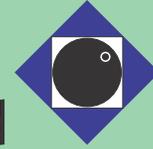


Balmer Lawrie-Van Leer Limited



**61st  
ANNUAL REPORT**

# 61st Annual Report 2020 - 2021

## Board of Directors

Hari Krishna Kumar *(Chairman)*  
Girish Pundlik *(Managing Director)*  
Prabal Basu *(upto 17.12.2020)*  
Adika Ratna Sekhar *(from 18.12.2020)*  
Jaime Moreno Marin *(upto 31.05.2021)*  
Donna M McPherson *(from 01.06.2021)*  
Balaji Venkatesh Sathyanarayanan *(w.e.f. 17.01.2020)*  
Sandip Das *(w.e.f. 01.05.2020)*  
Vasudev Narayan Sharma *(Independent Director)*  
Jozef M. Casparie *(Independent Director)*

## Senior Management Team

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

## Company Secretary & Chief Compliance Officer

Nilesh Shirke *(Company Secretary & Compliance officer)*

## Registered Office

D-195/2, T.T.C. Indl. Area, MIDC Turbhe,  
Near Turbhe Telephone Exchange,  
Navi Mumbai-400 705.  
Tel. No.: 91-22-6739 6400  
E-mail : [response@blvlindia.com](mailto:response@blvlindia.com)

## Registrar & Share Transfer Agent Link Intime India P. Ltd.

C-101, 247 Park, L.B.S. Marg,  
Vikhroli (W), Mumbai-400 083.  
Tel. No.: 91-22-4918 6000  
Fax No.: 91-22-4918 6060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## Statutory Auditors

Walker Chandiook & Co. LLP

## Secretarial Auditors

N. L. Bhatia & Associates

## Bankers

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

## Corporate Website

<https://blvlindia.com>

## CIN NO

U99999MH1962PLC012424

## Contents

Notice .....	3
Directors' Report .....	14
Independent Auditor's Report on Standalone Financial Statements .....	38
Balance Sheet .....	46
Statement of Profit and Loss .....	47
Cash Flow Statement .....	49
Notes to Financial Statement .....	50

**NOTICE TO THE MEMBERS**

Notice is hereby given that the 61st Annual General Meeting of Balmer Lawrie-Van Leer Limited will be held on Tuesday, 21st September, 2021 at 04.00 P.M. (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt, the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Report of the Board of the Directors and Auditors thereon.
2. To declare dividend of Rs. 5.50/- per equity share (i.e. 55% on the face value of Rs. 10/- per equity share) for the financial year 2020-21 on Equity Shares.
3. To appoint a Director in place of Mr. Balaji Venkatesh Sathyanarayanan (Din No. 08673086) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sandip Das (Din No. 08217697) who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

5. **Re- appointment of Mr. Jozef Martinus Casparie (DIN: 07168391) as Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149(10), 150, 152, 161 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended, and pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors, Mr. Jozef Martinus Casparie (DIN: 07168391), who is eligible for re-appointment as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director and who has given a declaration that he meets the criteria of independence as prescribed in section 149(6) of the Act and qualifies to be appointed as an Independent Director, be and hereby appointment as an Independent Director of the Company not liable to retire by rotation, and to hold office for a term of (Five) 5 Consecutive years beginning from 1st October, 2020 up to 30th September, 2025 be and is hereby approved."

6. **Re-appointment of Mr. Girish Pundlik (DIN 08099591) as Managing Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 161(3), 196, 197, 198 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force) (hereinafter referred to as "the Act"), the relevant provision of the Articles of Association of the Company, and subject to such approvals as may be required, consent and

approval of the Company be and is hereby accorded to the re-appointment of Mr. Girish Pundlik (DIN No. 08099591) as Managing Director of the Company for a period of one year commencing from 1st April, 2021 to 31st March, 2022 (both terms inclusive) on the remuneration and terms and conditions as set out in the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (on the recommendations of the Nomination & Remuneration Committee) be and are hereby authorized to revise, amend, alter and vary the remuneration and other terms and conditions of Mr. Girish Pundlik, Managing Director in such a manner as may be permissible in accordance with the provisions of the Act and Schedule V or any modification or enactment thereto and subject to the approval of the Central Government, if required, and as may be agreed to by and between the Board of Directors and Mr. Girish Pundlik, without any further reference to the shareholders in general meeting.

**RESOLVED FURTHER THAT** as Managing Director of the Company, Mr. Girish Pundlik shall, subject to the supervision, control and directions of the Board of Directors of the Company, continue to exercise substantial powers of management and shall manage the business and affairs of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution in conformity with the provisions of the Act and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company."

7. **Appointment of Mr. Adika Ratna Sekhar (DIN: 08053637) as Director**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152, 161 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended, Mr. Adika Ratna Sekhar (DIN: 0 8053637) who was appointed as Additional Director with effect from 18th December, 2020 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director be and is hereby appointed as Director on the Board of the Company liable to retire by rotation"

8. **Appointment of Mrs. Donna M McPherson (DIN: 09187217) as Director**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152, 161 and all other applicable provisions of the Companies

## 61st Annual Report 2020 - 2021

Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended, Mrs. Donna M McPherson (DIN: 09187217) who was appointed as Additional Director with effect from 1st June, 2021 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of the Director be and is hereby appointed as Director on the Board of the Company liable to retire by rotation.”

