 358 05   |
| Changes in inventories of work in-progress, stock-in trade and finished goods    | 31       | (38 44)                             | (77 89)  |
| Excise Duty on sales   |          | 12,171 84                           | 12,105 14  |
| Employee Benefits Expenses   | 32       | 19,936 53                           | 19,919 06  |
| Finance costs  | 33       | 453 66                              | 454 81   |
| Depreciation and amortisation expense  | 34       | 2,584 47                            | 2,400 45   |
| Other expenses   | 35       | 21,508 99                           | 20,933 78  |
|  |          | <u>1,64,706.58</u>                  | <u>1,53,815 22</u>                                 |
| Profit before exceptional items and Tax  |          | 25,410 90                           | 24,020 79  |
| Exceptional Items  |          |                                     |  |
| Profit before Tax  |          | 25,410 90                           | 24,020 79  |
| Tax expense  | 36       |                                     |  |
| Current Tax  |          | 8,851 00                            | 7,779 00   |
| Deferred Tax   |          | (481 99)                            | (193 22)   |
| Profit for the period from Continuing Operations                                 |          | <u>17,041.89</u>                    | <u>16,435 01</u>                                   |
| Profit/(Loss) from Discontinued Operations                                       |          |                                     |  |
| Tax expense of Discontinued Operations   |          |                                     |  |
| Profit/(Loss) from Discontinued Operations after Tax                             |          |                                     |  |
| Profit/(Loss) for the period   |          | 17,041 89                           | 16,435 01  |
| Other Comprehensive Income   | 37       |                                     |  |
| A i) Items that will not be reclassified to profit and loss                      |          | 131 28                              | (377 15)   |
| ii) Income tax relating to items that will not be reclassified to profit or loss |          | (45 43)                             | 130 52   |
| B i) Items that will be reclassified to profit or loss                           |          |                                     |  |
| ii) Income tax relating to items that will be reclassified to profit or loss     |          |                                     |  |
| Other Comprehensive Income for the year  |          | <u>85 85</u>                        | <u>(246.63)</u>                                    |
| Total Comprehensive Income for the year  |          | <u>17,127.74</u>                    | <u>16,188 38</u>                                   |
| Earnings per equity share  | 38       |                                     |  |
| Basic (₹)  |          | 14 95                               | 14 42  |
| Diluted (₹)  |          | 14 95                               | 14 42  |

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements

This is the statement of profit and loss referred to in our report of even date

As per our report attached

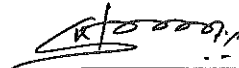
For Dutta Sarkar & Co  
Chartered Accountants  
Firm Registration No. 303114E



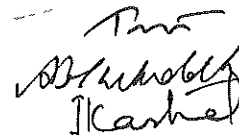
CA Partha Sarathi De  
Partner  
Membership No. 016727



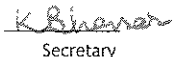
Chairman &  
Managing Director



Director (Finance)  
& Chief Financial  
Officer



Directors



Secretary

Kolkata, 29th May, 2017





Balmer Lawrie & Co Ltd  
Cash Flow Statement for the year ended 31 March 2017

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


**Reconciliation of cash and cash equivalents as per cash flow statement**

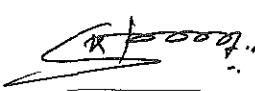
|  |              |              |
|--|--------------|--------------|
| Cash and cash equivalents as per above comprise of the following |              |              |
| Cash on hand   | 31           | 80           |
| Balances with banks  |              |              |
| On current accounts  | 3,076        | 3,943        |
| On deposits with original maturity upto 3 months                 | -            | -            |
|  | <b>3,106</b> | <b>4,023</b> |

As per our report attached

For Dutta Sarkar & Co  
Chartered Accountants  
Firm Registration No. 303114E

CA Partha Sarathi De  
Partner  
Membership No. 016727

  
Chairman &  
Managing Director

  
Director (Finance)  
& Chief Financial  
Officer

  
Directors

  
Secretary

Kolkata, 29th May, 2017

Balmer Lawrie & Co Ltd  
Statement of changes in equity for the year ended 31 March 2017

₹ in Lacs

A Equity Share Capital

| Particulars          | Balance at the beginning of the reporting period | Bonus shares issued during the year | Balance at the end of reporting period |
|----------------------|--|-------------------------------------|--|
| Equity Share Capital | 2,850.06   | 8,550.19                            | 11,400.25                              |

B Other Equity

|   | Reserves and Surplus  |                 |                   | Other Comprehensive Income Reserve | Total       |
|---|-----------------------|-----------------|-------------------|------------------------------------|-------------|
|   | Share Premium Account | General reserve | Retained earnings |                                    |             |
| Balance as at 1 April 2015              | 3,626.77              | 38,154.01       | 51,562.24         | -                                  | 93,343.02   |
| Profit for the year                     |                       |                 | 16,435.01         |                                    | 16,435.01   |
| Dividends paid                          |                       |                 | (5,130.12)        |                                    | (5,130.12)  |
| Dividend Tax paid                       |                       |                 | (1,073.47)        |                                    | (1,073.47)  |
| Transfers                               |                       | 3,000.00        | (3,000.00)        |                                    |             |
| Retained earnings adjustment            |                       |                 | 316.00            |                                    | 316.00      |
| Remeasurement gain/loss during the year |                       |                 |                   | (246.63)                           | (246.63)    |
| Balance as at 31 March 2016             | 3,626.77              | 41,154.01       | 59,109.67         | (246.63)                           | 1,03,643.82 |
| Profit for the year                     |                       |                 | 17,041.89         |                                    | 17,041.89   |
| Bonus shares issued                     |                       | (8,550.19)      |                   |                                    | (8,550.19)  |
| Dividends paid                          |                       |                 | (5,700.13)        |                                    | (5,700.13)  |
| Dividend Tax paid                       |                       |                 | (1,192.69)        |                                    | (1,192.69)  |
| Transfers                               |                       | 3,000.00        | (3,000.00)        |                                    |             |
| Retained earnings adjustment            |                       |                 | (376.65)          |                                    | (376.65)    |
| Remeasurement gain/loss during the year |                       |                 |                   | 332.48                             | 332.48      |
| Balance as at 31 March 2017             | 3,626.77              | 35,603.82       | 65,882.08         | 85.85                              | 1,05,198.52 |

This is the Statement of Changes in Equity referred to in our report of even date

As per our report attached

For Dutta Sarkar & Co  
Chartered Accountants  
Firm Registration No. 303114E

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CA Partha Sarathi De  
Partner  
Membership No. 016727

Chairman &  
Managing Director

Director (Finance)  
& Chief Financial  
Officer

Directors

Secretary

Kolkata, 29th May, 2017

## GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Balmer Lawrie & Co Ltd (the "Company") is a Government of India Enterprise engaged in diversified business with presence in both manufacturing and service businesses. The Company is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India. The company is a Government company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. Its shares are listed on recognized stock exchange of India.

### Basis of Preparation

The standalone financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs and other relevant provisions of the Companies Act, 2013. The Company has uniformly applied the accounting policies during the period presented. These are the Company's first financial statements prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in laacs of Rupees.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

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

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

## 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### 1.1 Historical cost convention

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

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

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## 1.2 Property, plant and equipment

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

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

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

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

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

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

| Asset category   | Estimated useful life (in years) |
|--|----------------------------------|
| Mobile Phones and Portable Personal Computers                            | 2 years                          |
| Assets given to employees under furniture equipment scheme               | 5 years                          |
| Electrical items like air conditioners, fans, refrigerators etc          | 6-7 years                        |
| Office furniture, Photocopier, Fax machines, Motor Cars & Machine Spares | 5 years                          |

In case of Plant & Machinery other than continuous process plant, based on technical review by a Chartered Engineer, useful life is estimated at 25 years.

The residual values of all assets are taken as NIL

## 1.3 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.



When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Additionally, when a property given on rent is vacated and the managements intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment

#### 1.4 Financial Instruments

##### *Recognition, initial measurement and derecognition*

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

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

##### *Classification and subsequent measurement of financial assets*

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

- Amortised cost
- financial assets at FVTPL

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

##### *Amortised cost*

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met

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

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Company's historical counterparty default rates and forecast of



macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Company has a diversified portfolio of trade receivables from its different segments. Every business segment of the Company has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Company as a whole. The Company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL.

### 1.5 Inventories

- a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –
- b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.
- c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- e) Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

### 1.6 Government grants

- a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.



### 1.7 Foreign currency translation

#### a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The applicable functional and presentation currency is INR

#### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss

### 1.8 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the Company, and makes strategic decisions and have identified business segment as its primary segment

### 1.9 Provisions, Contingent liabilities and Capital commitments

- a) Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material
- b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company
- c) Capital commitments and Contingent liabilities disclosed are in respect of items which exceed ₹ 100,000 in each case
- d) Contingent liabilities pertaining to various government authorities are considered only on conversion of show cause notices issued by them into demand.



### 1.10 Intangible assets

- a) Expenditure incurred for acquiring intangible assets like software costing ₹ 500,000 and above and license to use software per item of ₹ 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit
- b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years
- c) Goodwill on acquisition is not amortised but tested for impairment annually
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred

### 1.11 Accounting for Research & Development

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.
- b) Capital expenditure relating to research & development is treated in the same way as other fixed assets

### 1.12 Treatment of Grant / Subsidy

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure
- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets
- c) When grant/ subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.
- d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

### 1.13 Impairment of assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on appropriate discount factor





#### 1.14 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss
- in respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future, and taxable profit will be available against which the temporary difference can be utilized

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future

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## 1.15 Leases

### *Finance leases*

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term. Where the Company is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance lease liability.

The assets held under finance leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

### *Operating leases*

All other leases are treated as operating leases. Lease rentals for operating leases is recognized in Profit and loss on a straight-line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

## 1.16 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, including excise though excluding sales taxes, rebates and various discounts.

### *Sale of goods*

When the property and all significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

### *Services rendered*

- a) When service rendered in full or part is recognised by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.
- b) In case of project activities, As per the percentage of completion method after progress of work to a reasonable extent.
- c) In cases where the Company collects consideration on account of another party, it recognises revenue as the net amount retained on its own account.

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Other income:

- a) Interest on a time proportion basis using the effective Interest rate method
- b) Dividend from investments in shares on establishment of the Company's right to receive
- c) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement

### 1.17 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred.

### 1.18 Cash Flow Statement

Cash Flow Statement, as per Ind AS – 7, is prepared using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

### 1.19 Employee Benefits

(i) Short term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet.

(ii) Post-employment obligations

Defined Contribution plans

**Provident Fund :** the company transfers provident fund contributions to the trust registered for maintenance of the fund and has no further obligations on this account. These are recognised as and when they are due.

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

### Defined Benefit plans

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

#### (iii) Other long term employee benefit obligations

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

### 1.20 Prior period Items

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

- a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented
- c) Any items exceeding rupees twenty five lacs (₹25 Lacs) shall be considered as material prior period item.
- d) Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest prior for which retrospective restatement is practicable (which may be the current period)

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### 1.21 Earnings per share

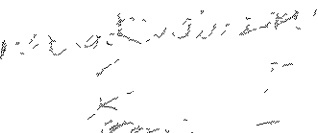
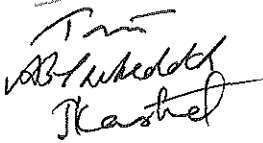
Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during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

For Dutta Sarkar & Co  
Chartered Accountants  
Firm Registration No 303114E

  
CA Partha Sarathi De  
Partner  
Membership No 016727  
Kolkata, 29th May, 2017

  
Chairman & Managing  
Director

  
Director (Finance)  
& Chief Financial  
Officer

  
  
Directors

  
Secretary

## Note No 2. Property, plant and equipment

₹ in Lacs

| Particulars                                | Property plant and equipment |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          | Total     |
|--|------------------------------|------------------|--------------------|-------------------|------------------------------|-------------------------------------|----------------------|--|---|---------------|-----------------|----------|-----------|
|  | Land - Freehold              | Land - Leasehold | Building & Sidings | Plant & Machinery | Spares for Plant & Machinery | Electrical Installation & Equipment | Furniture & Fittings | Typewriter Accounting Machine and Office Equipment | Tubewell, Tanks and Miscellaneous Equipment | Lab Equipment | Railway Sidings | Vehicles |           |
| Gross block                                |                              |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          |           |
| Gross Block 1 April 2015                   | 1,533.56                     | 7,255.34         | 16,408.66          | 22,844.97         | 155.52                       | 3,457.94                            | 1,012.25             | 2,212.37   | 1,866.81                                    | 734.15        | 295.88          | 887.14   | 58,664.59 |
| Less Ind AS adjustment 1 April 2015        |                              | 3,717.04         | 147.58             |                   |                              |                                     |                      |  |   |               |                 |          | 3,864.62  |
| Gross Block after Ind AS Adj. 1 April 2015 | 1,533.56                     | 3,538.30         | 16,261.08          | 22,844.97         | 155.52                       | 3,457.94                            | 1,012.25             | 2,212.37   | 1,866.81                                    | 734.15        | 295.88          | 887.14   | 54,799.97 |
| Accumulated Depreciation 1 April 2015      |                              | 1,046.41         | 3,204.72           | 8,948.32          | 133.80                       | 1,949.53                            | 535.35               | 1,554.52   | 1,027.07                                    | 262.63        | 57.55           | 517.88   | 19,237.78 |
| Less IND AS adjustment 1 April 2015        |                              | 418.42           | 49.79              |                   |                              |                                     |                      |  |   |               |                 |          | 468.21    |
| Accumulated Depreciation after IND AS      |                              | 627.99           | 3,154.93           | 8,948.32          | 133.80                       | 1,949.53                            | 535.35               | 1,554.52   | 1,027.07                                    | 262.63        | 57.55           | 517.88   | 18,769.57 |
| Accumulated Impairment 1 April 2015        |                              |                  | 64.76              | 41.43             |                              | 1.09                                |                      |  | 2.38  |               |                 |          | 109.66    |
| Deemed cost as at 1 April 2015             | 1,533.56                     | 2,910.31         | 13,041.39          | 13,855.21         | 21.72                        | 1,507.32                            | 476.90               | 657.85   | 837.36                                      | 471.52        | 238.33          | 369.26   | 35,920.73 |
| Additions                                  | 865.11                       | 291.00           | 817.99             | 975.72            |                              | 422.72                              | 172.93               | 438.39   | 200.72                                      | 35.99         | -               | 35.70    | 4,256.27  |
| Disposal of assets                         | -                            | -                | 3.18               | 24.31             | -                            | 28.40                               | 10.82                | 59.54  | 0.80  | -             | -               | 45.79    | 172.54    |
| Balance as at Mar 31 2016                  | 2,398.67                     | 3,201.31         | 13,856.20          | 14,806.62         | 21.72                        | 1,901.94                            | 639.01               | 1,036.70   | 1,037.28                                    | 507.51        | 238.33          | 359.17   | 40,004.46 |
| Accumulated depreciation                   |                              |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          |           |
| Balance as at 1 April 2015                 |                              |                  | -                  | -                 | -                            | -                                   | -                    | -  | -   | -             | -               | -        | -         |
| Depreciation charge for the year           | -                            | 62.41            | 354.66             | 727.55            | 15.54                        | 296.41                              | 79.93                | 322.36   | 131.86                                      | 74.07         | 20.94           | 151.95   | 2,237.68  |
| Disposal of assets                         | -                            | -                | 0.91               | 23.26             | -                            | 25.39                               | 10.14                | 59.01  | 0.48  | -             | -               | 30.52    | 149.71    |
| Balance as at Mar 31 2016                  | -                            | 62.41            | 353.75             | 704.29            | 15.54                        | 271.02                              | 69.79                | 263.35   | 131.38                                      | 74.07         | 20.94           | 121.43   | 2,087.97  |
| Net block as at Mar 31 2016                | 2,398.67                     | 3,138.90         | 13,502.45          | 14,102.33         | 6.18                         | 1,630.92                            | 569.22               | 773.35   | 905.90                                      | 433.44        | 217.39          | 237.74   | 37,916.49 |

| Particulars                      | Property plant and equipment |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          | Total     |
|----------------------------------|------------------------------|------------------|--------------------|-------------------|------------------------------|-------------------------------------|----------------------|--|---|---------------|-----------------|----------|-----------|
|                                  | Land - Freehold              | Land - Leasehold | Building & Sidings | Plant & Machinery | Spares for Plant & Machinery | Electrical Installation & Equipment | Furniture & Fittings | Typewriter Accounting Machine and Office Equipment | Tubewell, Tanks and Miscellaneous Equipment | Lab Equipment | Railway Sidings | Vehicles |           |
| Gross block                      |                              |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          |           |
| Deemed cost as at 1 April 2016   | 2,398.67                     | 3,201.31         | 13,856.20          | 14,806.62         | 21.72                        | 1,901.94                            | 639.01               | 1,036.70   | 1,037.28                                    | 507.51        | 238.33          | 359.17   | 40,004.46 |
| Additions                        |                              | 2.50             | 214.61             | 982.01            | 5.88                         | 561.03                              | 68.33                | 440.74   | 405.30                                      | 28.39         | -               | 9.50     | 2,718.29  |
| Inter Asset Adjustment           |                              |                  | 31.65              |                   |                              |                                     |                      |  |   |               |                 |          | 31.65     |
| Disposal of assets               |                              |                  |                    | 16.84             | 3.35                         | 14.18                               | 10.67                | 26.00  | 1.97  |               |                 |          | 73.01     |
| Balance as at Mar 31 2017        | 2,398.67                     | 3,203.81         | 14,102.46          | 15,771.79         | 24.25                        | 2,448.79                            | 696.67               | 1,451.44   | 1,440.61                                    | 535.90        | 238.33          | 368.67   | 42,681.39 |
| Accumulated depreciation         |                              |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          |           |
| Balance as at 1 April 2016       | -                            | 62.41            | 353.75             | 704.29            | 15.54                        | 271.02                              | 69.79                | 263.35   | 131.38                                      | 74.07         | 20.94           | 121.43   | 2,087.97  |
| Depreciation charge for the year | -                            | 63.53            | 377.01             | 773.57            | 6.02                         | 327.53                              | 90.23                | 370.03   | 144.31                                      | 74.63         | 20.94           | 145.90   | 2,393.70  |
| Disposal of assets               | -                            | -                | -                  | 14.37             | 3.35                         | 12.91                               | 9.96                 | 24.61  | 1.87  |               |                 |          | 67.06     |
| Balance as at Mar 31 2017        | -                            | 125.94           | 730.76             | 1,463.50          | 18.21                        | 585.64                              | 150.06               | 608.77   | 273.82                                      | 148.70        | 41.88           | 267.33   | 4,414.61  |
| Net block as at Mar 31 2017      | 2,398.67                     | 3,077.87         | 13,371.70          | 14,308.29         | 6.04                         | 1,863.15                            | 546.61               | 842.67   | 1,166.80                                    | 387.20        | 196.45          | 101.33   | 38,266.78 |

| Note No 3 Investment properties                 | ₹ in Lacs |
|---|-----------|
| Gross carrying amount                           |           |
| Deemed cost as at 1 April 2015                  | 97.79     |
| Additions                                       |           |
| Disposals/adjustments                           |           |
| Balance as at 31 March 2016                     | 97.79     |
| Additions                                       |           |
| Disposals/adjustments                           | (31.65)   |
| Balance as at 31 March 2017                     | 66.14     |
| Accumulated Depreciation                        |           |
| At 1 April 2015                                 |           |
| Depreciation charge for the year                | 2.54      |
| Disposals/adjustments for the year              |           |
| Balance as at 31 March 2016                     | 2.54      |
| Depreciation charge for the year                | 1.72      |
| Disposals/adjustments for the year              |           |
| Balance as at 31 March 2017                     | 4.26      |
| Net book value (deemed cost) as at 1 April 2015 | 97.79     |
| Net book value as at 31 March 2016              | 95.25     |
| Net book value as at 31 March 2017              | 61.88     |

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets.

(i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended 31 March 2017 or previous ended 31 March 2016.

(iii) Restrictions

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

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

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

(v) Leasing arrangements

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

(vi) Fair value

| Particulars | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|-------------|---------------|---------------|--------------|
| Fair value  | 2,490.69      | 3,558.94      | 3,481.56     |

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including

- 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

e) The fair values of investment properties have been determined by external valuer. The main inputs used are rental growth rates, expected vacancy rates, terminal yield and discount rates based on industry data.

RAE

₹ in Lacs

| Note No 4. Other Intangibles Assets             | Other Intangible Assets |           |             |        |
|---|-------------------------|-----------|-------------|--------|
|   | Goodwill                | Softwares | Brand Value | Total  |
| <i>Gross carrying amount</i>                    |                         |           |             |        |
| Deemed cost as at 1 April 2015                  | 689.32                  | 345.38    | 332.63      | 678.01 |
| Additions                                       | -                       | 202.84    | -           | 202.84 |
| Disposals/adjustments                           | -                       | -         | -           | -      |
| Balance as at 31 March 2016                     | 689.32                  | 548.22    | 332.63      | 880.85 |
| Additions                                       | -                       | 98.02     | -           | 98.02  |
| Disposals/adjustments                           | -                       | -         | -           | -      |
| Balance as at 31 March 2017                     | 689.32                  | 646.25    | 332.63      | 978.88 |
| Accumulated amortisation                        |                         |           |             |        |
| At 1 April 2015                                 | -                       | -         | -           | -      |
| Amortisation charge for the year                | -                       | 122.23    | 38.00       | 160.23 |
| Disposals/adjustments for the year              | -                       | -         | -           | -      |
| Balance as at 31 March 2016                     | -                       | 122.23    | 38.00       | 160.23 |
| Amortisation charge for the year                | -                       | 151.05    | 38.00       | 189.05 |
| Disposals/adjustments for the year              | -                       | -         | -           | -      |
| Balance as at 31 March 2017                     | -                       | 273.28    | 76.00       | 349.28 |
| Net book value (deemed cost) as at 1 April 2015 | 689.32                  | 345.38    | 332.63      | 678.01 |
| Net book value as at 31 March 2016              | 689.32                  | 426.00    | 294.63      | 720.63 |
| Net book value as at 31 March 2017              | 689.32                  | 372.97    | 256.63      | 629.60 |



Note No 5

Non Current Investment

Unquoted, unless otherwise stated  
Name of the Body Corporate

₹ in Lacs

| Name of the Body Corporate   | As at 31 March 2017 |                        | As at 31 March 2016 |                        | As at 1st April 2015 |                        |
|--|---------------------|------------------------|---------------------|------------------------|----------------------|------------------------|
|  | No of Shares        | Amount                 | No of Shares        | Amount                 | No of Shares         | Amount                 |
| <b>Trade Investments</b>   |                     |                        |                     |                        |                      |                        |
| <u>Investment in Equity Instruments</u>  |                     |                        |                     |                        |                      |                        |
| <u>(Fully paid stated at Cost)</u>   |                     |                        |                     |                        |                      |                        |
| <u>In Joint Venture Companies</u>  |                     |                        |                     |                        |                      |                        |
| Balmer Lawrie Van Leer Ltd<br>Ordinary Equity shares of ₹ 10 each                    | 86,01,277           | 3,385 03               | 86,01,277           | 3,385 03               | 86,01,277            | 3,385 03               |
| Transafe Services Ltd<br>Ordinary equity shares of ₹ 10 each                         | 1,13,61,999         | 1,165 12               | 1,13,61,999         | 1,165 12               | 1,13,61,999          | 1,165 12               |
| Less Provision for diminution in value<br>(Carried in books at a value of ₹ 1 only ) |                     | (1,165 12)             |                     | (1,165 12)             |                      | (1,165 12)             |
| Balmer Lawrie Hind Terminal Pvt Ltd<br>Ordinary Equity shares of ₹ 10 each           |                     |                        |                     |                        | 25,000               | 2 50                   |
| <u>In Subsidiary Company</u>   |                     |                        |                     |                        |                      |                        |
| Balmer Lawrie (UK) Ltd<br>Ordinary Shares of GBP 1 each                              | 17,97,032           | 996 28                 | 17,97,032           | 996 28                 | 17,97,032            | 996 28                 |
| Vishakapatnam Port Logistics Park Ltd<br>Ordinary Shares of each ₹ 10 each           | 3,00,10,000         | 3,001 00               | 10,000              | 1 00                   | 10,000               | 1 00                   |
| <u>In Associate Company</u>  |                     |                        |                     |                        |                      |                        |
| Balmer Lawrie (UAE) LLC<br>Shares of AED 1,000 each                                  | 9,800               | 890 99                 | 9,800               | 890 99                 | 9,800                | 890 99                 |
| AVI-OIL India (P) Ltd<br>Equity shares of ₹ 10 each                                  | 45,00,000           | 450 00                 | 45,00,000           | 450 00                 | 45,00,000            | 450 00                 |
| <u>Investments in Preference Shares</u>  |                     |                        |                     |                        |                      |                        |
| <u>(Fully paid stated at Cost)</u>   |                     |                        |                     |                        |                      |                        |
| Transafe Services Ltd<br>Cumulative Redeemable Preference shares of ₹10 each         | 1,33,00,000         | 1,330 00<br>(1,330 00) | 1,33,00,000         | 1,330 00<br>(1,330 00) | 1,33,00,000          | 1,330 00<br>(1,330 00) |
| Less Provision for diminution in value   |                     |                        |                     |                        |                      |                        |
| <b>Total</b>   |                     | <u>8,723 30</u>        |                     | <u>5 723 30</u>        |                      | <u>5,725 80</u>        |
| <b>Other Investments</b>   |                     |                        |                     |                        |                      |                        |
| Equity shares of ₹ 10 each<br>Bridge & Road Co (India) Ltd **                        | 3 57 591            | 14 01                  | 3 57 591            | 14 01                  | 3 57 591             | 14 01                  |
| Stecco Lawrie Ltd *<br>(Carried in books at a value of ₹ 1 only)                     | 1,95,900            | -                      | 1 95,900            |                        | 1 95 900             |                        |
| Balmer Lawrie Hind Terminal Pvt Ltd *<br>(Gone for Liquidation)                      |                     |                        | 25,000              | 12 10                  |                      |                        |
| Woodlands Multispeciality Hospitals Ltd  | 8,850               | 0 45                   | 8,850               | 0 45                   | 8,850                | 0 45                   |
| <b>Total</b>   |                     | <u>14 46</u>           |                     | <u>26 56</u>           |                      | <u>14 46</u>           |
| <b>Total</b>   |                     | <u>8,737 76</u>        |                     | <u>5,749 86</u>        |                      | <u>5,740 26</u>        |
| Aggregate amount of quoted investments at Cost                                       |                     | -                      |                     | -                      |                      | -                      |
| Aggregate amount of unquoted investments at cost                                     |                     | <u>8,737 76</u>        |                     | <u>5 749 86</u>        |                      | <u>5,740 26</u>        |
|  |                     | <u>8,737 76</u>        |                     | <u>5,749 86</u>        |                      | <u>5,740 26</u>        |

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

\*\* These investments are carried as fair value through Profit and loss and their carrying value approximates their fair value

*BAK*

Note No.6

| <u>Non Current Assets</u>                | As at 31 March<br>2017 | ₹ in Lacs<br>As at 31 March 2016 | As at 1st April 2015 |
|--|------------------------|----------------------------------|----------------------|
| <b>Financial Assets ( Non - Current)</b> |                        |                                  |                      |
| Loans                                    |                        |                                  |                      |
| Secured considered good                  |                        |                                  |                      |
| Security Deposits                        |                        |                                  |                      |
| Loans to Related Parties                 |                        |                                  |                      |
| Other Loans                              | 305 28                 | 327 10                           | 153 02               |
| Unsecured considered good                |                        |                                  |                      |
| Security Deposits                        |                        |                                  |                      |
| Loans to Related Parties                 |                        |                                  |                      |
| Transafe Services Ltd                    | 180 00                 | 180 00                           | 180 00               |
| Other Loans                              |                        |                                  |                      |
| Doubtful                                 |                        |                                  |                      |
| Security Deposits                        |                        | -                                |                      |
| Loans to Related Parties                 |                        |                                  |                      |
| Balmer Lawne Van Leer Ltd                | 1,817 92               | 1,817 92                         | 1,817 92             |
| Others to Related Parties                | 1,248 53               | 1,089 35                         | 929 21               |
| Provision for doubtful Loans             |                        |                                  |                      |
| Security Deposits                        |                        |                                  |                      |
| Loans to Related Parties                 | (1,817 92)             | (1,817 92)                       | (1,817 92)           |
| Others to Related Parties                | (1,248 53)             | (1,089 35)                       | (929 21)             |
|  | <u>485 28</u>          | <u>507 10</u>                    | <u>333 02</u>        |

(\*) 11,361,999 (11,361,999) Equity Shares of Transafe Services Ltd held by Balmer Lawne Van Leer Ltd have been pledged in favour of the Company as a security against Loan

Note No 7

Other Financial Assets ( Non- Current)

|                                     |               |               |               |
|-------------------------------------|---------------|---------------|---------------|
| Accrued Income                      |               |               |               |
| Security Deposits                   | 448 16        | 316 24        | 324 86        |
| Other Receivables                   | 52 93         | 35 54         | 21 75         |
| Dues from Related Parties -Doubtful |               |               |               |
| Transafe Services Ltd               | 80 87         | 80 87         | 81 87         |
| Less Provision                      | (80 87)       | (80 87)       | (81 87)       |
|                                     | <u>501 09</u> | <u>351 78</u> | <u>346 61</u> |



₹ in Lacs

|   | 31 March 2017 | 31 March 2016 | 1 April 2015    |
|---|---------------|---------------|-----------------|
| <i>Note No 8 Deferred tax</i>                   |               |               |                 |
| Deferred tax liability arising on account of    |               |               |                 |
| Property, plant and equipment                   | (4,934.02)    | (4,513.57)    | (4,153.41)      |
| Deferred tax asset arising on account of        |               |               |                 |
| Adjustment for VRS expenditure                  | 487.75        | 676.44        | 278.39          |
| Provision for loans, debts, deposits & advances | 2,346.99      | 1,942.99      | 1,579.34        |
| Defined benefit plans                           | 1,902.61      | 1,401.80      | 1,170.51        |
| Provision for Inventory                         | 135.26        | 124.90        | 117.11          |
| Provision for diminution in investment          | 863.51        | 863.51        | 863.51          |
| Others  | -             | (0.51)        | 0.36            |
|   | <u>802.10</u> | <u>495.56</u> | <u>(144.19)</u> |

*Movement in deferred tax liabilities*

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

*Movement in deferred tax liabilities*

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

|  | As at 31 March<br>2017 | ₹ in Lacs<br>As at 31 March<br>2016 | As at 1st April<br>2015 |
|--|------------------------|-------------------------------------|-------------------------|
| <b>Note No 9</b>                             |                        |                                     |                         |
| <b>Non Financial Assets ( Non - Current)</b> |                        |                                     |                         |
| Capital Advances                             | 100 08                 | 146 92                              | 347 05                  |
| Balances with Government Authorities         | 230 37                 | 208 70                              | 129 61                  |
| Prepaid Expenses                             | 3,250.06               | 3,100 28                            | 3,211 84                |
| Others                                       | 134 65                 | 144 72                              | 152.39                  |
|  | <u>3,715 16</u>        | <u>3,600 62</u>                     | <u>3,840.89</u>         |
| <b>Note No 10</b>                            |                        |                                     |                         |
| <u>Inventories</u>                           |                        |                                     |                         |
| Raw Materials and components                 | 8,846.73               | 5,813 18                            | 6,922 72                |
| Goods in-transit                             | 1 01                   | 18 55                               | 114 16                  |
| Slow Moving & Non moving                     | 241 97                 | 154 41                              | 152 54                  |
| Less. Adjustment for Slow & Non moving       | (161.64)               | (97 91)                             | (97 54)                 |
| Total - Raw Materials and components         | <u>8,928 07</u>        | <u>5,888 23</u>                     | <u>7,091 88</u>         |
| Work in Progress                             | 1,097 87               | 1,075 82                            | 974 36                  |
| Slow Moving & Non moving                     | 14.49                  | -                                   | -                       |
| Less. Adjustment for Slow & Non moving       | (7.70)                 | -                                   | -                       |
| Total - Work in Progress                     | <u>1,104 66</u>        | <u>1,075 82</u>                     | <u>974.36</u>           |
| Finished goods                               | 4,125 57               | 4,083 71                            | 3,972 71                |
| Goods-in transit                             | 270 49                 | 258 45                              | 400.01                  |
| Slow Moving & Non moving                     | 220.03                 | 317 75                              | 296 78                  |
| Less. Adjustment for Slow & Non moving       | (127 09)               | (180 51)                            | (169 61)                |
| Total - Finished Goods                       | <u>4,439 00</u>        | <u>4,479 40</u>                     | <u>4,499 89</u>         |
| Trading Goods                                | -                      | -                                   | 3 08                    |
|  | <u>-</u>               | <u>-</u>                            | <u>3 08</u>             |
| Stores and spares                            | 620.85                 | 505 87                              | 423 41                  |
| Slow Moving & Non moving                     | 121 47                 | 109 66                              | 89 00                   |
| Less. Adjustment for Slow & Non moving       | (94.41)                | (82 49)                             | (71.25)                 |
| Total - Stores & Spares                      | <u>647 91</u>          | <u>533.04</u>                       | <u>441 16</u>           |
| <b>Total</b>                                 | <u>15,169 64</u>       | <u>11,976.49</u>                    | <u>13,010 37</u>        |

[Refer to Point No 15 of "Significant Accounting Policies" for method of valuation of inventories]

Note No 11

| Trade Receivables  | ₹ in Lacs              |                        |                         |
|--|------------------------|------------------------|-------------------------|
|  | As at 31 March<br>2017 | As at 31 March<br>2016 | As at 1st April<br>2015 |
| <i>Trade receivables outstanding for a period less than six months</i>     |                        |                        |                         |
| Secured, considered good   |                        |                        |                         |
| Unsecured, considered good   | 25,727 66              | 21,449 33              | 19,892 96               |
| Unsecured, considered doubtful   | 1 61                   | 52 79                  | 64 62                   |
| Less Provision for doubtful debts  | (1 61)                 | (52 79)                | (64 62)                 |
|  | <u>25,727 66</u>       | <u>21,449 33</u>       | <u>19,892 96</u>        |
| <br><i>Trade receivables outstanding for a period exceeding six months</i> |                        |                        |                         |
| Secured, considered good   |                        |                        |                         |
| Unsecured, considered good   | 2,432 89               | 1,583 21               | 1,687 86                |
| Unsecured, considered doubtful   | 601 18                 | 503 03                 | 448 31                  |
| Less Provision for doubtful debts  | (601 18)               | (503 03)               | (448 31)                |
|  | <u>2,432 89</u>        | <u>1,583 21</u>        | <u>1,687 86</u>         |
| Total  | <u>28,160 55</u>       | <u>23,032 54</u>       | <u>21,580 82</u>        |

Note No 12

Cash and Bank Balances

|                                     |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|
| Cash in hand                        | 30 74           | 80 24           | 21 21           |
| Balances with Banks Current Account | 3,075 74        | 3,942 77        | 2,761 16        |
| Total                               | <u>3,106 48</u> | <u>4,023 01</u> | <u>2,782 37</u> |

There are no repatriation restrictions with respect to cash and bank balances available with the Company

Note No 13

Other Bank Balances

|                                 |                  |                  |                  |
|---------------------------------|------------------|------------------|------------------|
| Unclaimed Dividend Accounts     | 231 86           | 208 90           | 185 55           |
| Bank Term Deposits              | 17,457 35        | 40,074 69        | 34,056 89        |
| Margin Money deposit with Banks | 69 70            | 63 78            | 58 87            |
| Total                           | <u>17,758 91</u> | <u>40,347 37</u> | <u>34,301 31</u> |

Note No 14

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

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

Note No,15

| Other Financial Assets ( Current)       |                  |                  |                  |
|---|------------------|------------------|------------------|
| Unsecured                               |                  |                  |                  |
| Accrued Income                          | 1,900.75         | 1,462.14         | 1,357.66         |
| Security Deposits                       | 819.39           | 1,022.55         | 1,214.36         |
| Other Receivables - considered good     | 18,034.77        | 19,076.66        | 14,941.14        |
| Other Receivables - considered doubtful | 2,366.32         | 1,612.90         | 918.28           |
| Less Provision for doubtful receivables | (2,366.32)       | (1,612.90)       | (918.28)         |
|   | <u>20,754.91</u> | <u>21,561.35</u> | <u>17,513.16</u> |

Note No 16

| Non Financial Assets ( Current)               |                 |                 |                 |
|---|-----------------|-----------------|-----------------|
| Balances with Government Authorities          | 2,022.71        | 2,486.24        | 2,110.04        |
| Prepaid Expenses                              | 653.08          | 657.18          | 1,325.82        |
| Advances to Contractors & Suppliers -Good     | 1,813.61        | 2,254.65        | 1,767.04        |
| Advances to Contractors & Suppliers -Doubtful | 665.22          | 457.42          | 303.46          |
| Less Provision for Doubtful Advances          | (665.22)        | (457.42)        | (303.46)        |
| Other Advances to related parties             | 600.00          | -               | -               |
| Others  | 2,652.93        | 1,249.31        | 1,617.64        |
|   | <u>7,742.33</u> | <u>6,647.38</u> | <u>6,820.54</u> |

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## Note No 17

|   | ₹ in Lacs        |                 |                 |
|---|------------------|-----------------|-----------------|
|   | 31 March<br>2017 | 31 March 2016   | 1 April 2015    |
| <b>Equity Share Capital</b>   |                  |                 |                 |
| Authorised capital<br>120,000,000 (previous year 60,000,000) equity shares of ₹ 10 each | 12,000.00        | 6,000.00        | 6,000.00        |
|   | <u>12,000.00</u> | <u>6,000.00</u> | <u>6,000.00</u> |
| <b>Issued and Subscribed Capital</b>  |                  |                 |                 |
| 114,002,564 (previous year 28,500,641) equity shares of ₹ 10 each                       | 11,400.25        | 2,850.06        | 2,850.06        |
|   | <u>11,400.25</u> | <u>2,850.06</u> | <u>2,850.06</u> |
| <b>Paid-up Capital</b>  |                  |                 |                 |
| 114,002,564 (previous year 28,500,641) equity shares of ₹ 10 each                       | 11,400.25        | 2,850.06        | 2,850.06        |
|   | <u>11,400.25</u> | <u>2,850.06</u> | <u>2,850.06</u> |

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

|  | 31 March 2017       |                  | 31 March 2016      |                 |
|--|---------------------|------------------|--------------------|-----------------|
|  | No of shares        | Amount           | No of shares       | Amount          |
| Equity shares at the beginning of the year | 2,85,00,641         | 2,850.06         | 2,85,00,641        | 2,850.06        |
| Bonus shares issued during the year        | 8,55,01,923         | 8,550.19         | -                  | -               |
| Equity shares at the end of the year       | <u>11,40,02,564</u> | <u>11,400.25</u> | <u>2,85,00,641</u> | <u>2,850.06</u> |

## b) Rights/preferences/restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## c) Details of shareholders holding more than 5% shares in the Company

|  | As on 31 March 2017 |           | As on 31 March 2016 |           | As on 1 April 2015 |           |
|--|---------------------|-----------|---------------------|-----------|--------------------|-----------|
|  | No of shares        | % holding | No of shares        | % holding | No of shares       | % holding |
| Equity shares of ₹ 10 each fully paid up |                     |           |                     |           |                    |           |
| Balmer Lawrie Investment Ltd             | 7,04,52,900         | 61.80%    | 1,76,13,225         | 61.80%    | 1,76,13,225        | 61.80%    |

1) There are no other individual shareholders holding 5% or more in the issued share capital of the Company

*RSE*

Note No 18  
Other Equity

|   | As at<br>31 March 2017 | As at<br>31 March 2016        | ₹ In Lacs<br>As at<br>1 April 2015 |
|---|------------------------|-------------------------------|------------------------------------|
| Share Premium Reserve                     | 3,626.77               | 3,626.77                      | 3,626.77                           |
| General Reserve                           | 35,603.82              | 41,154.01                     | 38,154.01                          |
| Retained Earnings                         | 65,882.08              | 59,109.67                     | 51,562.24                          |
| Other Comprehensive Income Reserve        | 85.85                  | (246.63)                      | -                                  |
| <b>Total reserve</b>                      | <b>1,05,198.52</b>     | <b>1,03,643.82</b>            | <b>93,343.02</b>                   |
|   |                        | For the year<br>31 March 2017 | For the year<br>31 March 2016      |
| Share Premium Reserve                     |                        |                               |                                    |
| Opening balance                           |                        | 3,626.77                      | 3,626.77                           |
| Add Shares issued during the year         |                        |                               |                                    |
| Sub total (A)                             |                        | 3,626.77                      | 3,626.77                           |
| General Reserve                           |                        |                               |                                    |
| Opening balance                           |                        | 41,154.01                     | 38,154.01                          |
| Less Bonus Shares issued                  |                        | (8,550.19)                    |                                    |
| Amount transferred from retained earnings |                        | 3,000.00                      | 3,000.00                           |
| Sub total (B)                             |                        | 35,603.82                     | 41,154.01                          |
| Retained Earnings                         |                        |                               |                                    |
| Opening balance                           |                        | 59,109.67                     | 51,562.24                          |
| Add Net profit for the year               |                        | 17,041.89                     | 16,435.01                          |
| Less Appropriations                       |                        |                               |                                    |
| Transfer to general reserve               |                        | (3,000.00)                    | (3,000.00)                         |
| Equity dividend                           |                        | (5,700.13)                    | (5,130.12)                         |
| Tax on equity dividend                    |                        | (1,192.69)                    | (1,073.47)                         |
| Other adjustment                          |                        | (376.65)                      | 316.00                             |
| Net surplus in Retained Earnings (C)      |                        | 65,882.08                     | 59,109.67                          |
| Other Comprehensive Income(OCI) reserve   |                        |                               |                                    |
| Opening balance                           |                        | (246.63)                      | -                                  |
| Movement                                  |                        | 332.48                        | (246.63)                           |
| Sub total (D)                             |                        | 85.85                         | (246.63)                           |
| <b>Total (A+B+C+D)</b>                    |                        | <b>1,05,198.52</b>            | <b>1,03,643.82</b>                 |
| Total reserves - 2016                     |                        |                               | 1,03,643.82                        |
| Total reserves - 2015                     |                        |                               | 93,343.02                          |

Nature and purpose of other reserves

Share Premium Reserve

Share Premium Reserve represents premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Other Comprehensive Income(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

General reserve

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

PLM



Note No 19

| Non Current Liabilities                      | As at 31 March<br>2017 | ₹ in Lacs              |                         |
|--|------------------------|------------------------|-------------------------|
|  |                        | As at 31 March<br>2016 | As at 1st April<br>2015 |
| <b>Financial Liabilities (Non - Current)</b> |                        |                        |                         |
| Borrowings                                   |                        |                        |                         |
| Trade Payable                                |                        |                        |                         |
| Payable to MSME                              |                        |                        | 0.02                    |
| Other Trade Payable                          |                        |                        |                         |
| Other Financial Liabilities                  |                        |                        |                         |
| Deposits                                     | 21.85                  | 22.70                  | 113.91                  |
| Other Liabilities                            |                        |                        |                         |
|  | <u>21.85</u>           | <u>22.70</u>           | <u>113.93</u>           |

Note No.20

Provisions ( Non - Current)

|                      |                 |                 |                 |
|----------------------|-----------------|-----------------|-----------------|
| Actuarial Provision  | 3,391.40        | 3,525.30        | 2,989.81        |
| Long term Provisions | 2,187.90        | 3,017.10        | 3,017.10        |
|                      | <u>5,579.30</u> | <u>6,542.40</u> | <u>6,006.91</u> |

Note No 21

Non Financial Liabilities ( Non - Current)

|                         |             |             |             |
|-------------------------|-------------|-------------|-------------|
| Advances from Customers | 3.55        | 3.55        |             |
| Others                  | 0.57        | 0.67        | 8.03        |
|                         | <u>4.12</u> | <u>4.22</u> | <u>8.03</u> |

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| <u>Current Liabilities</u>              | As at 31 March<br>2017 | ( ₹ in lakhs)<br>As at 31 March<br>2016 | As at 1st April<br>2015 |
|---|------------------------|---|-------------------------|
| <b>Financial Liabilities ( Current)</b> |                        |   |                         |
| Note No. 22                             |                        |   |                         |
| Trade Payable                           |                        |   |                         |
| Payable to MSME                         | 94.45                  | 92.07                                   | 116.92                  |
| Other Trade Payable                     | <u>30617.11</u>        | <u>22337.18</u>                         | <u>21653.98</u>         |
|   | <u>30711.56</u>        | <u>22429.25</u>                         | <u>21770.90</u>         |
| Note No. 23                             |                        |   |                         |
| Other Financial Liabilities             |                        |   |                         |
| Unclaimed Dividend *                    | 231.86                 | 208.90                                  | 185.55                  |
| Security Deposits                       | 2409.60                | 2051.63                                 | 1903.31                 |
| Other Liabilities                       | <u>10424.06</u>        | <u>9221.49</u>                          | <u>6918.25</u>          |
|   | <u>13065.52</u>        | <u>11482.02</u>                         | <u>9007.11</u>          |

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

Note No. 24  
Non Financial Liabilities ( Current)

|                        |                |                |                |
|------------------------|----------------|----------------|----------------|
| Advance from Customers | 976.85         | 956.47         | 858.26         |
| Statutory Dues         | 1759.17        | 2048.89        | 1495.07        |
| Deferred Gain/Income   | 2.50           | 48.49          | 25.16          |
| Other Liabilities      | 4067.11        | 4408.59        | 3187.41        |
|                        | <u>6805.63</u> | <u>7462.44</u> | <u>5565.90</u> |

Note No. 25  
Current Provisions

|                       |                |               |               |
|-----------------------|----------------|---------------|---------------|
| Actuarial Provision   | 350.64         | 148.03        | 392.39        |
| Short term Provisions | 1640.24        | 645.14        | 571.44        |
|                       | <u>1990.88</u> | <u>793.17</u> | <u>963.83</u> |

Note No. 26  
Current Tax Liabilities

|   |                |                |                |
|---|----------------|----------------|----------------|
| Provision for Taxation (Net of advance) | 4574.57        | 4061.26        | 5023.51        |
|   | <u>4574.57</u> | <u>4061.26</u> | <u>5023.51</u> |

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Note No.27

| <u>Revenue From Operations</u> | For The Year Ended<br>31 March 2017 | ₹ in Lacs<br>For The Year Ended<br>31 March 2016 |
|--------------------------------|-------------------------------------|--|
| Sale of Products               | 1,05,334.07                         | 99,023.75  |
| Sale of Services               | 71,523.95                           | 69,333.41  |
| Sale of Trading Goods          | 1,148.67                            | 365.56   |
| Other Operating Income         | 4,801.56                            | 2,837.32   |
| Total                          | 1,82,808.25                         | 1,71,560.04                                      |

Note No.28

Other Income

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

Note No.29

Cost of Materials Consumed & Services Rendered

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

Note No.30

Purchase of Trading Goods

|               |          |        |
|---------------|----------|--------|
| Trading Goods | 1,148.67 | 358.05 |
| Total         | 1,148.67 | 358.05 |

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Note No.31

| <u>Changes in Inventories of Trading Goods, Work-in-Progress and Finished Goods</u> | For The Year Ended 31 March 2017 |          | ₹ in Lacs<br>For The Year Ended 31 March 2016 |
|---|----------------------------------|----------|---|
|   | Change in Trading Goods          | Opening  | -   |
|   | Closing                          | -        | -   |
|   | Change                           | -        | 3.08  |
| Change in Work In Progress  | Opening                          | 1,075.82 | 974.36  |
|   | Closing                          | 1,104.66 | 1,075.82                                      |
|   | Change                           | (28.84)  | (101.46)                                      |
| Change in Finished Goods  | Opening                          | 4,479.40 | 4,499.89                                      |
|   | Closing                          | 4,489.00 | 4,479.40                                      |
|   | Change                           | (9.60)   | 20.49   |
|   |                                  | (38.44)  | (77.89)                                       |

Note No 32

Employee Benefits Expenses

|  |                  |                  |
|--|------------------|------------------|
| Salaries and Incentives                  | 15,091.39        | 16,727.10        |
| Contributions to Provident & Other Funds | 3,350.98         | 1,752.49         |
| Staff Welfare Expenses                   | 1,494.16         | 1,439.47         |
| <b>Total</b>                             | <b>19,936.53</b> | <b>19,919.06</b> |

Note No 33

Finance Costs

|               |               |               |
|---------------|---------------|---------------|
| Interest Cost | 322.44        | 306.11        |
| Bank Charges* | 131.22        | 148.70        |
| <b>Total</b>  | <b>453.66</b> | <b>454.81</b> |

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



Note No.34

|   | For The Year Ended 31<br>March 2017 | ₹ in Lacs<br>For The Year Ended<br>31 March 2016 |
|---|-------------------------------------|--|
| <u>Depreciation &amp; Amortisation Expenses</u> |                                     |  |
| Depreciation                                    |                                     |  |
| Property Plant & Equipment                      | 2,393.70                            | 2,237.68   |
| Investment Properties                           | 1.72                                | 2.54   |
| Amortisation of Intangible Assets               | 189.05                              | 160.23   |
| Total   | 2,584.47                            | 2,400.45   |

Note No 35

Other Expenses

|   |           |           |
|---|-----------|-----------|
| Manufacturing Expenses  | 1,437.15  | 1,412.43  |
| Consumption of Stores and Spares  | 841.90    | 794.62    |
| Excise duty on Closing Stock (Refer Note no 40 17 )   | 103.87    | 43.22     |
| Repairs & Maintenance - Buildings   | 634.73    | 726.00    |
| Repairs & Maintenance - Plant & Machinery   | 375.13    | 308.83    |
| Repairs & Maintenance - Others  | 539.72    | 571.63    |
| Power & Fuel  | 2,341.49  | 2,181.55  |
| Electricity & Gas   | 370.32    | 373.18    |
| Rent  | 1,074.25  | 990.70    |
| Insurance   | 205.55    | 227.37    |
| Packing, Despatching, Freight and Shipping Charges  | 3,920.07  | 3,450.49  |
| Rates & Taxes   | 139.25    | 110.76    |
| Auditors Remuneration and Expenses  | 22.61     | 22.17     |
| Write Off of Debtors ,Deposits, Loan & Advances   | 544.08    | 479.95    |
| Provision for Doubtful Debts & Advances   | 1,554.72  | 1,311.12  |
| Fixed Assets Written Off  | 0.91      | 2.39      |
| Loss on Disposal of Fixed Assets  | 1.77      | 3.46      |
| Selling Commission  | 583.11    | 560.26    |
| Cash Discount   | 285.48    | 336.98    |
| Travelling Expenses   | 1,012.82  | 963.74    |
| Printing and Stationary   | 223.77    | 495.65    |
| Motor Car Expenses  | 142.84    | 148.44    |
| Communication Charges   | 420.28    | 351.87    |
| Corporate Social Responsibility Expenses  | 412.70    | 395.51    |
| Miscellaneous Expenses  | 4,562.42  | 4,850.71  |
|   | 21,750.94 | 21,113.03 |
| Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful, written back | (241.95)  | (179.25)  |
| Total   | 21,508.99 | 20,933.78 |



|                        | 31 March 2017   | 31 March 2016   |
|------------------------|-----------------|-----------------|
| <b>36. Tax expense</b> |                 |                 |
| Current tax            | 9,301.00        | 8,479.00        |
| Deferred tax           | (481.99)        | (193.22)        |
| Prior period           | (450.00)        | (700.00)        |
|                        | <u>8,369.01</u> | <u>7,585.78</u> |

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 34.608% and the reported tax expense in profit or loss are as follows:

|  | 31 March 2017 | 31 March 2016 |
|--|---------------|---------------|
| Accounting profit before income tax  | 25410.9       | 24020.79      |
| At country's statutory income tax rate of 34.608% (31 March 2016 and 2017 34.608%) | 34.608%       | 34.608%       |
| Tax Expense  | 8,794.20      | 8,313.12      |
| Adjustments in respect of current income tax                                       |               |               |
| Exempt Dividend Income   | (113)         | (101)         |
| Foreign Dividend Income, taxed at a different rate                                 | (251)         | (143)         |
| Non-deductible expenses for tax purposes   |               |               |
| Provisions (net)   | 1,171         | 506           |
| CSR Expenses   | 143           | 137           |
| VRS Expenses   | (142)         | 398           |
| Depreciation Difference  | (272)         | (226)         |
| Additional Deduction for R&D expenses in I Tax                                     | (30)          | (208)         |
| Adjustments in respect of Previous years income tax                                | (450)         | (700)         |
| Deferred tax impact on revised profit  | -             | (197)         |
|  | <u>8,851</u>  | <u>7,779</u>  |

### 37 Other Comprehensive Income schedule

#### Other Comprehensive Income

##### (A) Items that will not be reclassified to profit or loss

|   |              |                 |
|---|--------------|-----------------|
| (i) Re-measurement gains/ (losses) on defined benefit plans                             | 131.28       | (377.15)        |
| Income tax effect   | (45.43)      | 130.52          |
| (ii) Net (loss)/gain on Fair Value Through Other Comprehensive Income equity securities |              |                 |
| Income tax effect   |              |                 |
|   | <u>85.85</u> | <u>(246.63)</u> |

##### (B) Items that will be reclassified to profit or loss

|  |              |                 |
|--|--------------|-----------------|
|  | <u>-</u>     | <u>-</u>        |
|  | <u>85.85</u> | <u>(246.63)</u> |

### 38. Earnings per equity share

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, including share options, except where the result would be anti-dilutive.

|  | 31 March 2017    | 31 March 2016    |
|--|------------------|------------------|
| <b>Net profit attributable to equity shareholders</b>  |                  |                  |
| Profit after tax   | <u>17,041.89</u> | <u>16,435.01</u> |
| <b>Profit attributable to equity holders of the parent adjusted for the effect of dilution</b> | <u>17,041.89</u> | <u>16,435.01</u> |
| Nominal value of equity share (₹)  |                  |                  |
| Weighted-average number of equity shares for basic EPS   | 11,40,02,564     | 11,40,02,564     |
| Basic/Diluted earnings per share (₹)   | 14.95            | 14.42            |



## 39 Accounting for employee benefits

*Defined Contribution Plans*

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 976.18 lacs (₹ 954.27 lacs), Superannuation fund ₹ 474.73 lacs (₹ 451.81 lacs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 13.24 lacs (₹ 14.67 lacs).

*Defined Benefit Plans**Post Employment Benefit Plans**1. Gratuity*

The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the company by way of transfer of requisite amount to the fund.

The reconciliation of the Company's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below:

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

(i) The movement of the Company's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

| Particulars   | 31 March 2017 | 31 March 2016 |
|---|---------------|---------------|
| Opening value of defined benefit obligation                     | 4,373.01      | 4,328.14      |
| Add: Current service cost                                       | 322.14        | 302.96        |
| Add: Current interest cost                                      | 300.03        | 310.21        |
| Plan amendment - Vested portion at end of period (past service) | 1,519.83      | -             |
| Add: Actuarial (gain)/loss due to -                             |               |               |
| - changes in demographic assumptions                            | -             | -             |
| - changes in experience adjustment                              | (439.54)      | 332.79        |
| - changes in financial assumptions                              | 244.99        | -             |
| Less: Benefits paid   | (514.88)      | (901.08)      |
| Closing value of defined benefit obligation                     | 5,835.57      | 4,373.01      |
| Thereof-  |               |               |
| Unfunded  | 1,812.14      | 784.95        |
| Funded  | 4,023.43      | 3,588.06      |

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

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

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

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

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(iv) Expense related to the Company's defined benefit plans in respect of gratuity plan is as follows

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

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

| Amount recognised in balance sheet | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|------------------------------------|---------------|---------------|--------------|
| Defined benefit obligation         | 5,835.57      | 4,373.01      | 4,328.14     |
| Classified as                      |               |               |              |
| Non-current                        | 5,310.21      | 4,258.65      | 4,156.35     |
| Current                            | 525.36        | 114.36        | 171.79       |

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

Expected returns on plan assets are based on a weighted average of expected returns of the various assets in the plan, and include an analysis of historical returns and predictions about future returns. The return on plan assets was

392.63                      355.99

(v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies. Plan assets can be broken down into the following major categories of investments

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

(vi) Sensitivity Analysis

| Particulars                                       | 31 March 2017 |          |
|---|---------------|----------|
|   | Increase      | Decrease |
| Changes in discount rate in %                     | 0.50          | 0.50     |
| Defined benefit obligation after change           | 5,661         | 6,020    |
| Original defined benefit obligation               | 5,836         | 5,836    |
| Increase/(decrease) in defined benefit obligation | (174)         | 184      |

|   |       |       |
|---|-------|-------|
| Changes in salary growth rate in %                | 0.50  | 0.50  |
| Defined benefit obligation after change           | 5,944 | 5,731 |
| Original defined benefit obligation               | 5,836 | 5,836 |
| Increase/(decrease) in defined benefit obligation | 108   | (105) |

|   |       |       |
|---|-------|-------|
| Changes in Attrition rate in %                    | 0.50  | 0.50  |
| Defined benefit obligation after change           | 5,835 | 5,836 |
| Original defined benefit obligation               | 5,836 | 5,836 |
| Increase/(decrease) in defined benefit obligation | (1)   | 1     |

|   |       |       |
|---|-------|-------|
| Changes in Mortality rate rate in %               | 1.00  | 1.00  |
| Defined benefit obligation after change           | 5,839 | 5,832 |
| Original defined benefit obligation               | 5,836 | 5,836 |
| Increase/(decrease) in defined benefit obligation | 4     | (4)   |

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| Particulars                                       | 31 March 2016 |          |
|---|---------------|----------|
|   | Increase      | Decrease |
| Changes in discount rate                          | 0.50          | 0.50     |
| Defined benefit obligation after change           | 4,240         | 4,515    |
| Original defined benefit obligation               | 4,373         | 4,373    |
| Increase/(decrease) in defined benefit obligation | (133)         | 142      |

|   |       |       |
|---|-------|-------|
| Changes in salary growth rate           | 0.50  | 0.50  |
| Defined benefit obligation after change | 4,460 | 4,287 |
| Original defined benefit obligation     | 4,373 | 4,373 |
| Original defined benefit obligation     | 87    | (86)  |

|   |       |       |
|---|-------|-------|
| Changes in Attrition rate in %                    | 0.50  | 0.50  |
| Defined benefit obligation after change           | 4,378 | 4,368 |
| Original defined benefit obligation               | 4,373 | 4,373 |
| Increase/(decrease) in defined benefit obligation | 5     | (5)   |

|   |       |       |
|---|-------|-------|
| Changes in Mortality rate rate in %               | 1.00  | 1.00  |
| Defined benefit obligation after change           | 4,376 | 4,370 |
| Original defined benefit obligation               | 4,373 | 4,373 |
| Increase/(decrease) in defined benefit obligation | 3     | (3)   |

| Particulars                                       | 1 April 2015 |          |
|---|--------------|----------|
|   | Increase     | Decrease |
| Changes in discount rate                          | 0.50         | 0.50     |
| Defined benefit obligation after change           | 4,194        | 4,471    |
| Original defined benefit obligation               | 4,328        | 4,328    |
| Increase/(decrease) in defined benefit obligation | -135         | 142      |

|   |       |       |
|---|-------|-------|
| Changes in salary growth rate           | 0.50  | 0.50  |
| Defined benefit obligation after change | 4,413 | 4,244 |
| Original defined benefit obligation     | 4,328 | 4,328 |
| Original defined benefit obligation     | 85    | (84)  |

|   |       |       |
|---|-------|-------|
| Changes in Attrition rate in %                    | 0.50  | 0.50  |
| Defined benefit obligation after change           | 4,334 | 4,322 |
| Original defined benefit obligation               | 4,328 | 4,328 |
| Increase/(decrease) in defined benefit obligation | 6     | (6)   |

|   |       |       |
|---|-------|-------|
| Changes in Mortality rate rate in %               | 1.00  | 1.00  |
| Defined benefit obligation after change           | 4,332 | 4,324 |
| Original defined benefit obligation               | 4,328 | 4,328 |
| Increase/(decrease) in defined benefit obligation | 4     | (4)   |

*B Post retirement medical benefits (Non-funded)*

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/ resign after satisfactory long service and includes dependant spouse, parents and children as per applicable rules.

| Particulars                                 | 31 March 2017 | 31 March 2016 |
|---|---------------|---------------|
| Opening value of defined benefit obligation | 328.98        | 317.83        |
| Add Current service cost                    | -             | -             |
| Add Current interest cost                   | 19.48         | 22.20         |
| Add Actuarial (gain)/loss due to -          |               |               |
| - changes in demographic assumptions        | -             | -             |
| - changes in experience adjustment          | 103.87        | 69.71         |
| - changes in financial assumptions          | 19.84         | -             |
| Less Benefits paid                          | (123.46)      | (80.82)       |
| Closing value of defined benefit obligation | 348.71        | 328.98        |
| Thereof-                                    |               |               |
| Unfunded                                    | 348.71        | 328.98        |
| Funded                                      | -             | -             |

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| Amount recognised in OCI  | 31 March 2017 | 31 March 2016 |
|---|---------------|---------------|
| Actuarial (gain)/loss on obligations-change in demographic assumptions  | -             | -             |
| Actuarial (gain)/loss on obligations change in financial assumptions    | 103 87        | 69 71         |
| Actuarial (gain)/loss on obligations-Experience Adjustment              | 19 84         | -             |
| Total expense recognized in the statement of Other Comprehensive Income | 123 71        | 69 71         |

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

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

*Amount recognised in balance sheet*

| Particulars                | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|----------------------------|---------------|---------------|--------------|
| Defined benefit obligation | 348 71        | 328 98        | 317 88       |
| Classified as              |               |               |              |
| Non-current                | 293 80        | 253 12        | 51 47        |
| Current                    | 54 91         | 75 85         | 266 41       |

(iv) Sensitivity Analysis

| Particulars                                       | 31-Mar-17 |          |
|---|-----------|----------|
|   | Increase  | Decrease |
| Changes in discount rate in %                     | 0.50      | 0.50     |
| Defined benefit obligation after change           | 338       | 338      |
| Original defined benefit obligation               | 349       | 349      |
| Increase/(decrease) in defined benefit obligation | (10)      | (11)     |

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

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

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

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

|   |      |      |
|---|------|------|
| Changes in Mortality rate rate in %               | 1.00 | 1.00 |
| Defined benefit obligation after change           | 311  | 323  |
| Original defined benefit obligation               | 318  | 318  |
| Increase/(decrease) in defined benefit obligation | (7)  | 5    |



*C Other long term benefit plans*

*Leave encashment (Non-funded), long service award and half pay leave (Non-funded)*

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

| Particulars                                      | As at<br>31 March 2017 | As at<br>31 March 2016 | As at<br>1 April 2015 |
|--|------------------------|------------------------|-----------------------|
| Leave encashment (Non-funded)                    |                        |                        |                       |
| Amount recognized in Balance Sheet - Current     | 195.50                 | 52.56                  | 235.19                |
| Amount recognized in Balance Sheet - Non Current | 2,254.70               | 2,422.39               | 1,984.38              |

Long service award is given to the employees to recognise long and meritorious service rendered to the company. The minimum eligibility for the same starts on completion of 10 years of service and thereafter every 5 years of completed service. Amount of ₹ (-) 37.07 lacs (₹ (-) 49.09 lacs) has been recognised in the statement of profit and loss.

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

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. Amount of ₹ (-) 110.8 lacs (₹ 73.65 lacs) has been recognised in the statement of profit and loss.

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

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Note 40 - Additional Disclosures

- 40.1 (a) Conveyance deeds of certain Leasehold land costing ₹ 5,666 10 lakhs (₹ 5,789.78 lakhs) and buildings, with written down value of ₹ 3,008 07 lakhs (₹ 2,998 16 lakhs) are pending registration / mutation
- (b) Certain buildings & sidings with written down value of ₹ 6,772.63 lakhs (₹ 6908 04 lakhs) are situated on leasehold/rented land. Some of the leases with Kolkata Port trust have expired and are under renewal. Action has been taken for finalizing the agreements with Kolkata Port Trust for renewal of such pending cases
- 40.2 Contingent Liabilities as at 31<sup>st</sup> March, 2017 not provided for in the accounts are
- (a) Disputed demand for Excise Duty, Income Tax, Sales Tax, Provident Fund and Service Tax amounting to ₹ 11,465 40 lakhs (₹ 10,185 49 lakhs) against which the Company has lodged appeal/petition before appropriate authorities. Details of such disputed demands as on 31<sup>st</sup> March, 2017 are given in Annexure - A.
- (b) Claims against the company not acknowledged as debts amounts to ₹ 913 73 lakhs (₹. 1,181 03 lakhs) in respect of which the Company has lodged appeals/petitions before appropriate authorities. In respect of employees/ex-employees related disputes, financial effect is ascertainable on settlement
- 40.3 Counter guarantees given to Standard Chartered Bank, Bank of Baroda, Canara Bank, Yes Bank and Indusind Bank in respect of guarantees given by them amounts to ₹ 8,556 77 lakhs (₹ 10,274 64 lakhs).
- 40.4 Estimated amount of contract remaining to be executed on Capital Accounts and not provided for [net of advances paid - NIL lakhs (₹ NIL lakhs)] amounted to ₹ 379 53 lakhs (₹ 132 66 lakhs)
- 40.5 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are Outstanding for more than 45 days at the Balance Sheet date
- 40.6 The net amount of exchange difference credited to Statement of Profit & Loss is ₹ 365 10 lakhs [Debited ₹ 7 89 lakhs]
- 40.7 Trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation

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40.8 Remuneration of Chairman & Managing Director, Whole time Directors and Company Secretary:

|   | 2016-17       | ₹./Lakhs<br>2015-16 |
|---|---------------|---------------------|
| Salaries                                    | 183.38        | (182.15)            |
| Contribution to Provident and Gratuity Fund | 27.63         | (25.37)             |
| Perquisites                                 | 22.03         | (20.43)             |
|   | <u>233.04</u> | <u>(227.95)</u>     |

40.9 Auditors' remuneration and expenses:

|   |              |                |
|---|--------------|----------------|
| Statutory Auditors  |              |                |
| - Audit Fees  | 5.00         | (5.00)         |
| - Tax Audit Fees  | 0.70         | (0.70)         |
| - Other Capacity for Limited Review and<br>Other certification jobs | 1.81         | (2.10)         |
| Branch Auditors   |              |                |
| - Audit Fees  | 11.29        | (11.26)        |
| - Other Capacity  | -            | -              |
| - Expenses relating to audit of Accounts                            | 3.81         | (3.11)         |
|   | <u>22.61</u> | <u>(22.17)</u> |

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

₹./Lakhs

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

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## 40 10 (b) Stock &amp; Sale of Goods Manufactured (with customers' materials) :

₹./Lakhs

| <u>Class of Goods</u>      | <u>Opening Value</u> | <u>Closing Value</u> | <u>Sales Value</u> |
|----------------------------|----------------------|----------------------|--------------------|
| Greases & Lubricating Oils | -                    | -                    | 185 86             |
|                            | (-)                  | (-)                  | (1,895 74)         |
|                            | -                    | -                    | 185 86             |
|                            | (-)                  | (-)                  | (1,895.74)         |

## 40 10(c) Work in Progress

|                              | <u>Value</u>         |
|------------------------------|----------------------|
|                              | ₹./Lakhs             |
| Greases and Lubricating Oils | 397 48<br>(346 33)   |
| Barrels and Drums            | 574 83<br>(627 43)   |
| Leather Auxiliaries          | 132 35<br>(102 06)   |
|                              | 1104.66<br>(1075.82) |

## 40.11 Analysis of Raw Materials Consumed (excluding materials supplied by Customers.)

|                               | <u>Value</u>             |
|-------------------------------|--------------------------|
|                               | ₹ /Lakhs                 |
| Steel                         | 30,754 09<br>(27,778 98) |
| Lubricating Base Oils         | 12,929.83<br>(12,501 34) |
| Additives and other Chemicals | 9,593 37<br>(6,351.81)   |
| Vegetable and Other Fats      | 2,099.68<br>(2,431 70)   |
| Drum Closures                 | 1,801 79<br>(1,781 15)   |
| Paints                        | 1,139.03<br>(1,286 76)   |
| Paraffin Wax                  | 690.22<br>(667 15)       |
| Others                        | 4,607 20<br>(3,942 70)   |
|                               | 63,615.21<br>(56,741 59) |

40.12 Value of Raw Materials, Components and Spare Parts consumed

| Raw Materials                  | <u>2016-17</u>          |                   | <u>2015-16</u>          |                   |
|--------------------------------|-------------------------|-------------------|-------------------------|-------------------|
|                                | <u>₹./Lakhs</u>         | <u>(%)</u>        | <u>₹./Lakhs</u>         | <u>(%)</u>        |
| Imported                       | 4,210.86                | 6.62              | (4,944.98)              | (8.71)            |
| Indigenous                     | 59,404.35               | 93.38             | (51,796.61)             | (91.29)           |
|                                | <u>63,615.21</u>        | <u>100.00</u>     | <u>(56,741.59)</u>      | <u>(100.00)</u>   |
| <b>Spares &amp; Components</b> | <b><u>Rs./Lakhs</u></b> | <b><u>(%)</u></b> | <b><u>Rs./Lakhs</u></b> | <b><u>(%)</u></b> |
| Imported                       | 160.87                  | 19.11             | (115.73)                | (14.56)           |
| Indigenous                     | 681.03                  | 80.89             | (678.89)                | (85.44)           |
|                                | <u>841.90</u>           | <u>100.00</u>     | <u>(794.62)</u>         | <u>(100.00)</u>   |

40.13 (a) Purchase and Sale of Trading Goods :

| <u>Class of Goods</u> | <u>Purchase Value</u><br>₹./Lakhs | <u>Sale Value</u><br>₹./Lakhs |
|-----------------------|-----------------------------------|-------------------------------|
| Bunk Houses           | 1148.67                           | 1148.67                       |
| Valves                | -                                 | -                             |
|                       | (358.05)                          | (365.56)                      |
|                       | <u>1148.67</u>                    | <u>1148.67</u>                |
|                       | <u>(358.05)</u>                   | <u>(365.56)</u>               |

40.13 (b) Stock of Trading Goods :

| <u>Class of Goods</u> | <u>Opening Value</u><br>₹./Lakhs | <u>Closing Value</u><br>₹./Lakhs |
|-----------------------|----------------------------------|----------------------------------|
| Coolants              | -                                | -                                |
|                       | (3.08)                           | (-)                              |
| <b>Total</b>          | <u>-</u>                         | <u>-</u>                         |
|                       | <u>(3.08)</u>                    | <u>(-)</u>                       |

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|           |                                  |                 |                   |
|-----------|----------------------------------|-----------------|-------------------|
| 40 14 (a) | Value of Imports on C.I.F basis: |                 | ₹./Lakhs          |
|           |                                  | 2016-17         | 2015-16           |
|           | Raw Materials                    | 1427 13         | (3,681.79)        |
|           | Components and Spare Parts       | 123 22          | (152 10)          |
|           | Capital Goods                    | 18 95           | (12.29)           |
|           |                                  | <u>1 569 30</u> | <u>(3,846 18)</u> |

|           |                                 |                  |                    |
|-----------|---------------------------------|------------------|--------------------|
| 40 14 (b) | Expenditure in Foreign Currency |                  | ₹./Lakhs           |
|           | Services                        | 17,277 33        | (17,161 96)        |
|           | Others                          | <u>67 77</u>     | <u>(101 90)</u>    |
|           |                                 | <u>17,345 10</u> | <u>(17,263 86)</u> |

|           |  |                 |                    |
|-----------|--|-----------------|--------------------|
| 40 14 (c) | Earnings in Foreign Currency   |                 | ₹./Lakhs           |
|           | Export of Goods and Components<br>calculated on F O B basis as<br>invoiced | 1 120 48        | (1,006 94)         |
|           | Interest and Dividend  | 847 66          | (1,032 75)         |
|           | Services   | 7,578 51        | (8,358 89)         |
|           | Freight, Insurance, Exchange Gain<br>and Miscellaneous Items               | <u>66 13</u>    | <u>( 65 72)</u>    |
|           |  | <u>9,612 78</u> | <u>(10,464 30)</u> |

Earnings from services exclude deemed exports Nil (₹ 23 28 lakhs)

40 15 Expenditure on Research and Development capitalized and charged to Statement of Profit & Loss during the years is as below

|                     | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---------------------|---------|---------|---------|---------|
| Capital Expenditure | 30.41   | 51 35   | 256.88  | 76 49   |
| Revenue Expenditure | 529 29  | 543 32  | 604 53  | 610.03  |

40 16 Excess Income Tax provision in respect of earlier years amounting to ₹ 450 Lakhs (₹ 700 Lakhs ) has been reversed in the current year





40.17 The amount of Excise duty included in the amount of "Sale of Products" in Note 27 is relatable to Sales made during the period and the amount of Excise Duty recognised separately in Note 35 – "Other Expenses" is related to the difference between the closing stock and the opening stock.

40.18 **Employee Benefits**

Consequent to adoption of Ind AS 19 on Employee Benefits, issued by the Institute of Chartered Accountants of India, by the Company during the year, the prescribed disclosures are made in Note No 39

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

40.19 **Loans and Advances in the nature of loans to Subsidiary / Joint Ventures / Associates**

The company does not have any Loans and Advances in the nature of Loans provided to its Subsidiary / Joint Venture Companies / Associates as at the year end except as is disclosed in Note 40.20 below

40.20 **Related Party Disclosure**

| i) <u>Name of Related Party</u>                         | <u>Nature of Relationship</u>                                      |
|---|--|
| Balmer Lawrie Investments Ltd (BLIL)                    | Holding Company  |
| Balmer Lawrie (U.K.) Ltd                                | Wholly owned subsidiary  |
| Visakhapatnam Port Logistics Park Ltd                   | Wholly owned subsidiary  |
| Transafe Services Ltd                                   | Joint Venture  |
| Balmer Lawrie - Van Leer Ltd                            | Joint Venture  |
| Balmer Lawrie (UAE) Llc                                 | Associate  |
| Avi - Oil India (P) Ltd                                 | Associate  |
| Balmer Lawrie Hind Terminals Pvt. Ltd                   | Joint Venture (Liquidation completed on 20 <sup>th</sup> Oct 2016) |
| Proseal Closures Ltd                                    | Wholly owned subsidiary of Balmer Lawrie Van Leer Ltd              |
| PT Balmer Lawrie Indonesia                              | Joint Venture of Balmer Lawrie (UK) Ltd                            |
| Shri V Sinha, Chairman and Managing Director            | Key Management Personnel (till 31.07.2015)                         |
| Shri N Gupta, Director (Services Businesses)            | Key Management Personnel (till 31.07.2015)                         |
| Shri Prabal Basu, Chairman and Managing Director        | Key Management Personnel   |
| Ms Manjusha Bhatnagar Director (HR & CA)                | Key Management Personnel   |
| Shri D. Sothi Selvam, Director (Manufacturing Business) | Key Management Personnel   |
| Shri K Swaminathan, Director ( Service Business)        | Key Management Personnel ( w e f 01.08.2015)                       |
| Shri S S Khuntia, Director ( Finance )                  | Key Management Personnel ( w e f 28.03.2016)                       |
| Ms Indrani Kanshal (Govt Nominee director)              | Key Management Personnel ( w e f 27.12.2016)                       |
| Ms Atiyee Borooah Thekath (Independent Director)        | Key Management Personnel ( w e f 13.02.2017)                       |
| Ms Kavita Bhavsar , Company Secretary                   | Key Management Personnel   |

ii) Notes on Accounts - (Contd.)

₹ /Lakhs

Transactions with Related Parties

| Type of Transaction  | Year<br><u>Ending</u> | Holding<br><u>Company</u> | <u>Subsidiary</u> | Joint<br><u>Ventures</u> | Key<br>Management<br><u>Personnel</u> | <u>TOTAL</u> |
|--|-----------------------|---------------------------|-------------------|--------------------------|---------------------------------------|--------------|
| a) Sale of Goods   | 31/03/17              | -                         | -                 | 7.86                     | -                                     | 7.86         |
|  | 31/03/16              | -                         | -                 | 20.30                    | -                                     | 20.30        |
| b) Purchase of Goods   | 31/03/17              | -                         | -                 | 3203.32                  | -                                     | 3203.32      |
|  | 31/03/16              | -                         | -                 | 2,079.63                 | -                                     | 2,079.63     |
| c) Value of Services<br>Rendered   | 31/03/17              | 36.00                     | -                 | 843.39                   | 3.82                                  | 883.22       |
|  | 31/03/16              | 35.40                     | -                 | 851.25                   | -                                     | 886.65       |
| d) Value of Services<br>Received   | 31/03/17              | -                         | -                 | 948.72                   | -                                     | 948.72       |
|  | 31/03/16              | -                         | -                 | 1,037.49                 | -                                     | 1,037.49     |
| e) Remuneration to Key<br>Managerial Personnel                                       | 31/03/17              | -                         | -                 | -                        | 233.04                                | 233.04       |
|  | 31/03/16              | -                         | -                 | -                        | 227.95                                | 227.95       |
| f) Income from leasing or<br>hire<br>purchase agreement                              | 31/03/17              | -                         | -                 | 1.08                     | -                                     | 1.08         |
|  | 31/03/16              | -                         | -                 | 1.08                     | -                                     | 1.08         |
| g) Purchase of Fixed Assets  | 31/03/17              | -                         | -                 | 10.44                    | -                                     | 10.44        |
|  | 31/03/16              | -                         | -                 | 7.55                     | -                                     | 7.55         |
| h) Investment in shares as on  | 31/03/17              | -                         | 3997.28           | 4,726.02                 | -                                     | 8,723.30     |
|  | 31/03/16              | -                         | 997.28            | 4,728.52                 | -                                     | 5,725.80     |
| i) Loans given as on   | 31/03/17              | -                         | -                 | 780.00                   | -                                     | 180.00       |
|  | 31/03/16              | -                         | -                 | 180.00                   | -                                     | 180.00       |
| j) Dividend Income   | 31/03/17              | -                         | -                 | 1,777.54                 | -                                     | 1,777.54     |
|  | 31/03/16              | -                         | -                 | 1,116.89                 | -                                     | 1,116.89     |
| k) Dividend Paid   | 31/03/17              | 3,522.65                  | -                 | -                        | -                                     | 3,522.65     |
|  | 31/03/16              | 3,170.38                  | -                 | -                        | -                                     | 3,170.38     |
| l) Interest Income   | 31/03/17              | -                         | -                 | 207.84                   | -                                     | 207.84       |
|  | 31/03/16              | -                         | -                 | 178.95                   | -                                     | 178.95       |
| m) Amount received on a/c<br>of salaries etc of<br>Employees deputed or<br>otherwise | 31/03/17              | 7.91                      | -                 | 107.17                   | -                                     | 115.08       |
|  | 31/03/16              | 7.62                      | -                 | 73.09                    | -                                     | 80.71        |
| n) Net outstanding<br>recoverable<br>as on   | 31/03/17              | 8.04                      | 80.21             | 1,854.94                 | -                                     | 1,943.19     |
|  | 31/03/16              | 1.25                      | 549.20            | 1,297.90                 | -                                     | 1,848.35     |
| o) Net outstanding payable<br>as on  | 31/03/17              | -                         | -                 | 418.54                   | -                                     | 418.54       |
|  | 31/03/16              | -                         | -                 | 395.08                   | -                                     | 395.08       |
| p) Provision for advances/<br>investments  | 31/03/17              | -                         | -                 | 5,458.33                 | -                                     | 5,458.33     |
|  | 31/03/16              | -                         | -                 | 5,294.72                 | -                                     | 5,294.72     |
| q) Share of margin towards<br>business operation                                     | 31/03/17              | -                         | -                 | 25.60                    | -                                     | 25.60        |
|  | 31/03/16              | -                         | -                 | 2.52                     | -                                     | 2.52         |

*RAE*

40 21 Segment Reporting

Information about business segment for the year ended 31<sup>st</sup> March, 2017 in respect of reportable segments as defined by the Institute of Chartered Accountants of India in the IND AS- 108 in respect of "Operating Segments " is attached in Note 41

40 22 Earnings per Share

- i. Earnings per share of the company has been calculated considering the Profit after Taxation of ₹ 17041.89 lakhs (₹ 16435 01 lakhs) as the numerator
- ii. The weighted average number of equity shares used as denominator for calculation of basic and diluted earnings per share is 11,40,02,564 (11,40,02,564) and face value per share is ₹ 10.
- iii. The nominal value of shares for calculation of basic and diluted earnings per share is ₹ 11400 25 lakhs (₹ 11400 25 lakhs) and the earnings per share for the year on the above mentioned basis comes to ₹ 14 95 (₹ 14 42)

40 23 Disclosure of Interests in Joint Venture and Associate Companies

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

Balmer Lawrie (UAE) LLC, Avi Oil India (P) Ltd are classified as associate on the basis of the shareholding pattern which leads to significant influence over these companies by the Company Further, in Balmer Lawrie Van Leer Ltd and Transafe Services Ltd both the partners have equal nominee representatives in the Board Hence, these entities are classified as joint ventures and the Company recognises its share in net assets through equity method

The Company's proportionate share of the estimated amount of contracts remaining to be executed on Capital Accounts relating to the Joint Venture & Associate Companies and not provided for in their respective financial statements amounts to ₹ 359.60 lakhs (₹ 1,695 58 lakhs)

With the adoption of Ind AS by the company and its group companies, the consolidation of individual line items under proportionate consolidation method being followed earlier under previous GAAP has been discontinued. Under the equity method as prescribed in Ind AS, the net assets of the group companies are shown as an increase in equity with corresponding increase in value of Investments in the parent company's books Hence the disclosure for aggregate amounts of each of the assets , liabilities , income and expenses related to the interests in the Joint Venture and associate companies are no longer relevant

40 24 Cost of Services is comprised of

|                           | ₹ ./Lakhs        |                    |
|---------------------------|------------------|--------------------|
|                           | 2016-17          | 2015-16            |
| Air / Rail travel costs   | 1,124.58         | (1,140.69)         |
| Air / Ocean freight       | 26,399 52        | (22,745 56)        |
| Transportation / Handling | 8,228 36         | (8,339.04)         |
| Other Service charges     | 7,573 19         | (8,754 94)         |
|                           | <u>43,325.65</u> | <u>(40,980 23)</u> |

40 25 Capital Work in Progress as at the Balance Sheet date is comprised of

| Asset Classification (*)                         | ₹./Lakhs         |                  |
|--|------------------|------------------|
|  | As on 31.03.2017 | As on 31.03.2016 |
| Leasehold Land                                   | 3 79             | 3 79             |
| Building   | 944 51           | 18 45            |
| Plant & Machinery                                | 936 89           | 389.84           |
| Electrical Installation & Equipment              | 168 06           | 9 37             |
| Furniture & Fittings                             | 159 65           | 5 21             |
| Typewriters, Accounting Machine & Off. Equipment | 114 95           | 298 89           |
| Misc Equipment                                   | 3 45             | -                |
|  | <u>2331.30</u>   | <u>(725 55)</u>  |

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

40 26 Miscellaneous Expenses shown under "Other Expenses" (Note no 35) do not include any item of expenditure which exceeds 1% of the total revenue

40 27 (a) Certain fixed deposits with banks amounting to ₹ 7317 64 lakhs (₹ 4,600 lakhs) are pledged with a bank against short term loans availed from the said bank. However, there are no loans outstanding against these pledges as on 31 3 2017

(b) Certain fixed deposits amounting to ₹ 69 70 lakhs (₹ 63 78 lakhs) are pledged with a bank against guarantees availed from the said bank

(c) Fixed Deposit with bank amounting to ₹ 0 79 lakhs (₹ 1 37 lakhs) are lodged with certain authorities as security

40 28 Details of Other Payables (Note no 23)

|                               | 2016-17          | ₹./Lakhs<br>2015-16 |
|-------------------------------|------------------|---------------------|
| Creditor for Expenses         | 7,819.32         | (6,036 97)          |
| Creditor for Capital Expenses | 501 23           | (1,256 75)          |
| Employee Payables             | 1,708 55         | (1,485 72)          |
| Statutory Payables            | 297 90           | (314 14)            |
| Others                        | <u>97 06</u>     | <u>(127 91)</u>     |
|                               | <u>10 424 06</u> | <u>(9 221 49)</u>   |

40 29 Details of Specified Bank Notes (SBN) held and transacted during the period 8<sup>th</sup> Nov 2016 to 30<sup>th</sup> December 2016 Figures in Rupees

|                                      | <u>SBN's *</u> | <u>Other Denomination Notes</u> | <u>Total</u>     |
|--------------------------------------|----------------|---------------------------------|------------------|
| Closing Cash in hand as on 8 11 2016 | 28,36,000      | 6,78,567                        | 35,14,567        |
| (+) Permitted Receipt **             | 12,12,150      | 150,60,602                      | 1,62,72,752      |
| (-) Permitted Payments               | 97,000         | 58,05,164                       | 59,02,164        |
| (-) Amount Deposited in Bank         | 39,51,150      | 8,62,29,36                      | 1,25,74,086      |
| Closing Cash as on 30 12,2016        | <u>-</u>       | <u>13,11,069</u>                | <u>13,11,069</u> |

\* for the purposes of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs No S.O 3-407 (E), dt 8<sup>th</sup> November 2016

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




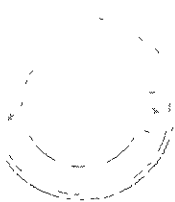
40.30 Balmer Lawrie Hind Terminals Pvt Ltd ["BLHTPL"], a joint venture company had gone for voluntary winding-up by its members. Last final accounts of BLHTPL was drawn for a period of 9 months from 1st April 2015 to 31st Dec'2015, which has been audited by their Statutory Auditors. Based on the audited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

- 40.31 (a) The financial statements have been prepared as per the requirement of Schedule III to the Companies Act, 2013
- (b) Previous year's figures have been re-grouped or re-arranged wherever so required to make them comparable with current year figures
- (c) Figures in brackets relate to previous year
- (d) All amounts in ₹ Lakhs unless otherwise stated

For Dutta Sarkar & Co  
Chartered Accountants  
Firm Registration No 303114E



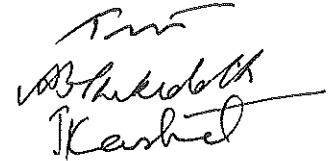
CA Partha Sarathi De  
Partner  
Membership No 016727  
Kolkata, 29th May, 2017



Chairman & Managing  
Director



Director (Finance)  
& Chief Financial  
Officer



Directors



Secretary

Segment Revenue

|                              | 31 March 2017         |                       |                                 | 31 March 2016         |                       |                                 |
|------------------------------|-----------------------|-----------------------|---------------------------------|-----------------------|-----------------------|---------------------------------|
|                              | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers |
| Industrial Packaging         | 56,635                | 1,739                 | 54,897                          | 53,176                | 1,551                 | 51,622                          |
| Logistics                    | 56,620                | 218                   | 56,372                          | 53,823                | 803                   | 53,020                          |
| Travel & Vacations           | 16,304                | 83                    | 16,221                          | 16,515                | 107                   | 16,109                          |
| Greases & Lubricants         | 14,897                | 112                   | 14,785                          | 14,992                | 82                    | 14,910                          |
| Others                       | 10,616                | 112                   | 10,533                          | 8,978                 | 78                    | 8,900                           |
| <b>Total Segment Revenue</b> | <b>1,85,101</b>       | <b>2,293</b>          | <b>1,82,808</b>                 | <b>1,71,483</b>       | <b>2,923</b>          | <b>1,71,560</b>                 |

Segment Assets

|  | 31 March 2017   |   |                                 | 31 March 2016   |                 |   |                                 | 31 March 2015   |                 |   |                                 |                 |
|--|-----------------|---|---------------------------------|-----------------|-----------------|---|---------------------------------|-----------------|-----------------|---|---------------------------------|-----------------|
|  | 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                         | 30,364          | -   | -                               | 30,361          | 26,123          | -   | -                               | 26,123          | 26,872          | -   | -                               | 26,872          |
| Logistics                                    | 33,722          | -   | -                               | 33,722          | 27,937          | -   | -                               | 27,937          | 23,270          | -   | -                               | 23,270          |
| Travel & Vacations                           | 22,805          | -   | -                               | 22,805          | 24,017          | -   | -                               | 24,017          | 18,595          | -   | -                               | 18,595          |
| Greases & Lubricants                         | 21,577          | -   | -                               | 21,577          | 21,199          | -   | -                               | 21,199          | 19,961          | -   | -                               | 19,961          |
| Others                                       | 5,912           | -   | -                               | 5,912           | 5,063           | -   | -                               | 5,063           | 6,265           | -   | -                               | 6,265           |
| <b>Total Segment Assets</b>                  | <b>1,14,379</b> | <b>-</b>                                    | <b>-</b>                        | <b>1,14,379</b> | <b>1,01,638</b> | <b>-</b>                                    | <b>-</b>                        | <b>1,04,638</b> | <b>96,963</b>   | <b>-</b>                                    | <b>-</b>                        | <b>96,963</b>   |
| Unallocated                                  | -               | -   | -                               | -               | -               | -   | -                               | -               | -               | -   | -                               | -               |
| Deferred tax assets                          | 802             | -   | -                               | 802             | 496             | -   | -                               | 496             | 5740            | -   | -                               | 5740            |
| Investments                                  | 8,738           | -   | -                               | 8,738           | 5,750           | -   | -                               | 5,750           | -               | -   | -                               | -               |
| Derivative financial instruments             | -               | -   | -                               | -               | -               | -   | -                               | -               | -               | -   | -                               | -               |
| Other Assets                                 | 55,131          | -   | -                               | 55,131          | 18,108          | -   | -                               | 18,108          | 42,091          | -   | -                               | 42,091          |
| <b>Total assets as per the balance sheet</b> | <b>1,79,352</b> | <b>-</b>                                    | <b>-</b>                        | <b>1,79,352</b> | <b>1,59,292</b> | <b>-</b>                                    | <b>-</b>                        | <b>1,59,292</b> | <b>1,11,797</b> | <b>-</b>                                    | <b>-</b>                        | <b>1,11,797</b> |

Segment Liabilities

|   | 31 March 2017 | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|---------------|
| Industrial Packaging                              | 6,991         | 6,116         | 6,910         |
| Logistics   | 15,214        | 12,859        | 10,573        |
| Travel & Vacations                                | 10,599        | 7,833         | 7,250         |
| Greases & Lubricants                              | 5,901         | 5,901         | 1,998         |
| Others  | 1,952         | 1,528         | 2,172         |
| <b>Total Segment Liabilities</b>                  | <b>40,457</b> | <b>34,137</b> | <b>31,901</b> |
| Intersegment elimination                          | -             | -             | -             |
| Unallocated                                       | -             | -             | -             |
| Deferred tax liabilities                          | -             | -             | 141           |
| Current tax liabilities                           | 4,575         | 4,061         | 5,024         |
| Current borrowings                                | -             | -             | -             |
| Non-current borrowings                            | -             | -             | -             |
| Derivative financial instruments                  | -             | -             | -             |
| Other Liabilities                                 | 17,721        | 11,599        | 11,532        |
| <b>Total Liabilities as per the balance sheet</b> | <b>62,753</b> | <b>52,797</b> | <b>48,601</b> |



## 42 Financial risk management

## i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value

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

\* All financial assets/liabilities stated above are measured at amortised cost and their respective carrying values are not considered to be materially different from their fair values

\*\*1 Investment in equity instrument of subsidiaries, joint ventures and associates have been carried at cost amounting to ₹ 8723.30 (31 March 2016 ₹ 5723.30 and 01 April 2015 ₹ 5725.80) as per Ind AS 27 "Separate Financial Statement" and hence not presented here

\*\*2 This investment includes investment in other unquoted securities and the management estimates that its fair value would not be materially different from its carrying value hence no fair value hierarchy disclosures are given in respect to these instruments, except BLHPL for which fair valued method has been adopted

## ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements

| Risk                           | Exposure arising from   | Measurement  | Management  |
|--------------------------------|---|--|---|
| Credit risk                    | Trade Receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost | Ageing analysis  | Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, wherever feasible. Periodic review/ monitoring of trade receivables |
| Liquidity risk                 | Borrowings and other liabilities  | Rolling cash flow forecasts  | Periodic review of cash flow forecasts  |
| Market risk - foreign exchange | Recognised financial assets and liabilities not denominated in Indian rupee (INR)   | Cash flow forecasting and monitoring of forex rates on regular basis | Review of cash flow forecasts and hedging through forward contracts   |

The Company's risk management other than in respect of trade receivables is carried out by a central treasury department under policies approved in-principle by the board of directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Company's risk in respect of trade receivables is managed by the Chief Operating Officer of the respective Strategic Business Units.

## A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables amounting to ₹ 46195.32 as at March 31, 2017 and ₹ 42109.20 as at March 31, 2016 respectively. The receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous monitoring of credit worthiness of customers, ability to repay and their past track record.

Provisions  
For receivables

There are no universal expected loss percentages which can be derived for the Company as a whole. The Company generally considers its receivables as impaired when they are outstanding for over three years period. Considering the historical trends based on amounts actually incurred as a loss in this regard over the past few years and market information, the Company estimates that the provision computed on its trade receivables will not be materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

For other Financial assets

Loans - are given to regular employees who are on the payroll of the company as per the employment terms and primarily secured in case of house building and vehicle loans. For other loans the amounts are well within the net dues to the employees and hence credit risk is taken as nil.

Accrued income - includes Dividend income from both Indian and foreign JVs/associates. Hence no credit risk is envisaged.

Deposits - represent amounts lying with customers mainly government and public sector undertakings on account of security deposits, earnest money deposits and retention money given as per contractual terms. Based on past records the risk of default is minimal.

Cash & Cash equivalents - represent cash in hand and balances lying in current accounts with various consortium banks who have high credit ratings.

Other Bank balances - mainly represent fixed deposits having maturities up to one year and includes accrued interest on such deposits. These deposits have been taken with various public and private sector banks having the high credit rating.

**B) Liquidity risk**

Liquidity risk arises from borrowings and other liabilities. The company is an unleveraged entity, with no long term borrowings or debt.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining short term debt financing plans.

The company does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they are falling due.

**C) Market Risk**

Market risk arises due to change in foreign exchange rates or interest rates.

**1) Interest rate risk**

The company is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The company has also invested in preference share capital of its joint venture company, Transare Services Limited which has been entirely provided for in the books of the company on account of total erosion of net worth of the JV and hence no further income is being accrued on this account. The company has not invested in any other instruments except equity investments. The company has no borrowings on which interest is payable.

**2) Foreign currency**

The Company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS 109. The Company does not use forward contracts for speculative purposes. The Company is also exposed to foreign exchange risk arising from net foreign currency receivables on account of dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED. The Company, as a matter of policy decided by the Board of Directors, do not enter into derivative contracts.

**Foreign currency**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in individual currencies are as follows:

| Particulars       | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|-------------------|---------------|---------------|--------------|
| Net payables      | -             | -             | -            |
| USD               | 23,56,883     | 33,33,973     | 14,23,185    |
| Euro              | 25,53,746     | 19,49,137     | 13,41,131    |
| GBP               | 7,56,362      | 11,96,043     | 4,34,122     |
| Forward Contracts |               |               |              |
| GBP               | 23,799        |               |              |
| Euro              |               |               | 1,87,000     |
| Receivables       |               |               |              |
| AED               | 90,99,870     | 57,36,295     | 71,70,816    |





The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows ₹ in Lacs

| Particulars  | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|--------------|---------------|---------------|--------------|
| Net payables |               |               |              |
| USD          | 1,539         | 2,226         | 918          |
| Euro         | 1,788         | 1,477         | 935          |
| GBP          | 619           | 1,150         | 414          |
| Receivables  |               |               |              |
| USD          |               |               |              |
| AED          | 1,365         | 1,010         | 1,167        |

#### Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

| Particulars                   | 31 March 2017 | 31 March 2016 |
|-------------------------------|---------------|---------------|
| Increase by 50 Basis points * |               |               |
| USD                           | 76.95         | 111.30        |
| Euro                          | 89.42         | 73.85         |
| GBP                           | 30.93         | 57.50         |
| AED                           | 78.26         | 50.48         |
| Decrease by 50 basis points * |               |               |
| USD                           | (76.95)       | (111.30)      |
| Euro                          | (89.42)       | (73.85)       |
| GBP                           | (30.93)       | (57.50)       |
| AED                           | (78.26)       | (50.48)       |

\* Holding all other variables constant

#### 43 Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The company does not have any debt outstanding on any of the Balance sheet dates covered in this report

|              | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|--------------|---------------|---------------|--------------|
| Total equity | 1,16,599      | 1,06,494      | 96,193       |
| Total assets | 1,79,352      | 1,59,291      | 1,44,797     |
| Equity ratio | 65%           | 67%           | 66%          |

#### (b) Dividends

| Particulars  | 31 March 2017 | 31 March 2016 |
|--|---------------|---------------|
| (i) Equity shares  |               |               |
| Final dividend for the year ended 31 March 2016 of ₹ 20<br>(31 March 2015 - ₹ 18) per fully paid share<br>(Net of Dividend distribution tax)   | 5,700.13      | 5,130.12      |
| (ii) Dividends not recognised at the end of the reporting period   |               |               |
| In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 7 (31 March 2016 ₹ 20) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting | 7,980.18      | 5,700.13      |

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Balmer Lawrie & Co. Ltd.

Disclosures in Notes to the financial statements for the year ended 31 March 2017

Note No 43

### First time adoption of Ind AS

#### Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS applicable as at 31<sup>st</sup> March, 2017

The accounting policies set out in Note no 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition) In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies ( Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ( previous GAAP) An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows are set out in the following tables and notes

#### Exemptions and exceptions availed

The applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS is given below

##### A. Ind AS optional exemptions

##### Deemed cost for property, plant and equipment, investment property and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment Property covered by Ind AS 40- Investment Properties

Accordingly, the Company has elected to measure all of its Property, Plant and Equipment, Investment Properties and Intangible Assets at their previous GAAP carrying value.

##### Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS. except where the effect is expected to be not material



The Company has elected to apply this exemption of making this assessment on the date of transition to Ind AS for such contracts/ arrangements

### Investment in subsidiaries, joint ventures and associates

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its subsidiaries, joint ventures and associate companies as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition

Accordingly the company has elected to measure the investment in subsidiaries, joint ventures and associates at previous GAAP carrying amount.

## B. Ind AS mandatory exemptions

### 1 Estimates

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

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

### 2 Classification and measurement of financial assets and liabilities

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

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

The company has applied the classification and measurement provisions as per Ind AS 109 as on the date of transition

### 3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

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The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS

### C Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

#### C1 . Reconciliation of total equity as at 31 March 2016 and 1 April 2015

|  | Notes to first time adoption | 31 March 2016 | 1 April 2015 |
|--|------------------------------|---------------|--------------|
| Total equity (shareholder's funds) as per previous GAAP                                |                              | 99,733.38     | 90,306.16    |
| Adjustments:   |                              |               |              |
| Reversal of proposed dividend and Tax on dividend                                      | B6                           | 6,892.82      | 6,203.59     |
| Reversal of revenue for Incomplete tours   | B4                           | (3.90)        | (1.03)       |
| Depreciation reversal on Goodwill & Leasehold land                                     | B2/B12                       | 319.32        |              |
| Increase in rent expenses on leasehold land  | B12                          | (135.67)      |              |
| Amortisation impact of Long term loans advances & liabilities                          | B3/B13                       | 9.71          |              |
| Actuarial Gain/(losses) on valuation of Defined benefit employee plans                 | B9                           | 377.16        |              |
| Deferred tax impact on above adjustments and additional deferred tax for IGAAP figures | B8                           | (452.31)      | (315.64)     |
| Other Comprehensive income   | B9                           | (246.63)      |              |
| Total adjustments  |                              | 6,760.50      | 5,886.92     |
| Total equity as per Ind AS   |                              | 1,06,493.88   | 96,193.08    |

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C2 Reconciliation of total comprehensive income for the year ended 31 March 2016

|  | Notes to first time adoption | 31 March 2016 |
|--|------------------------------|---------------|
| Profit after tax as per previous GAAP                                      |                              | 16,320 04     |
| Adjustments in Statement of Profit and Loss                                |                              |               |
| Depreciation reversal on Goodwill  | B2                           | 183 65        |
| Depreciation reversal on Leasehold land                                    | B12                          | 135 67        |
| Rent Expenses on account of Leasehold Land                                 | B12                          | (135 67)      |
| Reversal of Revenue on account of consideration received on others account | B4                           | (1,11,493 62) |
| Reversal of cost on account of consideration paid on others account        | B4                           | 1,11,493 62   |
| Reversal of Revenue for Incomplete tours                                   | B4                           | (22 83)       |
| Reversal of Cost for Incomplete tours                                      | B4                           | 18 99         |
| Impact of actuarial gain/loss on defined benefit employee plans            | B9                           | 377 15        |
| Income from amortisation of long term Loans and advances                   | B3 /B13                      | 35 88         |
| Expenses from amortisation of long term Loans and advances                 | B3/B13                       | (35 68)       |
| Fair value gain on investment  | B14                          | 9 60          |
| Additional Deferred tax on IGAAP figures                                   | B8                           | (450 91)      |
| Deferred tax impact on above adjustments                                   | B8                           | (0 87)        |
| Adjustments in Other Comprehensive Income.                                 |                              |               |
| Impact of actuarial gain/loss on defined benefit employee plans            | B9                           | (377 16)      |
| Deferred tax impact on above adjustments in OCI                            | B9                           | 130 52        |
| Total adjustments  |                              | (131 66)      |
| Total comprehensive income for the year ended 31 March 2016                |                              | 16,188.38     |

C3 Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016

|   | Notes | IGAAP      | Adjustments | Ind AS     |
|---|-------|------------|-------------|------------|
| Net cash flow from operating activities       |       | 10,727 00  | 2,519 72    | 13,246 72  |
| Net cash flow from investing activities       |       | (2,899 00) | (2,472 03)  | (5,371 03) |
| Net cash flow from financing activities       |       | (6,385 00) | (250 04)    | (6,635 04) |
| Net increase in cash and cash equivalents     |       | 1,443 00   | (202 36)    | 1,240.64   |
| Cash and cash equivalents as at 1 April 2015  |       | 34,685 56  | (31,903 19) | 2 782 37   |
| Cash and cash equivalents as at 31 March 2016 |       | 36,128 56  | (32,105 55) | 4,023.01   |

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## Notes to first time adoption:

### Note B1: Property Plant and Equipment

Under the previous GAAP, the upfront payment on account of leasehold land was recognised under property, plant and equipment as per the disclosure requirements of Schedule III. Under Ind AS, leasehold land with lease tenure upto thirty years disclosed under property, plant and equipment is reclassified to other assets ( prepaid rent) As a result of this change, the balance of property, plant and equipment has decreased by ₹ 3162.95 Lacs as at 31<sup>st</sup> March, 2016 ( ₹ 3298.61 Lacs as at 1<sup>st</sup> April,2015) and consequently, other current and non-current assets have increased by ₹ 135.67 and ₹ 3027.28 Lacs respectively as at 31<sup>st</sup> March, 2016 ( ₹ 135.67 lacs and ₹ 3162.95 Lacs respectively as at 1<sup>st</sup> April, 2015 ).

Under Ind AS, property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. As a result of this change, the balance of property, plant and equipment has decreased and Investment properties have increased by ₹ 95.25 Lacs as at 31<sup>st</sup> March, 2016 ( ₹ 97.79 Lacs as at 1<sup>st</sup> April,2015)

### Note B2: Intangible Assets - Goodwill

Under Ind AS 103, goodwill is not written down unless impairment is evident. Goodwill needs to be reviewed annually for impairment using principles of Ind AS 36 - Impairment. Accordingly the amortisation of goodwill during the financial year ending on 31<sup>st</sup> March, 2016 for ₹ 183.65 Lacs included under depreciation has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has increased by an equivalent amount.

### Note B3: Loans given to Employees

Under the previous GAAP, loan to employees was measured at cost. Under the Ind AS, these loans are considered as debt instruments and falls under the category of amortised cost. These instruments are measured at fair value and the difference between the carrying value and the discounted value ( fair value) shall be treated as prepaid employee cost resulting in decrease of loans by ₹ 138.75 lacs as at 31<sup>st</sup> March, 2016 ( ₹ 150.03 Lacs as at 1<sup>st</sup> April, 2015) and increase in other current and non-current assets by ₹ 20.22 lacs and ₹ 118.53 lacs respectively as at 31<sup>st</sup> March, 2016 ( ₹ 19.41 lacs and ₹ 130.62 Lacs respectively as at 1<sup>st</sup> April, 2015 )

### Note B4: Revenue recognition

Under Ind AS, where the Company collects consideration on account of another party, it recognises revenue as the net amount retained on its own account for services rendered in its ticketing and Logistics businesses. This has resulted in reduction of turnover from services rendered and corresponding decrease in cost of services rendered of the company by ₹ 111493.62 Lacs during the financial year 2015-16.

The company recognised its revenue relating to sale of tour packages on the basis of certainty of collection of the amount. In previous GAAP, revenue regarding the sale of service could be

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recognised on the basis of either Completed method or Percentage of completion method. In Ind AS, revenue regarding sale of service can only be recognised on the basis of Percentage of completion method and hence revenue relating to incomplete tours have been reversed. This has resulted in reduction of turnover from services rendered and corresponding decrease in cost of services rendered of the company by ₹ 38.61 Lacs and ₹ 33.67 Lacs respectively during the year ended 31<sup>st</sup> March, 2016 (₹ 15.72 lacs and ₹ 14.68 Lacs respectively as at 1<sup>st</sup> April, 2015). The same has been reversed in the subsequent years.

**Note B5: Trade Receivable and other receivables**

Consequent to the change in revenue recognition under Ind AS as stated above, the receivables from the customers have also been reclassified from Trade receivables to Other receivables under other financial assets. As a result of this change, the balance of trade receivables has decreased and other receivables have increased by ₹ 19074.50 Lacs as at 31<sup>st</sup> March, 2016 (₹ 14932.42 Lacs as at 1<sup>st</sup> April, 2015).

**Note B6: Proposed Dividend**

Under the previous GAAP, dividends proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly the liability for proposed dividend including dividend distribution tax of ₹ 6892.82 lacs as at 31<sup>st</sup> March, 2016 (₹ 6203.58 Lacs as at 1<sup>st</sup> April, 2015) included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has increased by an equivalent amount.

**Note B7: Excise Duty**

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of products is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31<sup>st</sup> March 2016 by ₹ 12105.14 Lacs. There is no impact on total equity and profit.

**Note B8: Deferred Tax**

As per Ind AS, deferred tax has been recognised on the adjustments made on transition to Ind AS. The impact of transition adjustments together with using balance sheet approach as per Ind AS against profit and loss approach in the previous GAAP for computation of deferred tax has impacted the reserves on date of transition, with consequential impacts on the profit and loss for the subsequent periods.

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#### Note B9: Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' represents re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Actuarial gains/ losses on defined benefit plans for employees was being recognised in statement of profit and loss under IGAAP. This is now being recognised in other comprehensive income net of deferred tax. The net impact for the year ending 31<sup>st</sup> March 2016 is ₹ 246.63 Lacs.

#### Note B10: Other Equity

Other equity has been adjusted consequent to the above Ind AS transition adjustments.

#### Note B11: Cash Credit ( Short Term Borrowings)

Under Ind AS, cash credit ( bank overdrafts) repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, cash credit ( bank overdrafts) were considered as part of borrowings and movements in cash credit ( bank overdrafts) were shown as part of financing activities. Consequently, cash and cash equivalents have reduced by as at 31<sup>st</sup> March 2016 ( as at 1<sup>st</sup> April 2015) and cash flows from financing activities for the year ended 31<sup>st</sup> March 2016 have also reduced by to the effect of the movements in cash credit ( bank overdrafts).

#### Note B12: Depreciation

As explained in note B1, Leasehold land has been de-capitalised and treated as prepaid rent under Ind AS. The prepaid rent is being charged to statement of profit and loss over the balance lease period as rent expenses. This has resulted in increase in rent expenses on this account by Rs 135.67 lacs during 2015-16 with corresponding decrease in depreciation expenses on leasehold land.

#### Note B13: Other Long Term Loans and Advances

Items like security deposits, retention money and other financial items of long term nature have been treated under the category of amortised cost. These instruments are measured at fair value and the difference between the carrying value and the discounted value ( fair value) are treated as deferred cost and deferred gains for assets and liabilities respectively. The deferred cost/ deferred gains are being charged to statement of profit and loss over the life of the long term assets and liabilities on straight line basis.

This has resulted in decrease of long term deposits( assets) by ₹ 33.12 lacs as at 31<sup>st</sup> March, 2016 (₹ 27.23 Lacs as at 1<sup>st</sup> April, 2015) and increase in Deferred cost asset - current and non-current





by ₹ 6.93 lacs and ₹ 26.19 lacs respectively as at 31<sup>st</sup> March, 2016 (₹ 5.46 lacs and ₹ 21.77 Lacs respectively as at 1<sup>st</sup> April, 2015).

Also, long term deposits ( Liabilities) have decreased by ₹ 10.55 lacs as at 31<sup>st</sup> March, 2016 (₹ 17.48 Lacs as at 1<sup>st</sup> April, 2015) with corresponding increase in Deferred gain(Liability) - current and non-current by ₹ 9.88 lacs and ₹ 0.67 lacs respectively as at 31<sup>st</sup> March, 2016 (₹ 9.45 lacs and ₹ 8.03 Lacs respectively as at 1<sup>st</sup> April, 2015).

All deposits with statutory authorities, utility departments and the like for which the cash flows cannot be predicted with certainty have been excluded

**Note B14: Fair value gain on investment**

Investment in equity shares of a joint venture which had gone for voluntary winding up has been fair valued at the value which was received from the official liquidator on liquidation

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R LAWRIE & CO. LIMITED  
 Consolidated Balance Sheet as at 31st March 2017  
 (including Subsidiaries, Joint Ventures and Associates)

| Particulars                             | Note No | (₹ in Lacs)         |                     |                      |
|---|---------|---------------------|---------------------|----------------------|
|   |         | As at 31 March 2017 | As at 31 March 2016 | As at 1st April 2015 |
| <b>ASSETS</b>                           |         |                     |                     |                      |
| (1) Non-Current Assets                  |         |                     |                     |                      |
| (a) Property, Plant and Equipment       | 2       | 38,293 08           | 37,931 85           | 35,920 73            |
| (b) Capital work in-progress            |         | 6,265 69            | 1,098 86            | 529 64               |
| (c) Investment Property                 | 3       | 61 88               | 95 25               | 97 79                |
| (d) Goodwill                            | 4       | 689 32              | 689.32              | 689 32               |
| (e) Other Intangible assets             | 4       | 629 60              | 720 63              | 678 01               |
| (f) Intangible assets under development |         |                     | -                   | 17 25                |
| (g) Financial Assets                    |         |                     |                     |                      |
| (i) Investments                         | 5       | 27,134 19           | 24,725 37           | 22,331 93            |
| (ii) Loans                              | 6       | 485 28              | 507 10              | 333 02               |
| (iii) Others                            | 7       | 501 09              | 351 78              | 346 61               |
| (h) Deferred tax Assets (net)           | 8       |                     |                     |                      |
| (i) Other Non Current assets            | 9       | 3,715 16            | 3,600 62            | 3,840 89             |
| <b>Total Non Current Assets</b>         |         | <b>77,775 29</b>    | <b>69,720 78</b>    | <b>64,785 19</b>     |
| (2) Current Assets                      |         |                     |                     |                      |
| (a) Inventories                         | 10      | 15,169 64           | 11,976 49           | 13,010 37            |
| (b) Financial Assets                    |         |                     |                     |                      |
| (i) Trade Receivables                   | 11      | 28,160 55           | 23,032 54           | 21,580 82            |
| (ii) Cash & cash equivalents            | 12      | 5,224 74            | 6,149 81            | 4,832 75             |
| (iii) Other Bank Balances               | 13      | 47,758 91           | 40,347 37           | 34,301 31            |
| (iv) Loans                              | 14      | 386 54              | 368 98              | 498 89               |
| (v) Others                              | 15      | 20,767 01           | 21,571 73           | 17,529 86            |
| (c) Other Current Assets                | 16      | 7,749 13            | 6,651 17            | 6,820 54             |
| <b>Total Current Assets</b>             |         | <b>1,25,216 52</b>  | <b>1,10,098 09</b>  | <b>98,574 54</b>     |
| <b>Total Assets</b>                     |         | <b>2,02,991 81</b>  | <b>1,79,818 87</b>  | <b>1,63,359 73</b>   |
| <b>EQUITY AND LIABILITIES</b>           |         |                     |                     |                      |
| <b>Equity</b>                           |         |                     |                     |                      |
| (a) Equity Share Capital                | 17      | 11,400 25           | 2,850 06            | 2,850 06             |
| (b) Other Equity                        | 18      | 1,24,484 89         | 1,21,023 99         | 1,08,781 57          |
| <b>Total Equity</b>                     |         | <b>1,35,885 14</b>  | <b>1,23,874 05</b>  | <b>1,11,631 63</b>   |
| <b>LIABILITIES</b>                      |         |                     |                     |                      |
| (1) Non-Current Liabilities             |         |                     |                     |                      |
| (a) Financial Liabilities               |         |                     |                     |                      |
| (i) Borrowings                          |         |                     |                     |                      |
| (ii) Trade Payables                     | 19      | -                   | -                   | 0 02                 |
| (iii) Other Financial Liabilities       | 19      | 21 85               | 22 70               | 113 91               |
| (b) Provisions                          | 20      | 5,579 30            | 6,542 40            | 6,006 91             |
| (c) Deferred Tax Liabilities (net)      | 8       | 3,202 21            | 3,076 13            | 3,256 11             |
| (d) Other Non Current liabilities       | 21      | 4 12                | 4 22                | 8 03                 |
| <b>Total Non Current Liabilities</b>    |         | <b>8,807 48</b>     | <b>9,645 45</b>     | <b>9,384 98</b>      |
| (2) Current Liabilities                 |         |                     |                     |                      |
| (a) Financial Liabilities               |         |                     |                     |                      |
| (i) Borrowings                          |         |                     |                     |                      |
| (ii) Trade Payables                     | 22      | 30,711 73           | 22,429 25           | 21,770 90            |
| (iii) Other Financial Liabilities       | 23      | 14,147 99           | 11,541 30           | 9,018 98             |
| (b) Other Current liabilities           | 24      | 6,874 02            | 7,474 39            | 5,565 90             |
| (c) Provisions                          | 25      | 1,990.88            | 793 17              | 963 83               |
| (d) Current Tax liabilities (net)       | 26      | 4,574 57            | 4,061 26            | 5,023 51             |
| <b>Total Current Liabilities</b>        |         | <b>58,299 19</b>    | <b>46,299 37</b>    | <b>42,343 12</b>     |
| <b>Total Equity and Liabilities</b>     |         | <b>2,02,991 81</b>  | <b>1,79,818 87</b>  | <b>1,63,359 73</b>   |

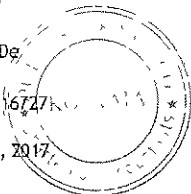
Summary of significant accounting policies 1  
 The accompanying notes are integral part of the financial statements

This is the balance sheet referred to in our report of even date  
 As per our report attached

For Dutta Sarkar & Co  
 Chartered Accountants  
 Firm Registration No. 303114E

CA Partha Sarathi Das  
 Partner  
 Membership No. 016727

Kolkata, 29th May, 2017



*[Signature]*

Chairman &  
 Managing Director

*[Signature]*

Director (Finance)  
 & Chief Financial  
 Officer

*[Signature]*  
 Director

Directors

*[Signature]*  
 Secretary

BALMER LAWRIE & CO LIMITED  
 Consolidated Statement of Profit and Loss for the year ended 31st March 2017  
 (Including Subsidiaries, Joint Ventures and Associates)

|   | Note No. | For The Year Ended<br>31 March 2017 | (₹ in Lacs)<br>For The Year Ended<br>31 March 2016 |
|---|----------|-------------------------------------|--|
| <b>Revenue</b>  |          |                                     |  |
| Revenue from operations   | 27       | 1,82,808 25                         | 1,71,560 04  |
| Other income  | 28       | 7,341 34                            | 6,304 43   |
|   |          | <u>1,90,149 59</u>                  | <u>1,77,864 47</u>                                 |
| <b>Expenses</b>   |          |                                     |  |
| Cost of materials consumed & Services rendered                                  | 29       | 1,06,940 86                         | 97,721 82  |
| Purchase of stock-in trade  | 30       | 1,148 67                            | 358 05   |
| Changes in inventories of work-in progress, stock-in-trade and finished goods   | 31       | (38 44)                             | (77 89)  |
| Excise Duty on sales  |          | 12,171 84                           | 12,105 14  |
| Employee Benefits Expenses  | 32       | 19,952 76                           | 19,919 06  |
| Finance costs   | 33       | 453 70                              | 455 01   |
| Depreciation and amortisation expense   | 34       | 2,587 07                            | 2,402 08   |
| Other expenses  | 35       | 21,551 85                           | 20,988 99  |
|   |          | <u>1,64,768 31</u>                  | <u>1,53,872 27</u>                                 |
| Profit before exceptional items and Tax   |          | 25,381 28                           | 23,992 21  |
| Exceptional Items   |          |                                     |  |
| Profit before Tax   |          | 25,381 28                           | 23,992 21  |
| Tax expense   | 36       |                                     |  |
| Current Tax   |          | 8,855 75                            | 7,783 43   |
| Deferred Tax  |          | (481 99)                            | (193 22)   |
| Profit for the period from Continuing Operations                                |          | <u>17,007 52</u>                    | <u>16,402 00</u>                                   |
| <b>Profit/(Loss) from Discontinued Operations</b>                               |          |                                     |  |
| Tax expense of Discontinued Operations  |          |                                     |  |
| Profit/(Loss) from Discontinued Operations after Tax                            |          |                                     |  |
| Profit/(Loss) for the period  |          | 17,007 52                           | 16,402 00  |
| <b>Other Comprehensive Income</b>   |          |                                     |  |
| A i) Items that will not be reclassified to profit and loss                     | 37       |                                     |  |
| i) Income tax relating to items that will not be reclassified to profit or loss |          | 101 36                              | (388 32)   |
| ii) Income tax relating to items that will be reclassified to profit or loss    |          | (55 71)                             | 126 69   |
| B i) Items that will be reclassified to profit or loss                          |          |                                     |  |
| ii) Income tax relating to items that will be reclassified to profit or loss    |          |                                     |  |
| Other Comprehensive Income for the year   |          | <u>45 65</u>                        | <u>(261 63)</u>                                    |
| Total Comprehensive Income for the year   |          | <u>17,053 17</u>                    | <u>16,140 37</u>                                   |
| <b>Earnings per equity share</b>  |          |                                     |  |
| Basic (₹)   | 38       | 14 92                               | 14 39  |
| Diluted (₹)   |          | 14 92                               | 14 39  |

Summary of significant accounting policies

The accompanying notes are integral part of the financial statements

This is the statement of profit and loss referred to in our report of even date

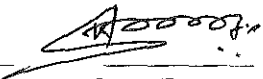
As per our report attached

For Dutta Sarkar & Co  
 Chartered Accountants  
 Firm Registration No. 303114E

CA Parth Sarathi De  
 Partner  
 Membership No. 016727

Kolkata, 29th May, 2017

  
 Chairman &  
 Managing Director

  
 Director (Finance)  
 & Chief Financial  
 Officer

  
 Directors

  
 Secretary


Balmer Lawrie & Co Ltd  
Consolidated Cash Flow Statement for the year ended 31 March 2017  
(Including Subsidiaries, Joint Ventures and Associates)

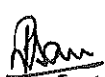
₹ in Lacs


| Particulars   | Year ended<br>31 March 2017 | Year ended<br>31 March 2016 |
|---|-----------------------------|-----------------------------|
| <b>Cash flow from operating activities</b>                                    |                             |                             |
| Net profit before tax   | 25,381                      | 23,992                      |
| Adjustments for   |                             |                             |
| Depreciation and amortisation   | 2,587                       | 2,402                       |
| Write off/Provision for doubtful trade receivables (Net)                      | 1,002                       | 468                         |
| Write off/Provision for Inventories (Net)                                     | 30                          | 85                          |
| Other Write off/Provision (Net)   | 1                           | 50                          |
| (Gain)/ Loss on sale of fixed assets (net)                                    | (?)                         | (2)                         |
| (Gain)/ Loss on fair valuation of Investments (net)                           | -                           | (10)                        |
| Interest income   | (3,288)                     | (2,891)                     |
| Finance costs   | 454                         | 455                         |
| <b>Operating cash flows before working capital changes</b>                    | <b>26,165</b>               | <b>24,550</b>               |
| <b>Changes in operating assets and liabilities</b>                            |                             |                             |
| (Increase) in trade receivables   | (6,130)                     | (1,920)                     |
| (Increase)/Decrease in non current assets                                     | (300)                       | (520)                       |
| (Increase)/Decrease in Inventories  | (3,223)                     | 949                         |
| (Increase)/Decrease in other short term financial assets                      | 786                         | (3,646)                     |
| (Increase)/Decrease in other current assets                                   | (1,121)                     | 146                         |
| Increase/(Decrease) in trade payables   | 8,282                       | 567                         |
| Increase/(Decrease) in long term provisions                                   | (963)                       | 535                         |
| Increase/(Decrease) in short term provisions                                  | 1,243                       | (432)                       |
| Increase/(Decrease) in other liabilities                                      | 2,559                       | 1,638                       |
| Increase/(Decrease) in other current liabilities                              | (600)                       | 1,908                       |
| <b>Cash flow generated from operations</b>                                    | <b>26,697</b>               | <b>23,775</b>               |
| Income taxes paid (net of refunds)  | (8,342)                     | (8,746)                     |
| <b>Net cash flow from operating activities</b>                                | <b>18,355</b>               | <b>15,030</b>               |
| <b>Cash flow from investing activities</b>                                    |                             |                             |
| Purchase or construction of Property, plant and equipment                     | (7,893)                     | (3,970)                     |
| Proceeds on sale of Property, plant and equipment                             | 25                          | 24                          |
| Proceeds on sale of Investment  | 12                          |                             |
| Bank deposits (having original maturity of more than three months) (net)      | (7,389)                     | (6,023)                     |
| Interest received   | 3,288                       | 2,891                       |
| <b>Net cash generated from investing activities</b>                           | <b>(11,957)</b>             | <b>(7,077)</b>              |
| <b>Cash flow from financing activities</b>                                    |                             |                             |
| Dividend paid (including tax on dividend)                                     | (6,870)                     | (6,180)                     |
| Finance cost paid   | (454)                       | (455)                       |
| <b>Net cash used by financing activities</b>                                  | <b>(7,324)</b>              | <b>(6,635)</b>              |
| <b>Net cash increase/(decrease) in cash and cash equivalents (A+B+C)</b>      | <b>(925)</b>                | <b>1,317</b>                |
| Cash and cash equivalents at the beginning of the year                        | 6,150                       | 4,833                       |
| Cash and cash equivalents at the end of the year                              | 5,225                       | 6,150                       |
| <b>Movement in cash balance</b>   | <b>(925)</b>                | <b>1,317</b>                |
| <b>Reconciliation of cash and cash equivalents as per cash flow statement</b> |                             |                             |
| Cash and cash equivalents as per above comprise of the following              |                             |                             |
| Cash on hand  | 31                          | 80                          |
| Balances with banks   |                             |                             |
| On current accounts   | 5,194                       | 6,069                       |
| On deposits with original maturity upto 3 months                              |                             |                             |
|   | <b>5,225</b>                | <b>6,150</b>                |


As per our report attached

For Dutta Sarkar & Co  
Chartered Accountants  
Firm Registration No 303114E

  
CA Partha Sarathi De  
Partner  
Membership No 016727

  
Chairman &  
Managing Director

  
Director (Finance)  
& Chief Financial  
Officer

  
Directors

  
Secretary

Balmer Lawrie & Co Ltd  
 Consolidated Statement of Changes In equity for the year ended 31 March 2017  
 (Including Subsidiaries, Joint Ventures and Associates)

₹ in Lacs

A Equity Share Capital

| Particulars          | Balance at the beginning of the reporting period | Bonus shares issued during the year | Balance at the end of reporting period |
|----------------------|--|-------------------------------------|--|
| Equity Share Capital | 7,850.06   | 8,550.19                            | 11,400.25                              |

B Other Equity

|   | Reserves and Surplus  |                 |                   | Foreign Currency translation | Other Comprehensive Income Reserve | Total       |
|---|-----------------------|-----------------|-------------------|------------------------------|------------------------------------|-------------|
|   | Share Premium Account | General reserve | Retained earnings |                              |                                    |             |
| Balance as at 1 April 2015              | 3,626.77              | 38,154.01       | 67,000.79         |                              |                                    | 1,08,781.57 |
| Profit for the year                     |                       |                 | 16,402.00         |                              |                                    | 16,402.00   |
| Dividends paid                          |                       |                 | (5,130.12)        |                              |                                    | (5,130.12)  |
| Dividend Tax paid                       |                       |                 | (1,073.47)        |                              |                                    | (1,073.47)  |
| Transfers                               |                       | 3,000.00        | (3,000.00)        |                              |                                    | -           |
| Retained earnings adjustment            |                       |                 | 316.00            |                              |                                    | 316.00      |
| Remeasurement gain/loss during the year |                       |                 | (43.58)           | 2,031.22                     | (261.63)                           | 1,728.01    |
| Balance as at 31 March 2016             | 3,626.77              | 41,154.01       | 74,471.62         | 2,033.22                     | (261.63)                           | 1,21,023.99 |
| Profit for the year                     |                       |                 | 17,007.52         |                              |                                    | 17,007.52   |
| Bonus shares issued                     |                       | (8,550.19)      |                   |                              |                                    | (8,550.19)  |
| Dividends paid                          |                       |                 | (5,700.13)        |                              |                                    | (5,700.13)  |
| Dividend Tax paid                       |                       |                 | (1,192.69)        |                              |                                    | (1,192.69)  |
| Transfers                               |                       | 3,000.00        | (3,000.00)        |                              |                                    | -           |
| Retained earnings adjustment            |                       |                 | 2,587.49          |                              |                                    | 2,587.49    |
| Remeasurement gain/loss during the year |                       |                 |                   | (998.38)                     | 302.28                             | (696.10)    |
| Balance as at 31 March 2017             | 3,626.77              | 35,603.82       | 84,173.80         | 1,034.85                     | 43.65                              | 1,24,484.89 |

This is the Statement of Changes In Equity referred to in our report of even date

As per our report attached

For Dutta Sarkar & Co  
 Chartered Accountants  
 Firm Registration No. 103111E

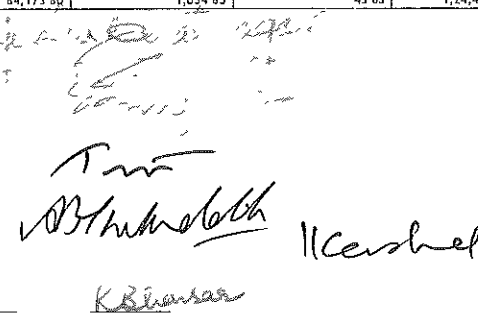
CA Partha Sarathi De  
 Partner  
 Membership No. 016727  
 Kolkata, 29th May 2017

  
 Chairman &  
 Managing Director

  
 Director (Finance)  
 & Chief Financial  
 Officer

Directors

Secretary



**Balmer Lawrie & Co. Ltd.**  
**Significant Accounting Policies and other explanatory information to the Consolidated  
financial statements for the year ended 31 March 2017**

**GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS**

Balmer Lawrie & Co Ltd (the "Company") is a Government of India Enterprise engaged in diversified business with presence in both manufacturing and service businesses. The group is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India. The company is a Government company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, its shares are listed on recognized stock exchange of India.

**Basis of Preparation**

The consolidated financial statements relate to the Company along with its subsidiaries and its interest in joint ventures and associates (collectively referred to as the 'Group') and have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs and other relevant provisions of the Companies Act, 2013. The Group has uniformly applied the accounting policies during the period presented. These are the Group's first financial statements prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lacs of Rupees.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**1.1 Historical cost convention**

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

A handwritten signature in black ink is written over a circular stamp. The signature appears to be 'P. K. K.' or similar. The stamp is mostly illegible but seems to contain some text around the perimeter.

Balmer Lawrie & Co. Ltd.  
Significant Accounting Policies and other explanatory information to the Consolidated  
financial statements for the year ended 31 March 2017

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

## 1.2 Basis of consolidation

### Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

### Joint ventures

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Company's balance sheet.

### Associates

Associates are all entities over which the group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

### Equity method

In consolidated financial statements, the carrying amount of the investment is adjusted to recognize changes in the company's share of net assets of the joint venture/associate. Goodwill relating to the joint venture/associate is included in the carrying amount of the investment and is not tested for impairment individually.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.



Balmer Lawrie & Co. Ltd.  
Significant Accounting Policies and other explanatory information to the Consolidated  
financial statements for the year ended 31 March 2017

### 1.3 Property, plant and equipment

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

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

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

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

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

Depreciation on tangible assets is provided on pro-rata basis on the straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on review, the lower estimated useful lives of the following assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013 for the parent company

| Asset category   | Estimated useful life (in years) |
|--|----------------------------------|
| Mobile Phones and Portable Personal Computers                            | 2 years                          |
| Assets given to employees under furniture equipment scheme               | 5 years                          |
| Electrical items like air conditioners, fans, refrigerators etc          | 6-7 years                        |
| Office furniture, Photocopier, Fax machines, Motor Cars & Machine Spares | 5 years                          |

In case of Plant & Machinery other than continuous process plant, based on technical review by a Chartered Engineer, useful life is estimated at 25 years.

The residual values of all assets are taken as NIL

*RAJ*



#### 1.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Additionally, when a property given on rent is vacated and the management's intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

#### 1.5 Financial Instruments

##### *Recognition, initial measurement and derecognition*

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

Financial assets are derecognised 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 derecognised when it is extinguished, discharged, cancelled or expires.

##### *Classification and subsequent measurement of financial assets*

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

- Amortised cost
- financial assets at FVTPL

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

*Amortised cost* - - - - -

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Balmer Lawrie & Co. Ltd.

Significant Accounting Policies and other explanatory information to the Consolidated financial statements for the year ended 31 March 2017

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

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

The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Group's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Group has a diversified portfolio of trade receivables from its different segments. Every business segment of the Group has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Group as a whole, The Group generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the group estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Group as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL

### 1.6 Inventories

- a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –
- b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost
- c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- e) Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

### 1.7 Employee benefits

- (i) Short term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render

PLA

Significant Accounting Policies and other explanatory information to the Consolidated financial statements for the year ended 31 March 2017

the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet

(ii) Post-employment obligations

Defined Contribution plans

Provident Fund - the company transfers provident fund contributions to the trust registered for maintenance of the fund and has no further obligations on this account. These are recognised as and when they are due

Superannuation Fund - wherever applicable the group contributes a sum equivalent to fixed percentage of eligible employees' salary to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) and has no further obligations on this account. These are recognised as and when they are due.

Defined Benefit plans

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

(iii) Other long term employee benefit obligations

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

1.8 Government grants

- a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions
- b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income
- c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income

*RAE*

### 1.9 Foreign currency translation

#### a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency

#### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss

#### c) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income

### 1.10 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the group, and makes strategic decisions and have identified business segment as its primary segment.

### 1.11 Provisions, Contingent liabilities and Capital commitments

- a) Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material
- b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company.
- c) Capital commitments and Contingent liabilities disclosed are in respect of items which exceed ₹ 100,000 in each case.



Significant Accounting Policies and other explanatory information to the Consolidated financial statements for the year ended 31 March 2017

- d) Contingent liabilities pertaining to various government authorities are considered only on conversion of show cause notices issued by them into demand.

**1.12 Intangible assets**

- a) Expenditure incurred for acquiring intangible assets like software costing ₹ 500,000 and above and license to use software per item of ₹ 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit
- b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years
- c) Goodwill on acquisition is not amortised but tested for impairment annually
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

**1.13 Accounting for Research & Development**

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes
- b) Capital expenditure relating to research & development is treated in the same way as other fixed assets

**1.14 Treatment of Grant / Subsidy**

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure
- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets
- c) When grant/ subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.
- d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

**1.15 Impairment of assets**

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on appropriate discount factor.

*BAV*

*Balmer Lawrie & Co. Ltd.*  
Significant Accounting Policies and other explanatory information to the Consolidated  
financial statements for the year ended 31 March 2017

### 1.16 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- in respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future, and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future

*PLM*

### 1.17 Leases

#### *Finance leases*

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term. Where the Company is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance lease liability.

The assets held under finance leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

#### *Operating leases*

All other leases are treated as operating leases. Lease rentals for operating leases is recognised in Profit and loss on a straight-line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

### 1.18 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, including excise though excluding sales taxes, rebates and various discounts.

#### *Sale of goods*

When the property and all significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

#### *Services rendered*

- a) When service rendered in full or part is recognised by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services
- b) In case of project activities. As per the percentage of completion method after progress of work to a reasonable extent.

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Balmer Lawrie & Co. Ltd.

Significant Accounting Policies and other explanatory information to the Consolidated financial statements for the year ended 31 March 2017

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

Other income:

- a) Interest on a time proportion basis using the effective Interest rate method
- b) Dividend from investments in shares on establishment of the Company's right to receive.
- c) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement

### 1.19 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred

### 1.20 Cash Flow Statement

Cash Flow Statement, as per Ind AS – 7, is prepared using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated

### 1.21 Prior period Items

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

- a) restating the comparative amounts for the prior period(s) presented in which the error occurred, or
- b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.
- c) Any items exceeding rupees twenty five lacs (₹25 Lacs) shall be considered as material prior period item
- d) Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest prior for which retrospective restatement is practicable (which may be the current period) .

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Balmer Lawrie & Co. Ltd.  
Significant Accounting Policies and other explanatory information to the Consolidated  
financial statements for the year ended 31 March 2017


1.22 Earnings per share

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

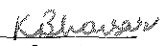
For Dutta Sarkar & Co  
Chartered Accountants  
Firm Registration No. 303114E

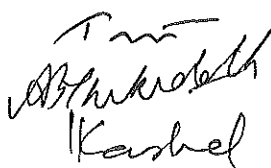
  
CA Partha Sarathi De  
Partner  
Membership No. 016727  
Kolkata, 29th May, 2017

  
Chairman & Managing  
Director

  
Director (Finance)  
& Chief Financial  
Officer

Directors

  
Secretary

  
Kashel

Balmer Lawrie & Co Ltd.

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

Note No 2. Property, plant and equipment

₹ in Lacs

| Particulars                               | Property plant and equipment |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          | Total     |
|---|------------------------------|------------------|--------------------|-------------------|------------------------------|-------------------------------------|----------------------|--|---|---------------|-----------------|----------|-----------|
|   | Land - Freehold              | Land - Leasehold | Building & Sidings | Plant & Machinery | Spares for Plant & Machinery | Electrical Installation & Equipment | Furniture & Fittings | Typewriter Accounting Machine and Office Equipment | Tubewell, Tanks and Miscellaneous Equipment | Lab Equipment | Railway Sidings | Vehicles |           |
| Gross block                               |                              |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          |           |
| Gross Block 1 April 2015                  | 1,533.56                     | 7,255.34         | 16,408.66          | 22,844.97         | 155.52                       | 3,457.94                            | 1,012.25             | 2,212.37   | 1,866.81                                    | 734.15        | 295.88          | 887.14   | 58,664.59 |
| Less Ind AS adjustment 1 April 2015       |                              | 3,717.04         | 147.58             |                   |                              |                                     |                      |  |   |               |                 |          | 3,864.62  |
| Gross Block after Ind AS Adj 1 April 2015 | 1,533.56                     | 3,538.30         | 16,261.08          | 22,844.97         | 155.52                       | 3,457.94                            | 1,012.25             | 2,212.37   | 1,866.81                                    | 734.15        | 295.88          | 887.14   | 54,799.97 |
| Accumulated Depreciation 1 April 2015     | -                            | 1,046.41         | 3,204.72           | 8,948.32          | 133.80                       | 1,949.53                            | 535.35               | 1,554.52   | 1,027.07                                    | 262.63        | 57.55           | 517.89   | 19,237.79 |
| Less IND AS adjustment 1 April 2015       |                              | 418.42           | 49.79              |                   |                              |                                     |                      |  |   |               |                 |          | 468.21    |
| Accumulated Depreciation after IND AS A   | -                            | 627.99           | 3,154.93           | 8,948.32          | 133.80                       | 1,949.53                            | 535.35               | 1,554.52   | 1,027.07                                    | 262.63        | 57.55           | 517.89   | 18,769.58 |
| Accumulated Impairment 1 April 2015       |                              |                  | 64.76              | 41.43             |                              | 1.09                                |                      |  | 2.38  |               |                 |          | 109.66    |
| Deemed cost as at 1 April 2015            | 1,533.56                     | 2,910.31         | 13,041.39          | 13,855.21         | 21.72                        | 1,507.32                            | 476.90               | 657.85   | 837.36                                      | 471.52        | 238.33          | 369.26   | 35,920.73 |
| Additions                                 | 865.11                       | 291.00           | 817.99             | 975.72            | -                            | 426.89                              | 177.54               | 439.87   | 207.45                                      | 35.99         | -               | 35.70    | 4,273.26  |
| Disposal of assets                        | -                            | -                | 3.18               | 24.31             | -                            | 28.10                               | 10.82                | 59.54  | 0.80  | -             | -               | 45.79    | 172.54    |
| Balance as at Mar 31 2016                 | 2,398.67                     | 3,201.31         | 13,856.20          | 14,806.62         | 21.72                        | 1,906.11                            | 643.62               | 1,038.18   | 1,044.01                                    | 507.51        | 238.33          | 359.17   | 40,021.45 |
| Accumulated depreciation                  |                              |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          |           |
| Balance as at 1 April 2015                | -                            | -                | -                  | -                 | -                            | -                                   | -                    | -  | -   | -             | -               | -        | -         |
| Depreciation charge for the year          | -                            | 62.41            | 354.66             | 727.55            | 15.54                        | 296.98                              | 80.38                | 322.59   | 132.25                                      | 74.07         | 20.94           | 151.95   | 2,239.32  |
| Disposal of assets                        | -                            | -                | 0.91               | 23.27             | -                            | 25.39                               | 10.14                | 59.01  | 0.48  | -             | -               | 30.52    | 149.72    |
| Balance as at Mar 31 2016                 | -                            | 62.41            | 353.75             | 704.29            | 15.54                        | 271.59                              | 70.24                | 263.58   | 131.77                                      | 74.07         | 20.94           | 121.43   | 2,089.61  |
| Net block as at Mar 31 2016               | 2,398.67                     | 3,138.90         | 13,502.45          | 14,102.34         | 6.18                         | 1,634.52                            | 573.38               | 774.60   | 912.24                                      | 433.44        | 217.39          | 237.74   | 37,931.85 |

| Particulars                      | Property plant and equipment |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          | Total     |
|----------------------------------|------------------------------|------------------|--------------------|-------------------|------------------------------|-------------------------------------|----------------------|--|---|---------------|-----------------|----------|-----------|
|                                  | Land - Freehold              | Land - Leasehold | Building & Sidings | Plant & Machinery | Spares for Plant & Machinery | Electrical Installation & Equipment | Furniture & Fittings | Typewriter Accounting Machine and Office Equipment | Tubewell, Tanks and Miscellaneous Equipment | Lab Equipment | Railway Sidings | Vehicles |           |
| Gross block                      |                              |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          |           |
| Deemed cost as at 1 April 2016   | 2,398.67                     | 3,201.31         | 13,856.20          | 14,806.62         | 21.72                        | 1,906.11                            | 643.62               | 1,038.18   | 1,044.01                                    | 507.51        | 238.33          | 359.17   | 40,021.45 |
| Additions                        | -                            | 2.50             | 214.61             | 982.01            | 5.88                         | 561.03                              | 68.33                | 441.28   | 418.31                                      | 28.39         | -               | 9.50     | 2,731.84  |
| Inter Asset Adjustment           | -                            | -                | 31.65              |                   |                              |                                     |                      |  |   |               |                 |          | 31.65     |
| Disposal of assets               | -                            | -                |                    | 16.84             | 3.35                         | 14.18                               | 10.67                | 26.00  | 1.97  |               |                 |          | 73.01     |
| Balance as at Mar 31 2017        | 2,398.67                     | 3,203.81         | 14,102.46          | 15,771.79         | 24.25                        | 2,452.96                            | 701.28               | 1,453.46   | 1,460.35                                    | 535.90        | 238.33          | 368.67   | 42,711.93 |
| Accumulated depreciation         |                              |                  |                    |                   |                              |                                     |                      |  |   |               |                 |          |           |
| Balance as at 1 April 2016       | -                            | 62.41            | 353.75             | 704.29            | 15.54                        | 271.59                              | 70.24                | 263.58   | 131.77                                      | 74.07         | 20.94           | 121.43   | 2,089.61  |
| Depreciation charge for the year | -                            | 63.53            | 377.01             | 773.57            | 6.02                         | 328.13                              | 90.69                | 370.89   | 144.99                                      | 74.63         | 20.94           | 145.90   | 2,396.30  |
| Disposal of assets               | -                            | -                |                    | 14.37             | 3.35                         | 12.91                               | 9.96                 | 24.61  | 1.87  |               |                 |          | 67.06     |
| Balance as at Mar 31 2017        | -                            | 125.94           | 730.76             | 1,463.49          | 18.21                        | 586.81                              | 150.97               | 609.86   | 274.89                                      | 148.70        | 41.88           | 267.33   | 4,418.85  |
| Net block as at Mar 31 2017      | 2,398.67                     | 3,077.87         | 13,371.70          | 14,308.30         | 6.04                         | 1,866.15                            | 550.31               | 843.60   | 1,185.47                                    | 387.20        | 196.45          | 101.33   | 38,293.08 |

*PLR*

| Note No 3 Investment properties                 | ₹ in Lacs |
|---|-----------|
| Gross carrying amount                           |           |
| Deemed cost as at 1 April 2015                  | 97.79     |
| Additions                                       |           |
| Disposals/adjustments                           |           |
| Balance as at 31 March 2016                     | 97.79     |
| Additions                                       |           |
| Disposals/adjustments                           | (31.65)   |
| Balance as at 31 March 2017                     | 66.14     |
| Accumulated Depreciation                        |           |
| As at 1 April 2015                              |           |
| Depreciation charge for the year                | 2.54      |
| Disposals/adjustments for the year              |           |
| Balance as at 31 March 2016                     | 2.54      |
| Depreciation charge for the year                | 1.72      |
| Disposals/adjustments for the year              |           |
| Balance as at 31 March 2017                     | 4.26      |
| Net book value (deemed cost) as at 1 April 2015 | 97.79     |
| Net book value as at 31 March 2016              | 95.25     |
| Net book value as at 31 March 2017              | 61.88     |

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets.

(i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended 31 March 2017 or previous ended 31 March 2016.

(iii) Restrictions

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

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

|  | 31 March 2017 | 31 March 2016 |
|--|---------------|---------------|
| Rental income  | 212.73        | 212.45        |
| Direct operating expenses that generated rental income         | 55.23         | 93.11         |
| Direct operating expenses that did not generated rental income | 55.27         | 112.51        |
| Profit from leasing of investment properties                   | 102.23        | 6.79          |

(v) Leasing arrangements

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

(vi) Fair value

| Particulars | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|-------------|---------------|---------------|--------------|
| Fair value  | 2,490.69      | 3,558.94      | 3,481.56     |

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- 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 projection based upon a reliable, estimated net market income, which is capitalised at rate derived from a analysis of market evidence.

e) The fair value of investment properties has 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.



₹ in Lacs

| Note No 4. Other Intangibles Assets             | Other Intangible Assets |           |             |        |
|---|-------------------------|-----------|-------------|--------|
|   | Goodwill                | Softwares | Brand Value | Total  |
| <i>Gross carrying amount</i>                    |                         |           |             |        |
| Deemed cost as at 1 April 2015                  | 689.32                  | 345.38    | 332.63      | 678.01 |
| Additions                                       | -                       | 202.84    | -           | 202.84 |
| Disposals/adjustments                           | -                       | -         | -           | -      |
| Balance as at 31 March 2016                     | 689.32                  | 548.22    | 332.63      | 880.85 |
| Additions                                       | -                       | 98.02     | -           | 98.02  |
| Disposals/adjustments                           | -                       | -         | -           | -      |
| Balance as at 31 March 2017                     | 689.32                  | 646.25    | 332.63      | 978.88 |
| <i>Accumulated amortisation</i>                 |                         |           |             |        |
| At 1 April 2015                                 | -                       | -         | -           | -      |
| Amortisation charge for the year                | -                       | 122.23    | 38.00       | 160.23 |
| Disposals/adjustments for the year              | -                       | -         | -           | -      |
| Balance as at 31 March 2016                     | -                       | 122.23    | 38.00       | 160.23 |
| Amortisation charge for the year                | -                       | 151.05    | 38.00       | 189.05 |
| Disposals/adjustments for the year              | -                       | -         | -           | -      |
| Balance as at 31 March 2017                     | -                       | 273.28    | 76.00       | 349.28 |
| Net book value (deemed cost) as at 1 April 2015 | 689.32                  | 345.38    | 332.63      | 678.01 |
| Net book value as at 31 March 2016              | 689.32                  | 426.00    | 294.63      | 720.63 |
| Net book value as at 31 March 2017              | 689.32                  | 372.97    | 256.63      | 629.60 |

Note No 5

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

Non Current Investment

₹ in Lacs

Unquoted, unless otherwise stated

Name of the Body Corporate

| Name of the Body Corporate  | As at 31 March 2017 |                  | As at 31 March 2016 |                  | As at 1st April 2015 |                  |
|---|---------------------|------------------|---------------------|------------------|----------------------|------------------|
|   | No of Shares        | Amount           | No of Shares        | Amount           | No of Shares         | Amount           |
| <b>Trade Investments</b>  |                     |                  |                     |                  |                      |                  |
| <u>Investment in Equity Instruments</u>   |                     |                  |                     |                  |                      |                  |
| <u>(Fully paid stated at Cost)</u>  |                     |                  |                     |                  |                      |                  |
| <u>In Joint Venture Companies</u>   |                     |                  |                     |                  |                      |                  |
| Balmer Lawrie -Van Leer Ltd<br>Ordinary Equity shares of ₹ 10 each                  | 86,01,277           | 6,885 88         | 86,01,277           | 6,357 54         | 86,01,277            | 5,886 39         |
| Transafe Services Ltd<br>Ordinary equity shares of ₹ 10 each                        | 1,13,61,999         | 1,165 12         | 1,13,61,999         | 1,165 12         | 1,13,61,999          | 1,165 12         |
| Less Provision for diminution in value<br>(Earned in books at a value of ₹ 1 only ) |                     | (1,165 12)       |                     | (1,165 12)       |                      | (1,165 12)       |
| Balmer Lawrie Hind Terminal Pvt Ltd<br>Ordinary Equity shares of ₹ 10 each          |                     |                  |                     |                  | 25,000               | 130 01           |
| <u>In Associate Company</u>   |                     |                  |                     |                  |                      |                  |
| Balmer Lawrie (UAE) LLC<br>Shares of AED 1,000 each                                 | 9,800               | 18,956 86        | 9,800               | 17,251 05        | 9,800                | 15,394 72        |
| AVI-OIL India (P) Ltd<br>Equity shares of ₹ 10 each                                 | 45,00,000           | 1,276 99         | 45,00,000           | 1,090 22         | 45,00,000            | 906 35           |
| <u>Investments in Preference Shares</u>   |                     |                  |                     |                  |                      |                  |
| <u>(Fully paid stated at Cost)</u>  |                     |                  |                     |                  |                      |                  |
| Transafe Services Ltd<br>Cumulative Redeemable Preference shares of ₹10 each        | 1,33,00,000         | 1,330 00         | 1,33,00,000         | 1,330 00         | 1,33,00,000          | 1,330 00         |
| Less Provision for diminution in value  |                     | (1,330 00)       |                     | (1,330 00)       |                      | (1,330 00)       |
| <b>Total</b>  |                     | <b>27,119 73</b> |                     | <b>24,698 81</b> |                      | <b>22,317 47</b> |
| <b>Other Investments</b>  |                     |                  |                     |                  |                      |                  |
| Equity shares of ₹ 10 each  |                     |                  |                     |                  |                      |                  |
| Bridge & Roof Co (India) Ltd **   | 3,57,591            | 14 01            | 3,57,591            | 14 01            | 3,57,591             | 14 01            |
| Biecco Lawrie Ltd **<br>(Earned in books at a value of ₹ 1 only)                    | 1,95,900            | -                | 1,95,900            | -                | 1,95,900             | -                |
| Balmer Lawrie Hind Terminal Pvt Ltd *<br>(Gone for Liquidation)                     |                     | -                | 25,000              | 12 10            |                      | -                |
| Woodlands Multispeciality Hospitals Ltd   | 8,850               | 0 45             | 8,850               | 0 45             | 8,850                | 0 45             |
| <b>Total</b>  |                     | <b>14 46</b>     |                     | <b>26 56</b>     |                      | <b>14 46</b>     |
| <b>Total</b>  |                     | <b>27,134 19</b> |                     | <b>24,725 37</b> |                      | <b>22,331 93</b> |
| Aggregate amount of quoted investments at Cost                                      |                     | -                |                     | -                |                      | -                |
| Aggregate amount of unquoted investments at cost                                    |                     | 27,134 19        |                     | 24,725 37        |                      | 22,331 93        |
|   |                     | 27,134 19        |                     | 24,725 37        |                      | 22,331 93        |

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

\*\*These investments are earned as fair value through Profit and loss and their carrying value approximates their fair value



Note No.6

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

Non Current Assets

|  | As at 31 March<br>2017 | As at 31 March 2016 | ₹ in Lacs<br>As at 1st April 2015 |
|--|------------------------|---------------------|-----------------------------------|
| <b>Financial Assets ( Non - Current)</b> |                        |                     |                                   |
| <b>Loans</b>                             |                        |                     |                                   |
| Secured considered good                  |                        |                     |                                   |
| Other Loans                              | 305.28                 | 327.10              | 153.02                            |
| Unsecured considered good                |                        |                     |                                   |
| Loans to Related Parties                 |                        |                     |                                   |
| Transafe Services Ltd                    | 180.00                 | 180.00              | 180.00                            |
| Doubtful                                 |                        |                     |                                   |
| Loans to Related Parties                 |                        |                     |                                   |
| Balmer Lawrie Van Leer Ltd               | 1,817.92               | 1,817.92            | 1,817.92                          |
| Others to Related Parties                | 1,248.53               | 1,089.35            | 929.21                            |
| Provision for doubtful Loans             |                        |                     |                                   |
| Loans to Related Parties                 | (1,817.92)             | (1,817.92)          | (1,817.92)                        |
| Others to Related Parties                | (1,248.53)             | (1,089.35)          | (929.21)                          |
|  | <u>485.28</u>          | <u>507.10</u>       | <u>333.02</u>                     |

(\* ) 11,361,999 (11,361,999) Equity Shares of Transafe Services Ltd held by Balmer Lawrie Van Leer Ltd have been pledged in favour of the Company as a security against Loan

Note No.7

**Other Financial Assets ( Non- Current)**

|                                     |               |               |               |
|-------------------------------------|---------------|---------------|---------------|
| Security Deposits                   | 448.16        | 316.24        | 324.86        |
| Other Receivables                   | 52.93         | 35.54         | 21.75         |
| Dues from Related Parties -Doubtful |               |               |               |
| Transafe Services Ltd               | 80.87         | 80.87         | 81.87         |
| Less , Provision                    | (80.87)       | (80.87)       | (81.87)       |
|                                     | <u>501.09</u> | <u>351.78</u> | <u>346.61</u> |

*Handwritten signature/initials*

|   | 31 March 2017     | 31 March 2016     | 1 April 2015      |
|---|-------------------|-------------------|-------------------|
| <b>Note No 8. Deferred tax</b>                          |                   |                   |                   |
| Deferred tax liability arising on account of:           |                   |                   |                   |
| Property, plant and equipment                           | (4,934.02)        | (4,513.57)        | (4,153.41)        |
| Deferred tax asset arising on account of:               |                   |                   |                   |
| Adjustment for VRS expenditure                          | 487.75            | 676.44            | 278.39            |
| Provision for loans, debts, deposits & advances         | 2,346.99          | 1,942.99          | 1,579.34          |
| Defined benefit plans                                   | 1,902.61          | 1,401.80          | 1,170.51          |
| Provision for Inventory                                 | 135.26            | 124.90            | 117.11            |
| Provision for diminution in investment                  | 863.51            | 863.51            | 863.51            |
| Net Liability due to profit transfer of Group companies | (4,004.31)        | (3,571.69)        | (3,111.92)        |
| Others  | -                 | (0.51)            | 0.36              |
|   | <u>(3,202.21)</u> | <u>(3,076.13)</u> | <u>(3,256.11)</u> |

## Movement in deferred tax liabilities

| Particulars   | 1 April 2015      | Recognised in profit and loss | Recognised in Other Comprehensive Income | 31 March 2016     |
|---|-------------------|-------------------------------|--|-------------------|
| Property, plant and equipment                           | (4,153.41)        | (360.16)                      |  | (4,513.57)        |
| Adjustment for VRS expenditure                          | 278.39            | 398.05                        |  | 676.44            |
| Provision for loans, debts, deposits & advances         | 1,579.34          | 363.65                        |  | 1,942.99          |
| Defined benefit plans                                   | 1,170.51          | 100.76                        | 130.52                                   | 1,401.80          |
| Provision for Inventory                                 | 117.11            | 7.79                          |  | 124.90            |
| Provision for diminution in investment                  | 863.51            | -                             |  | 863.51            |
| Net Liability due to profit transfer of Group companies | (3,111.92)        | (455.94)                      | (3.83)                                   | (3,571.69)        |
| Others  | 0.36              | (0.86)                        |  | (0.51)            |
|   | <u>(3,256.11)</u> | <u>53.29</u>                  | <u>126.69</u>                            | <u>(3,076.13)</u> |

## Movement in deferred tax liabilities

| Particulars   | 31 March 2016     | Recognised in profit and loss | Recognised in Other Comprehensive Income | 31 March 2017     |
|---|-------------------|-------------------------------|--|-------------------|
| Property, plant and equipment                           | (4,513.57)        | (420.45)                      |  | (4,934.02)        |
| Adjustment for VRS expenditure                          | 676.44            | (188.70)                      |  | 487.75            |
| Provision for loans, debts, deposits & advances         | 1,942.99          | 404.00                        |  | 2,346.99          |
| Defined benefit plans                                   | 1,401.80          | 546.24                        | (45.43)                                  | 1,902.61          |
| Provision for Inventory                                 | 124.90            | 10.36                         |  | 135.26            |
| Provision for diminution in investment                  | 863.51            | -                             |  | 863.51            |
| Net Liability due to profit transfer of Group companies | (3,571.69)        | (422.34)                      | (10.28)                                  | (4,004.31)        |
| Others  | (0.51)            | 0.51                          |  | -                 |
|   | <u>(3,076.13)</u> | <u>(70.37)</u>                | <u>(55.71)</u>                           | <u>(3,202.21)</u> |

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## Notes to the Consolidated Financial Statements for the year ended 31 March 2017

|  | As at 31 March<br>2017 | As at 31 March<br>2016 | ₹ in Lacs<br>As at 1st April<br>2015 |
|--|------------------------|------------------------|--------------------------------------|
| <b>Note No 9</b>                             |                        |                        |                                      |
| <b>Non Financial Assets ( Non - Current)</b> |                        |                        |                                      |
| Capital Advances                             | 100.08                 | 146.92                 | 347.05                               |
| Balances with Government Authorities         | 230.37                 | 208.70                 | 129.61                               |
| Prepaid Expenses                             | 3,250.06               | 3,100.28               | 3,211.84                             |
| Others                                       | 134.65                 | 144.72                 | 152.39                               |
|  | <u>3,715.16</u>        | <u>3,600.62</u>        | <u>3,840.89</u>                      |
| <b>Note No 10</b>                            |                        |                        |                                      |
| <b><u>Inventories</u></b>                    |                        |                        |                                      |
| Raw Materials and components                 | 8,846.73               | 5,813.18               | 6,922.72                             |
| Goods-in-transit                             | 1.01                   | 18.55                  | 114.16                               |
| Slow Moving & Non moving                     | 241.97                 | 154.41                 | 152.54                               |
| Less: Adjustment for Slow & Non moving       | (161.64)               | (97.91)                | (97.54)                              |
| Total - Raw Materials and components         | <u>8,928.07</u>        | <u>5,888.23</u>        | <u>7,091.88</u>                      |
| Work in Progress                             | 1,097.87               | 1,075.82               | 974.36                               |
| Slow Moving & Non moving                     | 14.49                  | -                      | -                                    |
| Less, Adjustment for Slow & Non moving       | (7.70)                 | -                      | -                                    |
| Total - Work in Progress                     | <u>1,104.66</u>        | <u>1,075.82</u>        | <u>974.36</u>                        |
| Finished goods                               | 4,125.57               | 4,083.71               | 3,972.71                             |
| Goods-in transit                             | 270.49                 | 258.45                 | 400.01                               |
| Slow Moving & Non moving                     | 220.03                 | 317.75                 | 296.78                               |
| Less: Adjustment for Slow & Non moving       | (127.09)               | (180.51)               | (169.61)                             |
| Total - Finished Goods                       | <u>4,489.00</u>        | <u>4,479.40</u>        | <u>4,499.89</u>                      |
| Trading Goods                                | -                      | -                      | 3.08                                 |
|  | <u>-</u>               | <u>-</u>               | <u>3.08</u>                          |
| Stores and spares                            | 620.85                 | 505.87                 | 423.41                               |
| Slow Moving & Non moving                     | 121.47                 | 109.66                 | 89.00                                |
| Less. Adjustment for Slow & Non moving       | (94.41)                | (82.49)                | (71.25)                              |
| Total - Stores & Spares                      | <u>647.91</u>          | <u>533.04</u>          | <u>441.16</u>                        |
| <b>Total</b>                                 | <u>15,169.64</u>       | <u>11,976.49</u>       | <u>13,010.37</u>                     |

[Refer to Point No.1.5 of "Significant Accounting Policies" for method of valuation of inventories]



Note No 11

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

Trade Receivables

As at 31 March  
2017

As at 31 March  
2016

₹ in Lacs  
As at 1st April  
2015

Trade receivables outstanding for a period less than six months

Secured, considered good

Unsecured, considered good

Unsecured, considered doubtful

25,727 66

1.61

21,449 33

52 79

19,892 96

64 62

Less Provision for doubtful debts

(1 61)

25,727 66

(52 79)

21,449 33

(64 62)

19,892 96

Trade receivables outstanding for a period exceeding six months

Secured, considered good

Unsecured, considered good

Unsecured, considered doubtful

Less Provision for doubtful debts

2,432 89

601.18

(601.18)

Total

28,160 55

1,583 21

503 03

(503 03)

1,583 21

1,687 86

448.31

(448 31)

1,687 86

21,580 82

Note No. 12

Cash and Bank Balances

Cash in hand

Balances with Banks - Current Account

30 94

5,193 80

Total

5,224 74

80 44

6,069 37

6,149 81

21 21

4,811 54

4,832 75

There are no repatriation restrictions with respect to cash and bank balances available with the Company

Note No 13

Other Bank Balances

Unclaimed Dividend Accounts

Bank Term Deposits

Margin Money deposit with Banks

231 86

47,457 35

69 70

Total

47,758 91

208 90

40,074 69

63 78

40,347 37

185 55

34,056 89

58 87

34,301 31



Note No.14

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

Current Assets

|                                       | As at 31 March<br>2017 | As at 31 March<br>2016 | ₹ in Lacs<br>As at 1st April<br>2015 |
|---------------------------------------|------------------------|------------------------|--------------------------------------|
| <b>Financial Assets ( Current)</b>    |                        |                        |                                      |
| Loans                                 |                        |                        |                                      |
| Secured considered good               |                        |                        |                                      |
| Security Deposits                     |                        |                        |                                      |
| Loans to Related Parties              |                        |                        |                                      |
| Other Loans (Employees)               | 84 38                  | 134 02                 | 279 66                               |
| Unsecured considered good             |                        |                        |                                      |
| Security Deposits                     |                        |                        |                                      |
| Advances to Related Parties *         |                        |                        |                                      |
| Balmer Lawrie Investments Ltd         | 7 46                   | 0 97                   | 3 50                                 |
| Balmer Lawrie Hind Terminal Pvt Ltd   |                        | -                      | 10 38                                |
| Pt. Balmer Lawrie Indonesia           | 27 64                  | 29 18                  | 35 87                                |
| Balmer Lawrie Van Leer Ltd            | 5 18                   | -                      | 4 04                                 |
| Transafe Services Ltd                 | 67 03                  | 66 15                  | 48 47                                |
| Visakhapatnam Port Logistics Park Ltd | 52 57                  | 481 92                 | 196 23                               |
| Balmer Lawrie UAE Ltd                 | 36 66                  | 25 63                  | 18 71                                |
|                                       | 143 97                 | 121 79                 | 120 96                               |
| Other Loans and advances(Employees)   | 30 83                  | 20 95                  | 34 84                                |
| Other Loans and advances              | 127 36                 | 92 22                  | 63 43                                |
|                                       | <u>386 54</u>          | <u>368 98</u>          | <u>498 89</u>                        |

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

Note No.15

Other Financial Assets ( Current)

|   |                  |                  |                  |
|---|------------------|------------------|------------------|
| Unsecured                                 |                  |                  |                  |
| Accrued Income                            | 1,910 07         | 1,470 14         | 1,374 36         |
| Security Deposits                         | 822 17           | 1,024 93         | 1,214 36         |
| Other Receivables -considered good        | 18,034 77        | 19,076 66        | 14,941 14        |
| Other Receivables - considered doubtful   | 2,366 32         | 1,612 90         | 918 28           |
| Less - Provision for doubtful receivables | (2,366 32)       | (1,612 90)       | (918 28)         |
|   | <u>20,767 01</u> | <u>21,571 73</u> | <u>17,529.86</u> |

Note No 16

Non Financial Assets ( Current)

|   |                 |                 |                 |
|---|-----------------|-----------------|-----------------|
| Balances with Government Authorities          | 2,029 51        | 2,490 03        | 2,110 04        |
| Prepaid Expenses                              | 653 08          | 657 18          | 1,325 82        |
| Advances to Contractors & Suppliers -Good     | 1,813 61        | 2,254 65        | 1,767 04        |
| Advances to Contractors & Suppliers -Doubtful | 665 22          | 457 42          | 303 46          |
| Less Provision for Doubtful Advances          | (665 22)        | (457 42)        | (303 46)        |
| Other Advances to related parties             | 600 00          | -               | -               |
| Others  | 2,652 93        | 1,249 31        | 1,617 64        |
|   | <u>7,749.13</u> | <u>6,651 17</u> | <u>6,820 54</u> |

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## Note No 17

|   | ₹ in Lacs        |                 |                 |
|---|------------------|-----------------|-----------------|
|   | 31 March<br>2017 | 31 March 2016   | 1 April 2015    |
| <b>Equity Share Capital</b>                                       |                  |                 |                 |
| Authorised capital  |                  |                 |                 |
| 120,000,000 (previous year 60,000,000) equity shares of ₹ 10 each | 12,000 00        | 6,000 00        | 6,000 00        |
|   | <u>12,000 00</u> | <u>6,000.00</u> | <u>6,000.00</u> |
| <b>Issued and Subscribed Capital</b>                              |                  |                 |                 |
| 114,002,564 (previous year 28,500,641) equity shares of ₹ 10 each | 11,400 25        | 2,850 06        | 2,850 06        |
|   | <u>11,400 25</u> | <u>2,850 06</u> | <u>2,850 06</u> |
| <b>Paid-up Capital</b>  |                  |                 |                 |
| 114,002,564 (previous year 28,500,641) equity shares of ₹ 10 each | 11,400 25        | 2,850 06        | 2,850 06        |
|   | <u>11,400 25</u> | <u>2,850.06</u> | <u>2,850.06</u> |

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

|  | 31 March 2017       |                  | 31 March 2016      |                 |
|--|---------------------|------------------|--------------------|-----------------|
|  | No of shares        | Amount           | No of shares       | Amount          |
| Equity shares at the beginning of the year | 2,85,00,641         | 2,850 06         | 2,85,00,641        | 2,850 06        |
| Bonus shares issued during the year        | 8,55,01,923         | 8,550 19         |                    |                 |
| Equity shares at the end of the year       | <u>11,40,02,564</u> | <u>11,400.25</u> | <u>2,85,00,641</u> | <u>2,850.06</u> |

## b) Rights/preferences/restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## c) Details of shareholders holding more than 5% shares in the Company

|  | As on 31 March 2017 |           | As on 31 March 2016 |           | As on 1 April 2015 |           |
|--|---------------------|-----------|---------------------|-----------|--------------------|-----------|
|  | No of shares        | % holding | No of shares        | % holding | No of shares       | % holding |
| Equity shares of ₹ 10 each fully paid up |                     |           |                     |           |                    |           |
| Balmer Lawrie Investment Ltd             | 7,04,52,900         | 61.80%    | 1,76,13,225         | 61.80%    | 1,76,13,225        | 61.80%    |

i) There are no other individual shareholders holding 5% or more in the issued share capital of the Company

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## Note No 18

## Other Equity

|   | As at<br>31 March 2017 | As at<br>31 March 2016                | ₹ in Lacs<br>As at<br>1 April 2015    |
|---|------------------------|---------------------------------------|---------------------------------------|
| Share Premium Reserve                           | 3,626 77               | 3,626 77                              | 3,626 77                              |
| General Reserve                                 | 35,603 82              | 41,154 01                             | 38,154 01                             |
| Retained Earnings                               | 84,173 80              | 74,471 62                             | 67,000.79                             |
| Foreign Currency Translation Reserve            | 1,034 85               | 2,033 22                              | -                                     |
| Other Comprehensive Income Reserve              | 45 65                  | (261.63)                              | -                                     |
| <b>Total reserve</b>                            | <b>1,24,484.89</b>     | <b>1,21,023 99</b>                    | <b>1,08,781 57</b>                    |
|   |                        | <b>For the year<br/>31 March 2017</b> | <b>For the year<br/>31 March 2016</b> |
| Share Premium Reserve                           |                        |                                       |                                       |
| Opening balance                                 |                        | 3,626 77                              | 3,626 77                              |
| Add: Shares issued during the year              |                        |                                       |                                       |
| Sub total (A)                                   |                        | <u>3,626.77</u>                       | <u>3,626 77</u>                       |
| General Reserve                                 |                        |                                       |                                       |
| Opening balance                                 |                        | 41,154 01                             | 38,154 01                             |
| Less : Bonus Shares issued                      |                        | (8,550 19)                            |                                       |
| Amount transferred from retained earnings       |                        | 3,000 00                              | 3,000 00                              |
| Sub total (B)                                   |                        | <u>35,603.82</u>                      | <u>41,154.01</u>                      |
| Retained Earnings                               |                        |                                       |                                       |
| Opening balance                                 |                        | 74,471 62                             | 67,000 79                             |
| Add : Net profit for the year                   |                        | 17,007 52                             | 16,402 00                             |
| Less : Appropriations                           |                        |                                       |                                       |
| Transfer to general reserve                     |                        | (3,000 00)                            | (3,000 00)                            |
| Equity dividend                                 |                        | (5,700 13)                            | (5,130 12)                            |
| Tax on equity dividend                          |                        | (1,192 69)                            | (1,073.47)                            |
| Other adjustment                                |                        | 2,587.49                              | 272 42                                |
| Net surplus in statement of profit and loss (C) |                        | <u>84,173 80</u>                      | <u>74,471 62</u>                      |
| Foreign Currency Translation Reserve            |                        |                                       |                                       |
| Opening balance                                 |                        | 2,033.22                              | -                                     |
| Movement  |                        | (998 38)                              | 2,033 22                              |
| Sub total (D)                                   |                        | <u>1,034.85</u>                       | <u>2,033.22</u>                       |
| Other Comprehensive Income(OCI) Reserve         |                        |                                       |                                       |
| Opening balance                                 |                        | (261 63)                              | -                                     |
| Movement  |                        | 307.28                                | (261.63)                              |
| Sub total (E)                                   |                        | <u>45.65</u>                          | <u>(261.63)</u>                       |
| <b>Total (A+B+C+D+E)</b>                        |                        | <b><u>1,24,484.89</u></b>             | <b><u>1,21,023.99</u></b>             |
| Total reserves - 2016                           |                        |                                       | 1,21,023 99                           |
| Total reserves - 2015                           |                        |                                       | <u>1,08,781 57</u>                    |

## Nature and purpose of other reserves

## Share Premium Reserve

Share Premium Reserve represents premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## Other Comprehensive Income(OCI) reserve

(i) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Fair Value through Other Comprehensive Income (FVOCI) equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) The Company has recognised remeasurement benefits on defined benefits plans through Other Comprehensive Income.

## General reserve

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

Note No.19

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

| Non Current Liabilities                      | As at 31 March<br>2017 | As at 31 March<br>2016 | ₹ in Lacs<br>As at 1st April<br>2015 |
|--|------------------------|------------------------|--------------------------------------|
| <b>Financial Liabilities (Non - Current)</b> |                        |                        |                                      |
| Borrowings                                   |                        |                        |                                      |
| Trade Payable                                |                        |                        |                                      |
| Payable to MSME                              | -                      |                        | -                                    |
| Other Trade Payable                          |                        |                        | 0.02                                 |
| Other Financial Liabilities                  |                        |                        |                                      |
| Deposits                                     | 21.85                  | 22.70                  | 113.91                               |
| Other Liabilities                            |                        |                        |                                      |
|  | <u>21.85</u>           | <u>22.70</u>           | <u>113.93</u>                        |

Note No.20

Provisions ( Non - Current)

|                      |                 |                 |                 |
|----------------------|-----------------|-----------------|-----------------|
| Actuarial Provision  | 3,391.40        | 3,525.30        | 2,989.81        |
| Long term Provisions | 2,187.90        | 3,017.10        | 3,017.10        |
|                      | <u>5,579.30</u> | <u>6,542.40</u> | <u>6,006.91</u> |

Note No 21

Non Financial Liabilities ( Non - Current)

|                         |             |             |             |
|-------------------------|-------------|-------------|-------------|
| Advances from Customers | 3.55        | 3.55        |             |
| Others                  | 0.57        | 0.67        | 8.03        |
|                         | <u>4.12</u> | <u>4.22</u> | <u>8.03</u> |

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Notes to the Consolidated Financial Statements for the year ended 31 March 2017

|   | ( ₹ in lakhs)          |                        |                         |
|---|------------------------|------------------------|-------------------------|
| <u>Current Liabilities</u>              | As at 31 March<br>2017 | As at 31 March<br>2016 | As at 1st April<br>2015 |
| <b>Financial Liabilities ( Current)</b> |                        |                        |                         |
| <b>Note No.22</b>                       |                        |                        |                         |
| Trade Payable                           |                        |                        |                         |
| Payable to MSME                         | 94.45                  | 92.07                  | 116.92                  |
| Other Trade Payable                     | <u>30617.28</u>        | <u>22337.19</u>        | <u>21653.98</u>         |
|   | <u>30711.73</u>        | <u>22429.26</u>        | <u>21770.90</u>         |
| <b>Note No.23</b>                       |                        |                        |                         |
| Other Financial Liabilities             |                        |                        |                         |
| Unclaimed Dividend *                    | 231.86                 | 208.90                 | 185.55                  |
| Security Deposits                       | 2700.78                | 2060.44                | 1903.31                 |
| Other Liabilities                       | <u>11215.34</u>        | <u>9271.96</u>         | <u>6930.12</u>          |
|   | <u>14147.99</u>        | <u>11541.30</u>        | <u>9018.98</u>          |

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

**Note No.24**  
**Non Financial Liabilities ( Current)**

|                        |                |                |                |
|------------------------|----------------|----------------|----------------|
| Advance from Customers | 976.85         | 956.47         | 858.26         |
| Statutory Dues         | 1827.56        | 2060.84        | 1495.07        |
| Deferred Gain/Income   | 2.50           | 48.49          | 25.16          |
| Other Liabilities      | <u>4067.11</u> | <u>4408.59</u> | <u>3187.41</u> |
|                        | <u>6874.02</u> | <u>7474.39</u> | <u>5565.90</u> |

**Note No.25**  
**Current Provisions**

|                       |                |               |               |
|-----------------------|----------------|---------------|---------------|
| Actuarial Provision   | 350.64         | 148.03        | 392.39        |
| Short term Provisions | <u>1640.24</u> | <u>645.14</u> | <u>571.44</u> |
|                       | <u>1990.88</u> | <u>793.17</u> | <u>963.83</u> |

**Note No 26**  
**Current Tax Liabilities**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Provision for Taxation (Net of advance) | 4574.57        | 4061.26        | 5023.51        |
|   | <u>4574.57</u> | <u>4061.26</u> | <u>5023.51</u> |

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Notes to the Consolidated Financial Statements for the year ended 31 March 2017  
Note No.27

|                                | For The Year Ended<br>31 March 2017 | ₹ in Lacs<br>For The Year Ended<br>31 March 2016 |
|--------------------------------|-------------------------------------|--|
| <u>Revenue From Operations</u> |                                     |  |
| Sale of Products               | 1,05,334.07                         | 99,023.75  |
| Sale of Services               | 71,523.95                           | 69,333.41  |
| Sale of Trading Goods          | 1,148.67                            | 365.56   |
| Other Operating Income         | 4,801.56                            | 2,837.32   |
| Total                          | 1,82,808.25                         | 1,71,560.04                                      |

Note No.28  
Other Income

|  |          |          |
|--|----------|----------|
| Interest Income                                      |          |          |
| Bank Deposits  | 3,516.91 | 3,149.04 |
| Others   | 251.02   | 231.52   |
|  | 3,767.93 | 3,380.56 |
| Dividend Income                                      | 1,777.54 | 1,117.79 |
| Other Non-operating Income                           |          |          |
| Profit on Disposal of Fixed assets                   | 5.13     | 7.49     |
| Unclaimed balances and excess provision written back | 896.59   | 1,070.03 |
| Gain on Foreign Currency Transactions (net)          | 447.26   | 322.57   |
| Gain on Fair valuation of financial assets           | -        | 9.60     |
| Miscellaneous income                                 | 446.89   | 396.39   |
| Other Non-operating Income                           | 1,795.87 | 1,806.08 |
| Total  | 7,341.34 | 6,304.43 |

Note No.29  
Cost of Materials Consumed & Services Rendered

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

Note No.30  
Purchase of Trading Goods

|               |          |        |
|---------------|----------|--------|
| Trading Goods | 1,148.67 | 358.05 |
| Total         | 1,148.67 | 358.05 |

*RAK*

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

Note No. 31

Changes in inventories of Trading Goods, Work-in-Progress and Finished Goods

For The Year  
Ended 31 March  
2017

₹ in Lacs  
For The Year  
Ended 31 March  
2016

|                            |         |          |          |
|----------------------------|---------|----------|----------|
| Change in Trading Goods    | Opening | -        | 3.08     |
|                            | Closing | -        | -        |
|                            | Change  | -        | 3.08     |
| Change in Work In Progress | Opening | 1,075.82 | 974.36   |
|                            | Closing | 1,104.66 | 1,075.82 |
|                            | Change  | (28.84)  | (101.46) |
| Change in Finished Goods   | Opening | 4,479.40 | 4,499.89 |
|                            | Closing | 4,489.00 | 4,479.40 |
|                            | Change  | (9.60)   | 20.49    |
|                            |         | (38.44)  | (77.89)  |

Note No. 32

Employee Benefits Expenses

|  |                  |                  |
|--|------------------|------------------|
| Salaries and Incentives                  | 15,107.32        | 16,727.10        |
| Contributions to Provident & Other Funds | 3,350.98         | 1,752.49         |
| Staff Welfare Expenses                   | 1,494.46         | 1,439.47         |
| <b>Total</b>                             | <b>19,952.76</b> | <b>19,919.06</b> |

Note No. 33

Finance Costs

|               |               |               |
|---------------|---------------|---------------|
| Interest Cost | 322.44        | 306.11        |
| Bank Charges* | 131.26        | 148.90        |
| <b>Total</b>  | <b>453.70</b> | <b>455.01</b> |

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

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Notes to the Consolidated Financial Statements for the year ended 31 March 2017  
Note No.34

|   | For The Year Ended 31<br>March 2017 | ₹ in Lacs<br>For The Year Ended<br>31 March 2016 |
|---|-------------------------------------|--|
| <u>Depreciation &amp; Amortisation Expenses</u> |                                     |  |
| Depreciation                                    |                                     |  |
| Property Plant & Equipment                      | 2,396.30                            | 2,239.31   |
| Investment Properties                           | 1.72                                | 2.54   |
| Amortisation of Intangible Assets               | 189.05                              | 160.23   |
| <b>Total</b>                                    | <b>2,587.07</b>                     | <b>2,402.08</b>                                  |

Note No.35  
Other Expenses

|   |                  |                  |
|---|------------------|------------------|
| Manufacturing Expenses  | 1,437.15         | 1,412.43         |
| Consumption of Stores and Spares  | 841.90           | 794.62           |
| Excise duty on Closing Stock  | 103.87           | 43.22            |
| Repairs & Maintenance - Buildings   | 635.48           | 726.77           |
| Repairs & Maintenance - Plant & Machinery   | 375.13           | 308.83           |
| Repairs & Maintenance - Others  | 540.06           | 571.97           |
| Power & Fuel  | 2,341.49         | 2,181.55         |
| Electricity & Gas   | 370.61           | 373.66           |
| Rent  | 1,083.61         | 1,001.72         |
| Insurance   | 205.55           | 227.37           |
| Packing, Despatching, Freight and Shipping Charges  | 3,920.07         | 3,451.30         |
| Rates & Taxes   | 139.25           | 110.76           |
| Auditors Remuneration and Expenses  | 25.39            | 24.87            |
| Write Off of Debtors, Deposits, Loan & Advances   | 544.08           | 479.95           |
| Provision for Doubtful Debts & Advances   | 1,554.72         | 1,311.12         |
| Fixed Assets Written Off  | 0.91             | 2.39             |
| Loss on Disposal of Fixed Assets  | 1.77             | 3.46             |
| Selling Commission  | 583.11           | 560.26           |
| Cash Discount   | 285.48           | 336.98           |
| Travelling Expenses   | 1,020.28         | 976.12           |
| Printing and Stationary   | 226.12           | 496.91           |
| Motor Car Expenses  | 143.77           | 148.45           |
| Communication Charges   | 421.11           | 352.01           |
| Corporate Social Responsibility Expenses  | 412.70           | 395.51           |
| Miscellaneous Expenses  | 4,580.19         | 4,876.02         |
|   | <b>21,793.80</b> | <b>21,168.24</b> |
| Provision for Debts, Deposits, Loans & Advances and inventories considered doubtful, written back | (241.95)         | (179.25)         |
| <b>Total</b>  | <b>21,551.85</b> | <b>20,988.99</b> |

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|                       | 31 March 2017   | 31 March 2016   |
|-----------------------|-----------------|-----------------|
| <b>36 Tax expense</b> |                 |                 |
| Current tax           | 9,305.75        | 8,483.43        |
| Deferred tax          | (481.99)        | (193.22)        |
| Prior period          | (450.00)        | (700.00)        |
|                       | <u>8,373.76</u> | <u>7,590.21</u> |

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 34.608% and the reported tax expense in profit or loss are as follows:

|   | 31 March 2017 | 31 March 2016 |
|---|---------------|---------------|
| Accounting profit before income tax   | 25381.28      | 23992.21      |
| At country's statutory income tax rate of 34.608% (31 March 2016 and 2017: 34.608%) | 34.608%       | 34.608%       |
| Tax Expense   | 8,783.95      | 8,303.22      |
| Less: Current income tax of Foreign Subsidiary                                      | 14            | 4             |
| Adjustments in respect of current income tax  |               |               |
| Exempt Dividend Income  | (113)         | (101)         |
| Foreign Dividend income, taxed at a different rate                                  | (251)         | (143)         |
| Non-deductible expenses for tax purposes  |               |               |
| Provisions (net)  | 1,171         | 506           |
| CSR Expenses  | 143           | 137           |
| VRS Expenses  | (142)         | 398           |
| Depreciation Difference   | (271)         | (226)         |
| Additional Deduction for R&D expenses in I Tax                                      | (30)          | (208)         |
| Adjustments in respect of Previous years income tax                                 | (450)         | (700)         |
| Deferred tax impact on revised profit   | -             | (187)         |
|   | <u>8,856</u>  | <u>7,783</u>  |

### 37 Other Comprehensive Income schedule

#### Other Comprehensive Income

##### (A) Items that will not be reclassified to profit or loss

|   |              |                 |
|---|--------------|-----------------|
| (i) Re-measurement gains/ (losses) on defined benefit plans                             | 101.36       | (388.32)        |
| Income tax effect   | (53.71)      | 126.69          |
| (ii) Net (loss)/gain on Fair Value Through Other Comprehensive Income equity securities |              |                 |
| Income tax effect   |              |                 |
|   | <u>45.65</u> | <u>(261.63)</u> |
| (B) Items that will be reclassified to profit or loss                                   |              |                 |
|   | <u>45.65</u> | <u>(261.63)</u> |

### 38 Earnings per equity share

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

|   | 31 March 2017    | 31 March 2016    |
|---|------------------|------------------|
| Net profit attributable to equity shareholders  |                  |                  |
| Profit after tax  | <u>17,007.52</u> | <u>16,402.00</u> |
| Profit attributable to equity holders of the parent adjusted for the effect of dilution | <u>17,007.52</u> | <u>16,402.00</u> |
| Nominal value of equity share (₹)   |                  |                  |
| Weighted-average number of equity shares for basic EPS                                  | 11,40,02,564     | 11,40,02,564     |
| Basic/Diluted earnings per share (₹)  | 14.92            | 14.39            |

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39 Accounting for employee benefits

*Defined Contribution Plans*

The group makes contributions determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans for Indian companies. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

*Defined Benefit Plan*

*Post Employment Benefit Plan  
A Gratuity*

The gratuity plan entitles an employee who has rendered at least five years of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the company by way of transfer of requisite amount to the fund.

The reconciliation of the Group's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below:

| Particulars                    | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|--------------------------------|---------------|---------------|--------------|
| Defined benefit obligation     | 6,906.20      | 5,214.51      | 5,004.20     |
| Fair value of plan assets      | 4,787.18      | 4,209.54      | 4,670.74     |
| Net defined benefit obligation | 2,119.02      | 1,004.97      | 333.46       |

(i) The movement of the Group's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

| Particulars  | 31 March 2017 | 31 March 2016 |
|--|---------------|---------------|
| Opening value of defined benefit obligation                    | 5,214.51      | 5,004.20      |
| Add: Current service cost                                      | 392.91        | 361.36        |
| Add: Current interest cost                                     | 365.39        | 365.79        |
| Plan amendment, vested portion at end of period (past service) | 1,519.83      | -             |
| Add: Actuarial (gain)/loss due to -                            | -             | -             |
| - changes in demographic assumptions                           | 1.14          | 3.89          |
| - changes in experience adjustment                             | (318.62)      | 393.11        |
| - changes in financial assumptions                             | 233.13        | 15.97         |
| Less: Benefits paid  | (557.14)      | (931.03)      |
| Closing value of defined benefit obligation                    | 6,906.20      | 5,214.51      |
| Thereof:   |               |               |
| Unfunded   | 2,119.02      | 1,004.97      |
| Funded   | 4,787.18      | 4,209.54      |

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

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

The discount rate has moved from 7 to 3% Salary growth rate has moved to 7.25%. Retirement age 53 to 60 years for the present year and last year.

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

|   | 31 March 2017 | 31 March 2016 |
|---|---------------|---------------|
| Opening balance of fair value of plan assets    | 4,767.15      | 4,570.74      |
| Add: Contribution by employer                   | 145.98        | 69.43         |
| Return on Plan Assets excluding Interest Income | 89.25         | 27.67         |
| Add: Interest income                            | 350.85        | 373.27        |
| Less: Benefits paid                             | (566.05)      | (931.56)      |
| Closing balance of fair value of plan assets    | 4,787.18      | 4,209.54      |

(iv) Expense related to the Group's defined benefit plans in respect of gratuity plan is as follows:

| Amount recognised in Other comprehensive income                          | 31 March 2017 | 31 March 2015 |
|--|---------------|---------------|
| Actuarial (gain)/loss on obligations - change in demographic assumptions | 1.14          | 11.15         |
| Actuarial (gain)/loss on obligations - change in financial assumptions   | 233.13        | 15.97         |
| Actuarial (gain)/loss on obligations - Experience Adjustment             | (318.62)      | 393.11        |
| Return on Plan Assets excluding Interest Income                          | 89.25         | 27.67         |
| Total expense recognized in the statement of Other Comprehensive Income  | (118.55)      | 389.31        |



| Amount recognised in statement of Profit & Loss            | 31 March 2017 | 31 March 2016 |
|--|---------------|---------------|
| Current service cost                                       | 392 91        | 361 36        |
| Past service cost (vested)                                 | 1,519 83      | -             |
| Net Interest cost (Interest Cost-Expected return)          | 14 54         | (9 48)        |
| Total expense recognized in the statement of profit & Loss | 1,927 27      | 351 89        |

| Amount recognised in balance sheet | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|------------------------------------|---------------|---------------|--------------|
| Defined benefit obligation         | 6,906 20      | 5,214 51      | 5,004 20     |
| Classified as                      |               |               |              |
| Non-current                        | 6,118 69      | 4,903 00      | 4,696 37     |
| Current                            | 787 50        | 311 51        | 307 83       |

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

Expected returns on plan assets are based on a weighted average of expected returns of the various assets in the plan, and include an analysis of historical returns and predictions about future returns The return on plan assets was

440 10                      400 94

(v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies Plan assets for the parent company can be broken down into the following major categories of investments

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

(v) Sensitivity Analysis

Since the sensitivity analysis for the individual companies have been carried out using different assumptions hence consolidated figures for the same are not given and sensitivity for the parent company is reproduced below

| Particulars                                       | 31 March 2017 |          |
|---|---------------|----------|
|   | Increase      | Decrease |
| Changes in discount rate in %                     | 0 50          | 0 50     |
| Defined benefit obligation after change           | 5,661         | 6,020    |
| Original defined benefit obligation               | 6,906         | 6,906    |
| Increase/(decrease) in defined benefit obligation | (1,245)       | (886)    |

|   |       |         |
|---|-------|---------|
| Changes in salary growth rate in %                | 0 50  | 0 50    |
| Defined benefit obligation after change           | 5,944 | 5,731   |
| Original defined benefit obligation               | 6,906 | 6,906   |
| Increase/(decrease) in defined benefit obligation | (963) | (1,176) |

|   |         |         |
|---|---------|---------|
| Changes in Attrition rate in %                    | 0 50    | 0 50    |
| Defined benefit obligation after change           | 5,835   | 5,836   |
| Original defined benefit obligation               | 6,906   | 6,906   |
| Increase/(decrease) in defined benefit obligation | (1,071) | (1,070) |

|   |         |         |
|---|---------|---------|
| Changes in Mortality rate rate in %               | 1 00    | 1 00    |
| Defined benefit obligation after change           | 5,839   | 5,832   |
| Original defined benefit obligation               | 6,906   | 6,906   |
| Increase/(decrease) in defined benefit obligation | (1,067) | (1,074) |

| Particulars   | 31 March 2016 |          |
|---|---------------|----------|
|   | Increase      | Decrease |
| Changes in discount rate                            | 0 50          | 0 50     |
| Defined benefit obligation after change             | 4,240         | 4,515    |
| Original defined benefit obligation                 | 5,215         | 5,215    |
| Increase/(decrease) in defined benefit obligation - | -- (975)      | -- (699) |

|   |       |       |
|---|-------|-------|
| Changes in salary growth rate           | 0 50  | 0 50  |
| Defined benefit obligation after change | 4,460 | 4,287 |
| Original defined benefit obligation     | 5,215 | 5,215 |
| Original defined benefit obligation     | (755) | (928) |

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|   |       |       |
|---|-------|-------|
| Changes in Attrition rate in %                    | 0.50  | 0.50  |
| Defined benefit obligation after change           | 4,378 | 4,368 |
| Original defined benefit obligation               | 5,215 | 5,215 |
| Increase/(decrease) in defined benefit obligation | (836) | (847) |

|   |       |       |
|---|-------|-------|
| Changes in Mortality rate rate in %               | 1.00  | 1.00  |
| Defined benefit obligation after change           | 4,376 | 4,370 |
| Original defined benefit obligation               | 5,215 | 5,215 |
| Increase/(decrease) in defined benefit obligation | (838) | (845) |

| Particulars                                       | 1 April 2015 |          |
|---|--------------|----------|
|   | Increase     | Decrease |
| Changes in discount rate                          | 0.50         | 0.50     |
| Defined benefit obligation after change           | 4,194        | 4,471    |
| Original defined benefit obligation               | 5,004        | 5,004    |
| Increase/(decrease) in defined benefit obligation | (811)        | -534     |

|   |       |       |
|---|-------|-------|
| Changes in salary growth rate           | 0.50  | 0.50  |
| Defined benefit obligation after change | 4,413 | 4,244 |
| Original defined benefit obligation     | 5,004 | 5,004 |
| Original defined benefit obligation     | -591  | (760) |

|   |       |       |
|---|-------|-------|
| Changes in Attrition rate in %                    | 0.50  | 0.50  |
| Defined benefit obligation after change           | 4,334 | 4,322 |
| Original defined benefit obligation               | 5,004 | 5,004 |
| Increase/(decrease) in defined benefit obligation | -670  | (682) |

|   |       |       |
|---|-------|-------|
| Changes in Mortality rate rate in %               | 1.00  | 1.00  |
| Defined benefit obligation after change           | 4,332 | 4,324 |
| Original defined benefit obligation               | 5,004 | 5,004 |
| Increase/(decrease) in defined benefit obligation | -672  | (680) |

All the post retirement and long term benefits herein below pertain to the parent company only

*B. Post retirement medical benefits scheme (Non-funded)*

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependant spouse, parents and children as per applicable rules.

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

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

*DRR*

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

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

*Amount recognised in balance sheet*

| Particulars                | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|----------------------------|---------------|---------------|--------------|
| Defined benefit obligation | 348.71        | 328.98        | 317.88       |
| Classified as              |               |               |              |
| Non-current                | 293.80        | 253.12        | 51.47        |
| Current                    | 54.91         | 75.85         | 266.41       |

(iv) Sensitivity Analysis

| Particulars                                       | 31-Mar-17 |          |
|---|-----------|----------|
|   | Increase  | Decrease |
| Changes in discount rate in %                     | 0.50      | 0.50     |
| Defined benefit obligation after change           | 338       | 338      |
| Original defined benefit obligation               | 349       | 349      |
| Increase/(decrease) in defined benefit obligation | (10)      | (11)     |

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

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

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

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

|   |      |      |
|---|------|------|
| Changes in Mortality rate rate in %               | 1.00 | 1.00 |
| Defined benefit obligation after change           | 311  | 323  |
| Original defined benefit obligation               | 318  | 318  |
| Increase/(decrease) in defined benefit obligation | (7)  | 5    |

*C Other long term benefit plans*

*Leave encashment (Non-funded), long service award (Non-funded) and half pay leave (Non-funded)*

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

*RAE*

| Particulars                                      | As at<br>31 March 2017 | As at<br>31 March 2016 | As at<br>1 April 2015 |
|--|------------------------|------------------------|-----------------------|
| Leave encashment (Non-funded)                    |                        |                        |                       |
| Amount recognized in Balance Sheet - Current     | 195.50                 | 52.56                  | 235.19                |
| Amount recognized in Balance Sheet - Non Current | 2,254.70               | 2,422.39               | 1,984.38              |

Long service award is given to the employees to recognise long and meritorious service rendered to the company. The minimum eligibility for the same starts on completion of 10 years of service and thereafter every 5 years of completed service. Amount of ₹ (-) 37.07 lacs [₹ (-) 49.09 lacs] has been recognised in the statement of profit and loss.

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

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. Amount of ₹ (-) 110.8 lacs [₹ 73.65 lacs] has been recognised in the statement of profit and loss.

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

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Note-40 Additional Disclosures

40 1 Disclosure of Interests in Subsidiary and Joint Venture Companies

| <u>Name of Subsidiary / Joint Venture Company</u> | <u>Nature of Relationship</u> | <u>Proportion of Shareholding</u> | <u>Country of Incorporation</u> |
|---|-------------------------------|-----------------------------------|---------------------------------|
| Balmer Lawrie (UK) Ltd                            | Subsidiary                    | 100%                              | United Kingdom                  |
| Visakhaptanam Port Logistics Park Ltd             | Subsidiary                    | 100%                              | India                           |
| Balmer Lawrie (UAE) Llc                           | Associate                     | 49%                               | United Arab Emirates            |
| Balmer Lawrie - Van Leer Ltd                      | Joint Venture                 | 48%                               | India                           |
| Transafe Services Ltd                             | Joint Venture                 | 50%                               | India                           |
| Avi - Oil India Private Ltd                       | Associate                     | 25%                               | India                           |
| Balmer Lawrie Hind Terminals Pvt Ltd              | Joint Venture                 | 50%                               | India                           |

Note The accounting year of all the aforesaid companies is the financial year except for Balmer Lawrie (UAE) Llc which follows calendar year as the accounting year

40 2 7,04,52,900 ( 1,76,13,225) Equity Shares are held by Balmer Lawrie Investments Ltd (Holding Company)

40 3 (a) Fixed Deposit with bank amounting to ₹ 0 79 Lakhs (₹ 1 37 Lakhs ) are lodged with certain authorities as security

(b) Conveyance deeds of certain land costing ₹ 5,666 10 Lakhs (₹ 5,789 78 Lakhs) and buildings, with written down value of ₹ 3,008 07 Lakhs (₹ 2,998 16 Lakhs) are pending registration / mutation

(c) Certain buildings & sidings with written down value of ₹ 6,772 63 Lakhs (₹ 6,908 04 Lakhs) are situated on leasehold/rented land

40 4 Contingent Liabilities as at 31<sup>st</sup> March 2017 not provided for in the accounts are

(a) Disputed demand for Excise Duty, Customs Duty, Income Tax, Service Tax and Sales Tax amounting to ₹ 15,106 53 Lakhs (₹. 13,821 81 Lakhs) against which the Company has lodged appeal/petition before appropriate authorities

(b) Claims against the company not acknowledged as debts amount to ₹ 1,098 59 Lakhs (₹ 1,309 36 Lakhs) in respect of which the Company has lodged appeals/petitions before appropriate authorities In respect of employees/ex-employees related disputes financial effect is ascertainable on settlement, no settlement was reached during the year

40.5 (a) Counter guarantees given to various banks in respect of guarantees/loans given by them amount to ₹ 10,392 75 Lakhs (₹. 11,604 38 Lakhs)

(b) Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to ₹ 9,169 56 Lakhs (₹ 1,695 58 Lakhs)

RAJ



40 6 Segment Reporting

Information about business and geographical segment for the year ended 31<sup>st</sup> March, 2017 in respect of reportable segments as defined by the Institute of Chartered Accountants of India in the Ind AS – 108 in respect of “Operating Segments” is attached as Annexure - A

40 7 Earnings per Share

- (i) Earnings per share of the company has been calculated considering the Profit after Taxation of ₹ 17,007.52 Lakhs (₹ 16,402.00 Lakhs) as the numerator
- (ii) The weighted average number of equity shares used as denominator is 114,002,564 (114,002,564)
- (iii) The nominal value of shares is ₹ 11,400.25 Lakhs (₹ 11,400.25 Lakhs) and the earnings per share (Basic and Diluted) for the year on the above mentioned basis comes to ₹. 14.92 (₹ 14.39) { Refer Note 38}

40 8 Continuous losses incurred by a joint venture, Transafe Services Ltd over the last few years have resulted in negative net worth of ₹ 880.26 lakhs as on 31<sup>st</sup> March 2017. Based on negative net worth of ₹. 732.54 lakhs as on 31<sup>st</sup> March 2013 a reference application was made to BIFR under Sec 15 of the Sick Industrial Companies Act 1985 on 22<sup>nd</sup> July 2013 which was registered by BIFR under case no 83/2013 and confirmed by their letter dated 25<sup>th</sup> November 2013. The same is pending as on date.

40 9 M/s Transafe Services Limited, a Joint Venture Company, where Company holds 50% of the equity shares of the company has defaulted in repayment of dues to Banks amounting to ₹ 3,764.96 Lacs which were due as on the Balance Sheet date.

40 10 In respect of the Joint Venture Company of the wholly owned subsidiary of the company Balmer Lawrie (UK) Ltd (BLUK), PT Balmer Lawrie Indonesia, in which BLUK holds 50% of the equity shares, has incurred losses of ₹ 90.91 lacs and negative operating cash flow of ₹ 45.87 lakhs during the year ended March 31, 2017. However considering the impact of financing and investing activities during the year the cash flow is positive.

40 11 Loan provided by Balmer Lawrie & Co Ltd, holding company to Balmer Lawrie Van –Leer Ltd, a jointly controlled entity of ₹ 18.18 Crs has been eliminated from intra group transaction and also the 100% provision made by Balmer Lawrie & Co Ltd in its books in this respect have already been adjusted with general reserve in earlier years.

40 12 Balmer Lawrie Hind Terminals Pvt Ltd [‘BLHTPL’] a joint venture company had gone for voluntary winding-up by its members. Last final accounts of BLHTPL was drawn for a period of 9 months from 1st April 2015 to 31st Dec’2015, which has been audited by their Statutory Auditors. Based on the audited accounts, the Directors of BLHTPL have given Declaration of Solvency and recommended for winding-up, which was thereafter approved by BLHTPL’s shareholders on 11th Feb’2016. Consequently, BLHTPL was treated as a Company in liquidation, Subsequently vide order of Hon’ble High Court of Madras dated 20th October 2016, the Company stands dissolved. Balmer Lawrie received Rs 12.51 lacs as final payment towards their investment in the same.

40 13 Trade receivables, loans and advances and deposits of which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.




|  | SBN's <sup>†</sup> | Other Denomination Notes | Total       |
|--|--------------------|--------------------------|-------------|
| 40 14 Closing Cash in hand as on 8 11 2016 | 30,11,500          | 7,54,994                 | 37,66,494   |
| (+) Permitted Receipt <sup>**†</sup>       | 12,98,150          | 168,94,689               | 1,81,92,839 |
| (-) Permitted Payments                     | 97,000             | 75,00,452                | 75,97,452   |
| (-) Amount Deposited in Bank               | 42,12,650          | 86,22,936                | 1,28,35,586 |
| (+) Amount withdrawn from Bank             | -                  | 1,07,363                 | 1,07,363    |
| Closing Cash as on 30 12 2016              | -                  | 16,33,658                | 16,33,658   |

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


<sup>\*\*†</sup> Amount received from employees towards imprest / advances/ claims settled

- 40 15 (a) The financial statements have been prepared as per Schedule III to the Companies Act, 2013
- (b) Previous year's figures have been re-grouped or re-arranged wherever so required to make them comparable with current year figures.
- (c) Figures in brackets relate to previous year
- (d) Previous year figure have been regrouped /reclassified wherever necessary


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

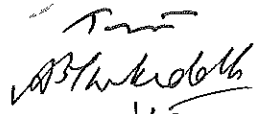
  
CA Partha Sarathi De  
Partner  
Membership No 016727  
Kolkata, 29th May, 2017

  
Chairman & Managing  
Director

  
Director (Finance)  
Chief Financial  
Officer

Directors

  
Secretary

  
/Cashier

Bahar Laine & Co Ltd  
 Notes to the financial statements for the year ended 31 March 2017  
 (All amounts in \$'000, unless otherwise stated)  
 Note 41  
 Segment Revenue

|                              | 31 March 2017         |                       |                                 | 31 March 2016         |                       |                                 | 31 March 2015         |                       |                                 |
|------------------------------|-----------------------|-----------------------|---------------------------------|-----------------------|-----------------------|---------------------------------|-----------------------|-----------------------|---------------------------------|
|                              | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers | Total Segment Revenue | Inter Segment Revenue | Revenue from external customers |
| Industrial Packaging         | 56,635                | 1,739                 | 54,897                          | 53,176                | 1,551                 | 51,622                          | 28,872                | 23,371                | 28,872                          |
| Logistics                    | 56,020                | 248                   | 56,272                          | 53,823                | 803                   | 53,020                          | 26,123                | 23,371                | 23,371                          |
| Travel & Vacations           | 16,304                | 83                    | 16,221                          | 16,515                | 107                   | 16,409                          | 24,017                | 16,595                | 18,595                          |
| Greases & Lubricants         | 44,897                | 112                   | 44,785                          | 41,992                | 82                    | 41,910                          | 21,199                | 27,836                | 27,836                          |
| Others                       | 10,646                | 112                   | 10,533                          | 8,978                 | 78                    | 8,900                           | 7,196                 | 6,331                 | 8,331                           |
| <b>Total Segment Revenue</b> | <b>185,101</b>        | <b>2,293</b>          | <b>182,808</b>                  | <b>171,183</b>        | <b>2,923</b>          | <b>171,560</b>                  | <b>1,07,167</b>       | <b>1,07,001</b>       | <b>1,07,001</b>                 |

|  | 31 March 2017   |   |                                 | 31 March 2016   |   |                                 | 31 March 2015   |   |                                 |
|--|-----------------|---|---------------------------------|-----------------|---|---------------------------------|-----------------|---|---------------------------------|
|  | Segment assets  | Investment in associates and joint ventures | Additions to non-current assets | Segment assets  | Investment in associates and joint ventures | Additions to non-current assets | Segment assets  | Investment in associates and joint ventures | Additions to non-current assets |
| Industrial Packaging                         | 30,364          | -   | -                               | 30,364          | 26,423                                      | -                               | 26,123          | 28,872                                      | -                               |
| Logistics                                    | 37,706          | -   | -                               | 37,706          | 28,333                                      | -                               | 28,333          | 23,371                                      | -                               |
| Travel & Vacations                           | 22,805          | -   | -                               | 22,805          | 24,017                                      | -                               | 24,017          | 16,595                                      | -                               |
| Greases & Lubricants                         | 21,577          | -   | -                               | 21,577          | 21,359                                      | -                               | 21,199          | 27,836                                      | -                               |
| Others                                       | 8,025           | -   | -                               | 8,025           | 7,196                                       | -                               | 7,196           | 6,331                                       | -                               |
| <b>Total Segment Assets</b>                  | <b>120,476</b>  | <b>-</b>                                    | <b>-</b>                        | <b>120,476</b>  | <b>1,07,167</b>                             | <b>-</b>                        | <b>1,07,167</b> | <b>1,07,001</b>                             | <b>-</b>                        |
| Investment eliminations                      | -               | -   | -                               | -               | -   | -                               | -               | -   | -                               |
| Unallocated                                  | -               | -   | -                               | -               | -   | -                               | -               | -   | -                               |
| Deferred tax assets                          | -               | -   | -                               | -               | -   | -                               | -               | -   | -                               |
| Investments                                  | 27,131          | -   | -                               | 27,131          | 31,725                                      | -                               | 21,725          | 22,332                                      | -                               |
| Derivative financial instruments             | -               | -   | -                               | -               | -   | -                               | -               | -   | -                               |
| Other Assets                                 | 55,382          | -   | -                               | 55,382          | 47,926                                      | -                               | 47,926          | 34,024                                      | -                               |
| <b>Total assets as per the balance sheet</b> | <b>2,02,992</b> | <b>-</b>                                    | <b>-</b>                        | <b>2,02,992</b> | <b>1,79,819</b>                             | <b>-</b>                        | <b>1,79,819</b> | <b>1,63,360</b>                             | <b>34,024</b>                   |

|   | 31 March 2017       |   |                                 | 31 March 2016       |   |                                 | 31 March 2015       |   |                                 |
|---|---------------------|---|---------------------------------|---------------------|---|---------------------------------|---------------------|---|---------------------------------|
|   | Segment Liabilities | Investment in associates and joint ventures | Additions to non-current assets | Segment Liabilities | Investment in associates and joint ventures | Additions to non-current assets | Segment Liabilities | Investment in associates and joint ventures | Additions to non-current assets |
| Industrial Packaging                              | 6,991               | -   | -                               | 6,116               | -   | -                               | 6,991               | -   | -                               |
| Logistics   | 16,399              | -   | -                               | 13,401              | -   | -                               | 10,770              | -   | -                               |
| Travel & Vacations                                | 10,399              | -   | -                               | 7,833               | -   | -                               | 7,250               | -   | -                               |
| Greases & Lubricants                              | 5,901               | -   | -                               | 5,801               | -   | -                               | 4,999               | -   | -                               |
| Others  | 1,971               | -   | -                               | 1,539               | -   | -                               | 2,183               | -   | -                               |
| <b>Total Segment Liabilities</b>                  | <b>41,661</b>       | <b>-</b>                                    | <b>-</b>                        | <b>31,690</b>       | <b>-</b>                                    | <b>-</b>                        | <b>32,112</b>       | <b>-</b>                                    | <b>-</b>                        |
| Investment eliminations                           | -                   | -   | -                               | -                   | -   | -                               | -                   | -   | -                               |
| Unallocated                                       | -                   | -   | -                               | -                   | -   | -                               | -                   | -   | -                               |
| Deferred tax liabilities                          | 3,302               | -   | -                               | 3,076               | -   | -                               | 3,250               | -   | -                               |
| Current tax liabilities                           | 4,575               | -   | -                               | 4,061               | -   | -                               | 5,024               | -   | -                               |
| Current borrowings                                | -                   | -   | -                               | -                   | -   | -                               | -                   | -   | -                               |
| Non-current borrowings                            | -                   | -   | -                               | -                   | -   | -                               | -                   | -   | -                               |
| Derivative financial instruments                  | -                   | -   | -                               | -                   | -   | -                               | -                   | -   | -                               |
| Other Liabilities                                 | 17,669              | -   | -                               | 14,118              | -   | -                               | 11,336              | -   | -                               |
| <b>Total liabilities as per the balance sheet</b> | <b>67,406</b>       | <b>-</b>                                    | <b>-</b>                        | <b>55,915</b>       | <b>-</b>                                    | <b>-</b>                        | <b>51,728</b>       | <b>-</b>                                    | <b>-</b>                        |



42 Financial risk management

i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

| Particulars                 | 31 March 2017 |                 | 31 March 2016 |                 | 1 April 2015 |                 |
|-----------------------------|---------------|-----------------|---------------|-----------------|--------------|-----------------|
|                             | FVTPL         | Amortised cost* | FVTPL         | Amortised cost* | FVTPL        | Amortised cost* |
| Financial assets            |               |                 |               |                 |              |                 |
| Equity instruments**        | 14            | -               | 27            | -               | 14           | -               |
| Trade receivables           | -             | 28,161          | -             | 23,033          | -            | 21,581          |
| Other receivables           | -             | 18,035          | -             | 19,077          | -            | 14,941          |
| Loans                       | -             | 872             | -             | 876             | -            | 832             |
| Accrued income              | -             | 1,910           | -             | 1,470           | -            | 1,374           |
| Security deposit            | -             | 822             | -             | 1,025           | -            | 1,214           |
| Cash and equivalents        | -             | 5,225           | -             | 6,150           | -            | 4,833           |
| Other bank balances         | -             | 47,759          | -             | 40,347          | -            | 34,301          |
| Total                       | 14            | 1,02,783        | 27            | 91,978          | 14           | 79,077          |
| Financial liabilities       |               |                 |               |                 |              |                 |
| Trade payable               | -             | 30,712          | -             | 22,429          | -            | 21,771          |
| Security deposit            | -             | 2,723           | -             | 2,083           | -            | 2,017           |
| Other financial liabilities | -             | 11,215          | -             | 9,272           | -            | 6,930           |
| Total                       | -             | 44,650          | -             | 33,784          | -            | 30,718          |

\*All financial assets/liabilities stated above are measured at amortised cost and their respective carrying values are not considered to be materially different from their fair values

\*\*1 Investment in equity instrument of subsidiaries, joint ventures and associates have been carried at cost with subsequent increases in value due to consolidation under Ind AS 110 using equity method for joint ventures and associates

\*\*2 This investment includes investment in other unquoted securities and the management estimates that its fair value would not be materially different from its carrying value, hence no fair value hierarchy disclosures are given in respect to these instruments, except BLHTPL which has been fair valued

ii) Risk Management

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the group is exposed to and how the group manages the risk and the related impact in the financial statements

| Risk                           | Exposure arising from   | Measurement  | Management  |
|--------------------------------|---|--|---|
| Credit risk                    | Trade Receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost | Ageing analysis  | Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, wherever feasible. Periodic review/ monitoring of trade receivables |
| Liquidity risk                 | Borrowings and other liabilities  | Rolling cash flow forecasts  | Periodic review of cash flow forecasts  |
| Market risk - foreign exchange | Recognised financial assets and liabilities not denominated in Indian rupee (INR)   | Cash flow forecasting and monitoring of forex rates on regular basis | Review of cash flow forecasts and hedging through forward contracts   |

The group's risk management other than in respect of trade receivables is carried out by a corporate department under policies approved in-principle by the board of directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Group's risk in respect of trade receivables is managed by the Chief Operating Officer of the respective Strategic Business Units

A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables. The parent company receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous monitoring of credit worthiness of customers, ability to repay and their past track record.

Similarly all group companies closely monitor their trade receivables which includes tracking the credit worthiness of the customers, ability to pay, default rates, past history etc. Accordingly expected credit loss has also been computed and accounted for by them.

Provision for  
For receivables



There are no universal expected loss percentages for the group as a whole. The parent company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

For other Financial assets

Loans are given to regular employees who are on the payroll of the company as per the employment terms and primarily secured in case of house building and vehicle loans. For other loans the amounts are well within the net dues to the employees and hence credit risk is taken as nil.

Accrued income - for the parent company includes Dividend income from both Indian and foreign JV's/associates. Hence no credit risk is envisaged.

Deposits - represent amounts lying with customers mainly government and public sector undertakings on account of security deposits, earnest money deposits and retention money given as per contractual terms. Based on past records the risk of default is minimal.

Cash & Cash equivalents - represent cash in hand and balances lying in current accounts with various consortium banks who have high credit ratings.

Other Bank balances - mainly represent fixed deposits having maturities up to one year and includes accrued interest on such deposits. These deposits have been taken with various public and private sector banks having the high credit rating.

## B) Liquidity risk

Liquidity risk arises from borrowings and other liabilities. The parent company is unleveraged entity, with no long term borrowings or debt. However, the other group companies have borrowings which are monitored regularly to ensure timely liquidation of the same.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the group maintains flexibility in funding by maintaining availability under committed facilities.

Individual management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The group takes into account the liquidity of the market in which the entities operate. In addition, the group's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The group does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they fall due. One group company has liquidity problems which is in the process of being handled by means of restructuring of loans with one time settlement with bankers.

## C) Market Risk

Market risk arises due to change in foreign exchange rates or interest rates.

### 1) Interest rate risk

The group is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The parent company including one of the JV's has invested in preference share capital of another joint venture company, Transafe services limited which has been entirely provided for in the books of the parent company on account of total erosion of net worth of the JV and hence no further income is being accrued on this account. The parent company has not invested in any other instruments except equity investments. The other company has borrowings on which interest is payable which is susceptible to change in rates.

### 2) Foreign currency

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

Some group companies like Avi-oil significantly import raw materials and is exposed to foreign exchange risk primarily with USD & Euro which is not hedged. Similarly BLVL has business transactions involving several currencies exposing it to foreign currency risk arising from foreign currency receivables and payables which it manages by entering into forward contracts.

## 43 Capital management

The Group's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The parent company does not have any debt outstanding on any of the Balance sheet dates covered in this report. However, one joint venture, Transafe Services limited is highly leveraged and is having problems in repayment of term loans including interest dues on the same. Efforts are at an advanced stage to address this issue by way of one time settlement and restructuring.

A handwritten signature in black ink is written over a circular stamp. The stamp contains some illegible text and a star-like symbol in the center.

|              | 31 March 2017 | 31 March 2016 | 1 April 2015 |
|--------------|---------------|---------------|--------------|
| Total equity | 1,35,885      | 1,23,874      | 1,11,632     |
| Total assets | 2,02,992      | 1,79,819      | 1,63,360     |
| Equity ratio | 67%           | 69%           | 68%          |

(b) Dividends

| Particulars   | 31 March 2017 | 31 March 2016 |
|---|---------------|---------------|
| (i) Equity shares   |               |               |
| Final dividend for the year ended 31 March 2016<br>(Net of Dividend distribution tax)   | 5,700 13      | 5,130 12      |
| (ii) Dividends not recognised at the end of the reporting period  |               |               |
| In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 7 for the parent company per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | 7,980 18      | 5,700 13      |

DR

**Balmer Lawrie & Co. Ltd**

Notes to the financial statements for the year ended 31 March 2017

(All amounts in ₹, unless otherwise stated)

NOTE 43. Interest in Other entities

a) Subsidiaries

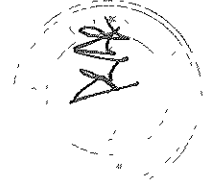
The group's subsidiaries as at 31 March 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

| Name of entity                          | Country of business/ country of incorporation | Ownership interest held by the group |               |               | Ownership held by non-controlling interests |               |               |
|---|---|--------------------------------------|---------------|---------------|---|---------------|---------------|
|   |   | 31 March 2017                        | 31 March 2016 | 01 April 2015 | 31 March 2017                               | 31 March 2016 | 01 April 2015 |
| Balmer Lawrie UK Ltd                    | United Kingdom                                | 100%                                 | 100%          | 100%          | NIL   | NIL           | NIL           |
| Vishal International Logistics Park Ltd | India   | 100%                                 | 100%          | 100%          | NIL   | NIL           | NIL           |

(b) Interest in associates and joint ventures

| Name of entity                               | Country of business/ country of incorporation | % of Ownership Interest | Relationship  | Accounting method |
|--|---|-------------------------|---------------|-------------------|
| Balmer Lawrie (UAE) LLC                      | United Arab Emirates                          | 19.00%                  | Associate     | Equity Method     |
| Balmer Lawrie Van Leer Ltd                   | India   | 17.91%                  | Joint Venture | Equity Method     |
| Transale Service Ltd                         | India   | 50.00%                  | Joint Venture | Equity Method     |
| AM Oil India (P) Ltd                         | India   | 25.00%                  | Associate     | Equity Method     |
| P.T. Balmer Lawrie Indonesia                 | Indonesia                                     | 50.00%                  | Joint Venture | Equity Method     |
| Balmer Lawrie Emd Terminal Pvt. Ltd (BLETPL) | India   | 50.00%                  | Joint Venture | Equity Method     |
| <b>Total equity accounted investments</b>    |   |                         |               |                   |

Balmer Lawrie (UAE) LLC, Am Oil India (P) Ltd, are classified as a associate on the basis of the shareholding pattern which leads to significant influence over these companies by the Company. Further, in Balmer Lawrie Van Leer Ltd, Transale Service Ltd, and Balmer Lawrie Emd Terminal Pvt. Ltd, both the partners have equal nominee representatives in the Board. Hence, these entities are classified as joint ventures and the Company recognises its share in net assets through equity method. However, BLETPL has since been liquidated and is no longer a joint venture of the Company.



## (a) Commitments and contingent liabilities in respect of associates and joint ventures

(₹ in lacs)

| Summarised balance sheet                            | 31 March 2017   | 31 March 2016   | 1 April 2015    |
|---|-----------------|-----------------|-----------------|
| Capital Commitments                                 | 359.60          | 350.11          | 712.24          |
| <b>Contingent liabilities</b>                       |                 |                 |                 |
| Claims not acknowledged as debts                    | 184.86          | 128.33          | 81.60           |
| Counter Guarantees                                  | 1,835.98        | 1,329.74        | 1,553.63        |
| Disputed demands                                    | 3,641.13        | 3,636.32        | 2,896.78        |
| <b>Total commitments and contingent liabilities</b> | <b>6,021.57</b> | <b>5,444.50</b> | <b>5,244.25</b> |

## (c) Summarised financial information for associates and joint ventures

## (c) (i)- Associates

| Summarised Balance Sheet      | Balmer Lawrie (UAE) LLC |                  |                  | Avi Oil India Pvt Ltd |                 |                 |
|-------------------------------|-------------------------|------------------|------------------|-----------------------|-----------------|-----------------|
|                               | 31 Dec 2016             | 31 Dec 2015      | 01 Jan 2015      | 31 March 2017         | 31 March 2016   | 1 April 2015    |
| Current assets                | 43,761.63               | 41,383.46        | 47,269.97        | 4,190.33              | 3,293.17        | 3,126.34        |
| Current liabilities           | 10,487.24               | 12,490.29        | 21,674.25        | 637.34                | 530.23          | 1,288.56        |
| <b>Net current assets</b>     | <b>33,274.39</b>        | <b>28,893.18</b> | <b>25,595.73</b> | <b>3,552.99</b>       | <b>2,762.94</b> | <b>1,837.78</b> |
| Non-current assets            | 7,562.19                | 8,438.67         | 7,888.63         | 2,072.28              | 2,102.32        | 2,220.86        |
| Non-current liabilities       | 2,149.11                | 2,125.63         | 2,066.55         | 517.31                | 504.37          | 433.23          |
| <b>Net non-current assets</b> | <b>5,413.08</b>         | <b>6,313.04</b>  | <b>5,822.08</b>  | <b>1,554.97</b>       | <b>1,597.95</b> | <b>1,787.63</b> |
| <b>Net assets</b>             | <b>38,687.47</b>        | <b>35,206.22</b> | <b>31,417.81</b> | <b>5,107.96</b>       | <b>4,360.89</b> | <b>3,625.41</b> |

## (c) (i)- Joint Ventures

| Summarised balance sheet                                     | Balmer Lawrie Van Leer Ltd. |                  |                  | Transafe Services Ltd. |                   |                   |
|--|-----------------------------|------------------|------------------|------------------------|-------------------|-------------------|
|  | 31 March 2017               | 31 March 2016    | 01 April 2015    | 31 March 2017          | 31 March 2016     | 01 April 2015     |
| Cash & Cash Equivalents                                      | 515.39                      | 263.71           | 422.64           | 49.19                  | 26.56             | 56.31             |
| Current assets excluding Cash & cash equivalents             | 14,342.89                   | 12,778.56        | 11,771.19        | 3,057.99               | 2,970.23          | 2,967.66          |
| Current Financial liabilities (excluding Trade payables)     | 8,399.21                    | 7,434.84         | 6,772.72         | 9,403.98               | 7,305.99          | 5,481.71          |
| Other Current liabilities                                    | 5,484.37                    | 4,998.59         | 4,480.63         | 2,230.13               | 1,444.36          | 1,109.75          |
| <b>Net current assets</b>                                    | <b>974.70</b>               | <b>608.84</b>    | <b>940.48</b>    | <b>(8,526.94)</b>      | <b>(5,753.56)</b> | <b>(3,567.49)</b> |
| Non-current assets   | 16,932.98                   | 16,096.47        | 14,750.02        | 10,463.02              | 10,904.23         | 11,427.90         |
| Non-current Financial liabilities (excluding Trade payables) | 2,482.85                    | 2,451.82         | 2,487.39         | 9,209.32               | 11,351.40         | 13,328.19         |
| Other Non-current liabilities                                | 1,052.30                    | 983.73           | 916.74           | 98.73                  | 92.82             | 102.23            |
| <b>Net non-current assets</b>                                | <b>13,397.83</b>            | <b>12,660.92</b> | <b>11,345.89</b> | <b>1,154.96</b>        | <b>(539.98)</b>   | <b>(2,002.51)</b> |
| <b>Net assets</b>  | <b>14,372.53</b>            | <b>13,269.76</b> | <b>12,286.37</b> | <b>(7,371.97)</b>      | <b>(6,293.54)</b> | <b>(5,570.00)</b> |



(₹ in lacs)

| Summarised balance sheet                                     | Balmer Lawrie Hind Terminal Ltd. |               |               | PT Balmer Lawrie Indonesia |               |               |
|--|----------------------------------|---------------|---------------|----------------------------|---------------|---------------|
|  | 31 March 2017                    | 31 March 2016 | 01 April 2015 | 31 March 2017              | 31 March 2016 | 01 April 2015 |
| Cash & Cash Equivalents                                      |                                  |               | 111.48        | 12.15                      | 9.13          | 21.26         |
| Current assets excluding Cash & cash equivalents             |                                  |               | 155.36        | 1,326.13                   | 980.95        | 1,081.32      |
| Current financial liabilities (excluding Trade payables)     |                                  |               | 0.42          | 458.08                     | 258.39        | 423.92        |
| Other Current liabilities                                    |                                  |               | 6.40          | 1,472.43                   | 1,432.62      | 1,416.65      |
| Net current assets   |                                  |               | 260.02        | (592.22)                   | (700.94)      | (737.99)      |
| Non-current assets   |                                  |               | -             | 1,308.90                   | 1,413.20      | 1,424.90      |
| Non-current financial liabilities (excluding Trade payables) |                                  |               | -             | 1,591.85                   | 1,697.74      | 1,684.31      |
| Other Non-current liabilities                                |                                  |               | -             | (0.00)                     | 0.00          | 1.39          |
| Net non-current assets                                       |                                  |               | -             | (282.95)                   | (284.54)      | (260.80)      |
| Net assets   |                                  |               | 260.02        | (875.17)                   | (985.47)      | (998.79)      |

Balmer Lawrie Hind Terminals Pvt Ltd had gone for voluntary winding up during december 2015 and has since been liquidated and hence not consolidated during the years 2015-16 & 2016-17

## (c) (ii)- Associates

| Summarised statement of profit and loss | Balmer Lawrie (UAE) LLC |             | Avi Oil India Pvt. Ltd |               |
|---|-------------------------|-------------|------------------------|---------------|
|   | 31 Dec 2016             | 31 Dec 2015 | 31 March 2017          | 31 March 2016 |
| Revenue                                 | 64,102.14               | 65,943.07   | 6,763.46               | 6,850.47      |
| Profit for the year                     | 6,088.48                | 3,458.63    | 1,087.02               | 876.40        |
| Other comprehensive income (net of tax) | -                       | -           | (13.46)                | (32.49)       |
| Total comprehensive income              | 6,088.48                | 3,458.63    | 1,073.56               | 843.91        |
| Dividend received                       | 1,452.00                | 824.07      | 67.50                  | 22.50         |

## (c) (ii)- Joint Ventures

| Summarised statement of profit and loss | Balmer Lawrie Van Leer Ltd |               | Transafe Services Ltd. |               | PT Balmer Lawrie Indonesia |               |
|---|----------------------------|---------------|------------------------|---------------|----------------------------|---------------|
|   | 31 March 2017              | 31 March 2016 | 31 March 2017          | 31 March 2016 | 31 March 2017              | 31 March 2016 |
| Revenue                                 | 42,521.99                  | 38,312.08     | 5,481.66               | 6,362.46      | 2,882.41                   | 2,408.64      |
| Interest income                         | 75.10                      | 58.76         | 24.51                  | 18.29         | 0.00                       | 0.00          |
| Depreciation and amortisation           | 940.69                     | 831.64        | 941.25                 | 965.99        | 10.62                      | 9.78          |
| Interest expense                        | 770.83                     | 707.62        | 1,634.36               | 1,650.33      | 320.73                     | 333.35        |
| Income tax expense                      | 1,000.13                   | 676.01        | (479.93)               | (331.75)      | (3.50)                     | 2.09          |
| Profit for the year                     | 1,846.71                   | 1,675.39      | (1,078.50)             | (724.93)      | (90.44)                    | (330.71)      |
| Other comprehensive income              | (95.74)                    | (22.36)       | 0.07                   | 1.39          | (0.60)                     | 1.01          |
| Total comprehensive income              | 1,750.97                   | 1,653.02      | (1,078.43)             | (723.54)      | (91.04)                    | (329.70)      |
| Dividend received                       | 258.04                     | 172.02        |                        |               |                            |               |

PT Balmer Lawrie Indonesia, a JV of Balmer Lawrie (UK) Ltd and Transafe Services Ltd's a JV whose networth have turned negative on all the applicable balance sheet dates, have not been consolidated further as per Ind AS requirements

| Name of the Entity in the Group  | Net Assets i.e., total assets minus total liabilities |                    | Share in profit or Loss               |                  | Share in Other Comprehensive Income               |              | Share in total Comprehensive Income  |                  |
|--|---|--------------------|---------------------------------------|------------------|---|--------------|--------------------------------------|------------------|
|  | As a % of consolidated net Assets                     | Amount             | As a % of consolidated profit or loss | Amount           | As a % of consolidated Other comprehensive income | Amount       | As a % of total comprehensive income | Amount           |
|  |   |                    |                                       |                  |   |              |                                      |                  |
| <b>Parent</b>  | 85.81%  | 1,16,598.77        | 100.20%                               | 17041.89         | 188.06%   | 85.85        | 1.00                                 | 17,127.74        |
| <b>Subsidiaries</b>  |   |                    |                                       |                  |   |              |                                      |                  |
| <b>Indian</b>  |   |                    |                                       |                  |   |              |                                      |                  |
| Visakhapatnam Logistics Park Limited   | 0.15%   | (201.47)           | -0.32%                                | (53.96)          |   |              | -0.32%                               | (53.96)          |
| <b>Foreign</b>   |   |                    |                                       |                  |   |              |                                      |                  |
| 1. Balmer Lawrie UK Ltd  | 0.81%   | 1,098.59           | 0.12%                                 | 19.59            |   |              | 0.12%                                | 19.59            |
| 2. PT Balmer Lawrie Indonesia  |   |                    |                                       |                  |   |              |                                      |                  |
| <b>Non Controlling Interest in All subsidiaries Associates (Investment as per Equity Method)</b> |   |                    |                                       |                  |   |              |                                      |                  |
| <b>Indian</b>  |   |                    |                                       |                  |   |              |                                      |                  |
| Avi-Oil India Private Limited  | 0.49%   | 659.25             |                                       |                  | (0.08)  | (3.67)       | (0.08)                               | (3.67)           |
| <b>Foreign</b>   |   |                    |                                       |                  |   |              |                                      |                  |
| Balmer Lawrie (UAE) LLC  | 11.00%  | 14,942.00          |                                       |                  |   |              |                                      |                  |
| <b>Joint Ventures (Investment as per Equity Method)</b>  |   |                    |                                       |                  |   |              |                                      |                  |
| <b>Indian</b>  |   |                    |                                       |                  |   |              |                                      |                  |
| 1. Balmer Lawrie Van Leer  | 2.05%   | 2,788.00           |                                       |                  | (0.80)  | (36.53)      | (0.80)                               | (36.53)          |
| 2. Transafe Services Ltd   |   |                    |                                       |                  |   |              |                                      |                  |
| Net worth of PTBLI & Transafe Services Ltd are negative Hence no consolidation has been done     |   |                    |                                       |                  |   |              |                                      |                  |
| <b>Total</b>   | <b>100.00%</b>  | <b>1,35,885.14</b> | <b>100.00%</b>                        | <b>17,007.52</b> | <b>100.00%</b>                                    | <b>45.65</b> |                                      | <b>17,053.17</b> |

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**Balmer Lawrie & Co. Ltd.**

**Disclosures in Notes to the Consolidated financial statements for the year ended 31**

**March 2017**

**Note No 44**

### **First time adoption of Ind AS**

#### **Transition to Ind AS**

These are the Group's first financial statements prepared in accordance with Ind AS applicable as at 31<sup>st</sup> March, 2017.

The accounting policies set out in Note no 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies ( Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ( previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

#### **Exemptions and exceptions availed**

The applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS are given below.

##### **A. Ind AS optional exemptions**

##### **Deemed cost for property, plant and equipment, investment property and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment Property covered by Ind AS 40- Investment Properties.

Accordingly, the Group has elected to measure all of its Property, Plant and Equipment, Investment Properties and Intangible Assets at their previous GAAP carrying value.

##### **Leases**

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The group has elected to apply this exemption of making this assessment on the date of transition to Ind AS for such contracts/ arrangements.

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## **Investment in subsidiaries, joint ventures and associates**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its subsidiaries, joint ventures and associate companies as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly the company has elected to measure the investment in subsidiaries, joint ventures and associates at previous GAAP carrying amount.

### **B. Ind AS mandatory exemptions**

#### **1 Estimates**

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

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

#### **2 Classification and measurement of financial assets and liabilities**

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

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

The group has applied the classification and measurement provisions as per Ind AS 109 as on the date of transition.

#### **3 De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

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### C Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS

CI . Reconciliation of total equity as at 31 March 2016 and 1 April 2015

|  | Notes to first time adoption | 31 March 2016      | 1 April 2015       |
|--|------------------------------|--------------------|--------------------|
| <b>Total equity (shareholder's funds) as per previous GAAP</b>                         |                              | <b>1,16,767.92</b> | <b>1,04,328.78</b> |
| <b>Adjustments:</b>  |                              |                    |                    |
| Items consolidated earlier no longer done under equity method                          | B17                          | (238.54)           | 971.38             |
| Reversal of proposed dividend and Tax on dividend                                      | B6                           | 7,286.46           | 6,660.72           |
| Reversal of revenue  | B4                           | (5.12)             | (23.64)            |
| Impact of Grants   | B15                          | (12.91)            | (14.01)            |
| Decommissioning liability and related depreciation                                     | B16                          | (7.04)             | (6.21)             |
| Depreciation reversal on Goodwill & Leasehold land                                     | B2/B12                       | 319.32             |                    |
| Increase in rent expenses on leasehold land  | B12                          | (135.67)           |                    |
| Amortisation impact of Long term loans, advances & liabilities                         | B3/B13                       | (3.41)             | 30.05              |
| Fair value gain on Investments   |                              | 9.60               |                    |
| Actuarial Gain/(losses) on valuation of Defined benefit employee plans                 | B9                           | 377.16             |                    |
| Deferred tax impact on above adjustments and additional deferred tax for IGAAP figures | B8                           | (222.09)           | (315.64)           |
| Other Comprehensive income   | B9                           | (261.63)           |                    |
| <b>Total adjustments</b>   |                              | <b>7,106.13</b>    | <b>7,302.85</b>    |
| <b>Total equity as per Ind AS</b>  |                              | <b>1,23,874.05</b> | <b>1,11,631.63</b> |

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C2. Reconciliation of total comprehensive income for the year ended 31 March 2016

|  | Notes to first time adoption | 31 March 2016    |
|--|------------------------------|------------------|
| <b>Profit after tax as per previous GAAP</b>                               |                              | 17,888 01        |
| <b>Adjustments in Statement of Profit and Loss:</b>                        |                              |                  |
| Depreciation reversal on Goodwill  | B2                           | 183 65           |
| Depreciation reversal on Leaschold land                                    | B12                          | 135 67           |
| Rent Expenses on account of Leaschold Land                                 | B12                          | (135 67)         |
| Reversal of Revenue on account of consideration received on others account | B4                           | (1,11,493 62)    |
| Reversal of cost on account of consideration paid on others account        | B4                           | 1,11,493 62      |
| Reversal of Revenue for Incomplete tours                                   | B4                           | (22 83)          |
| Reversal of Cost for Incomplete tours                                      | B4                           | 18 99            |
| Impact of actuarial gain/loss on defined benefit employee plans            | B9                           | 377 15           |
| Income from amortisation of long term Loans and advances                   | B3 /B13                      | 35 88            |
| Expenses from amortisation of long term Loans and advances                 | B3/B13                       | (35 68)          |
| Fair value gain on investment  | B14                          | 9 60             |
| Adjustments on account of JV & Associates consolidated earlier             | B17                          | (1600 99)        |
| Additional Deferred tax on previous GAAP figures                           | B8                           | (450 91)         |
| Deferred tax impact on above adjustments                                   | B8                           | (0 87)           |
| <b>Adjustments in Other Comprehensive Income:</b>                          |                              |                  |
| Impact of actuarial gain/loss on defined benefit employee plans            | B9                           | (373 22)         |
| Impact of other OCI for JV's and associates                                | B9                           | (15 00)          |
| Deferred tax impact on above adjustments in OCI                            | B9                           | 126 69           |
| <b>Total adjustments</b>   |                              | <b>(1747.64)</b> |
| <b>Total comprehensive income for the year ended 31 March 2016</b>         |                              | <b>16,140.37</b> |

C3. Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016

|  | Notes | Previous GAAP | Adjustments     | Ind AS       |
|--|-------|---------------|-----------------|--------------|
| Net cash flow from operating activities              |       | 21,783        | (6,754)         | 15,029       |
| Net cash flow from investing activities              |       | (1,484)       | (5,593)         | (7,077)      |
| Net cash flow from financing activities              |       | (13,327)      | 6,692           | (6,635)      |
| <b>Net increase in cash and cash equivalents</b>     |       | <b>6,972</b>  | <b>(5,655)</b>  | <b>1,317</b> |
| Cash and cash equivalents as at 1 April 2015         |       | 38,779        | (33,946)        | 4,833        |
| <b>Cash and cash equivalents as at 31 March 2016</b> |       | <b>45751</b>  | <b>(39,601)</b> | <b>6,150</b> |



## **Notes to first time adoption:**

### **Note B1: Property Plant and Equipment**

Under the previous GAAP, the upfront payment on account of leasehold land was recognised under property, plant and equipment as per the disclosure requirements of Schedule III. Under Ind AS, leasehold land with lease tenure upto thirty years disclosed under property, plant and equipment is reclassified to other assets ( prepaid rent)

Under Ind AS, property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

### **Note B2: Intangible Assets - Goodwill**

Under Ind AS 103, goodwill is not written down unless impairment is evident. Goodwill needs to be reviewed annually for impairment using principles of Ind AS 36 - Impairment. Accordingly the amortisation of goodwill during the financial year ending on 31<sup>st</sup> March, 2016 included under depreciation has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has increased by an equivalent amount.

### **Note B3: Loans given to Employees**

Under the previous GAAP, loan to employees was measured at cost. Under the Ind AS, these loans are considered as debt instruments and falls under the category of amortised cost. These instruments are measured at fair value and the difference between the carrying value and the discounted value ( fair value) shall be treated as prepaid employee cost.

### **Note B4: Revenue recognition**

Under Ind AS, where the Company collects consideration on account of another party, it recognises revenue as the net amount retained on its own account for services rendered in its ticketing and Logistics businesses.

The company recognised its revenue relating to sale of tour packages on the basis of certainty of collection of the amount. In previous GAAP, revenue regarding the sale of service could be recognised on the basis of either Completed method or Percentage of completion method. In Ind AS, revenue regarding sale of service can only be recognised on the basis of Percentage of completion method and hence revenue relating to incomplete tours have been reversed.

### **Note B5: Trade Receivable and other receivables**

Consequent to the change in revenue recognition under Ind AS as stated above, the receivables from the customers have also been reclassified from Trade receivables to Other receivables under other financial assets.

#### **Note B6: Proposed Dividend**

Under the previous GAAP, dividends proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly the liability for proposed dividend including dividend distribution tax included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has increased by an equivalent amount.

#### **Note B7: Excise Duty**

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of products is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31<sup>st</sup> March 2016. There is no impact on total equity and profit.

#### **Note B8: Deferred Tax**

As per Ind AS, deferred tax has been recognised on the adjustments made on transition to Ind AS. The impact of transition adjustments together with using balance sheet approach as per Ind AS against profit and loss approach in the previous GAAP for computation of deferred tax has impacted the reserves on date of transition, with consequential impacts on the profit and loss for the subsequent periods.

#### **Note B9: Other Comprehensive Income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' represents re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Actuarial gains/ losses on defined benefit plans for employees was being recognised in statement of profit and loss under previous GAAP. This is now being recognised in other comprehensive income net of deferred tax. The net impact for the year ending 31<sup>st</sup> March 2016 is ₹ 246.63 Lacs.

#### **Note B10: Other Equity**

Other equity has been adjusted consequent to the above Ind AS transition adjustments.

#### **Note B11: Cash Credit ( Short Term Borrowings)**

Under Ind AS, cash credit ( bank overdrafts) repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, cash credit ( bank overdrafts) were considered as part of borrowings and movements in cash credit ( bank overdrafts) were shown as part of financing activities. Consequently, cash and cash equivalents have reduced by as at 31<sup>st</sup> March 2016 ( as at 1<sup>st</sup> April 2015) and cash flows from financing activities for the year ended 31<sup>st</sup> March 2016 have also reduced by to the effect of the movements in cash credit ( bank overdrafts).

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**Note B12: Depreciation**

As explained in note B1, Leasehold land has been de-capitalised and treated as prepaid rent under Ind AS. The prepaid rent is being charged to statement of profit and loss over the balance lease period as rent expenses. This has resulted in increase in rent expenses on this account during 2015-16 with corresponding decrease in depreciation expenses on leasehold land

**Note B13: Long Term Loans and Advances (Amortised cost instruments)**

Items like security deposits, retention money and other financial items of long term nature have been treated under the category of amortised cost. These instruments are measured at fair value and the difference between the carrying value and the discounted value ( fair value) are treated as deferred cost and deferred gains for assets and liabilities respectively. The deferred cost/ deferred gains are being charged to statement of profit and loss over the life of the long term assets and liabilities on straight line basis.

All deposits with statutory authorities, utility departments and the like for which the cash flows cannot be predicted with certainty have been excluded.

**Note B14: Fair value gain on investment**

Investment in equity shares of a joint venture which had gone for voluntary winding up has been fair valued at the value which was received from the official liquidator on liquidation.

**Note B15: Grants**

Government grants related to depreciable capital assets are recognised in the balance sheet as deferred income and the same is recognised in the statement of profit and loss on a systematic basis over the useful life of the asset. Consequent to the change, capital subsidy recognised has been recognised as deferred grant income on the transition date which has resulted in reduction of equity on that date.

**Note B16: Provision for De-commissioning liability**

Ind AS 16 requires specified changes in a de-commissioning restoration or similar liability to be added to or deducted from the cost of the asset to which it relates. The adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life.

**Note B17: Consolidation of Joint Ventures and Associates**

Under Ind AS the joint ventures and associates are consolidated using the equity method instead of proportionate consolidation method being used under previous GAAP. This has impacted the consolidated results for the items no longer consolidated in the statement of profit and loss. Also for the loss making joint ventures and associates where the net worth has turned negative, the requirement of consolidation no longer exists. The investments are written down to the extent of share of the accumulated losses. This has impacted the equity figures to that extent.