### 9. Approval of Board Limits

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

“**RESOLVED THAT** in supersession of earlier resolution passed at the 58th Annual General meeting of the Company held on 7th September, 2018 and pursuant to the provisions of the Section 180(1)(c) of the Act and all other applicable provisions, if any, including any amendment or modification thereof, consent of the Company be and is hereby accorded to the Board of Directors to borrow any sum or sums of money for the purposes of the business of the Company, from time to time, notwithstanding that the money or monies to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital and free reserves of the Company (reserves not set apart for any specific purposes) provided that the total amount so borrowed shall not exceed Rs.225 Crore (Rupees Two Hundred Twenty Five Crore only)

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things including delegation of authorities as may deem necessary proper and expedient in the interest of the Company.”

### 10. Authority for creation of charge /mortgage of fixed assets

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

“**RESOLVED THAT** in supersession of earlier resolution passed at the 58th Annual General meeting of the Company held on 7th September, 2018 and pursuant to the provisions of the Section 180(1)(c) of the Act and all other applicable provisions, if any, including any amendment or modification thereof, consent of the Company be and is hereby accorded to the Board of Directors to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, in such manner, as the Board may deem fit, in favor of the Banks/ financial Institutions, any other lenders and trustees for the debenture holders/bonds/other instruments to secure rupee/foreign currency loans and/or for the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to Equity Shares (hereinafter collectively referred to as “Loans”) provided that the total amount of loans together with interest thereon, additional interest, compounded interest, liquidated damages, commitment charges, premium payable on pre-payment or redemption, costs, charges, expenses and any other money payable by the Company in respect of all loans taken by the Company shall not at any time exceed the limit of Rs. 225 Crore (Rupees Two Hundred Twenty Five Crore only).

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things including delegation of authorities to execute all such documents, undertakings and writings as may be required and deem necessary”

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

#### Registered office:

D-195/2, TTC Industrial area  
MIDC Turbhe  
Near Turbhe Telephone Exchange  
Navi Mumbai- 400 705  
CIN No: U99999MH1962PLC012424

Place : Mumbai  
Dated : 02nd June, 2021

**Nilesh Shirke**  
*Company Secretary*

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

The following Explanatory Statement sets out all the material facts relating to the Item Nos. 5 to 10

#### In respect of item No. 5

In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, as amended, Mr. Jozef Martinus Casparie was appointed as a Non-Executive Director of the Company effective 8th May, 2015 and was appointed as an Independent Director of the Company by the Shareholders of the Company at the 55th Annual General Meeting held on 2nd September, 2015, for a period of five years. The Board on 9th October, 2020, based on the recommendations of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mr. Jozef Martinus Casparie approved his re-appointment as an Independent Director of the Company, not liable to retire by rotation, for a second term effective 1st October, 2020 to 30th September, 2025. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Mr. Jozef Martinus Casparie for the office of Director.

The Company has received from Mr. Jozef Martinus Casparie (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act, (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act.

A copy of the draft letter of appointment of Mr. Jozef Martinus Casparie as an Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business hours on working days up to the date of the Annual General Meeting ('AGM') and will also be kept open at the venue of the AGM till the conclusion of the Meeting. The profile and specific areas of expertise of Mr. Jozef Martinus Casparie are provided as annexure to this Notice. Mr. Jozef Martinus Casparie is also as a Members of Board Committees of the Company and shall be paid sitting fees for attending the meeting as per provision of Companies Act, 2013 and rules thereunder.

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

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

**In respect of item No. 6**

The Board of Directors of the Company at its meeting held on 7th March, 2018 approved the appointment of Mr. Girish Pundlik as nominee Director of M/s. Balmer Lawrie & Co. Ltd with effect from 1st April, 2018. Mr. Girish Pundlik was also appointed at the aforesaid Board meeting as Managing Director of the Company for three year commencing 1st April, 2018 and ending on 31st March, 2021.

Considering the Contribution of Mr. Girish Pundlik and growth sustained by the Company under his leadership and guidance and as per recommendation of Nomination and Remuneration Committee, the Board at the meeting held on 31st March, 2021 approved re-appointment of Mr. Girish Pundlik as Managing Director for a term of one year commencing from 1st April, 2021 and ending on 31st March, 2022.

Pursuant to Section 161(3) of the Companies Act, 2013 ("the Act") and Article 126 of the Articles of Association of the Company the Managing Director so appointed/ nominated shall not be liable to retire by rotation but shall be entitled to hold the office until removal or fresh appointment/ nomination.

The Board of Directors at its meeting held on 31st March, 2021 also approved the remuneration and perquisites to be paid and facilities to be granted to Mr. Girish Pundlik as Managing Director as set out in the draft agreement to be entered into between the Company and Mr. Girish Pundlik referred to in the resolution at item no.6 of the Notice.

The appointment of Mr. Girish Pundlik as Managing Director and the remuneration proposed to be paid are in conformity with the provisions and requirements of Schedule V of the Act and accordingly approval of central government is not required. However the appointment and remuneration proposed is subject to the approval of shareholders in general meeting pursuant to the Section 196 of the Act.

Mr. Girish Pundlik, aged 54 years, B E (Polymer Engineering) and MBA (Finance) Pune University has varied experience of 30 years and above at various levels working with in domestic and overseas companies. Mr. Girish Pundlik had joined the Company on 7th July, 2016 as 'Chief Executive Officer' and in the 58th Annual General Meeting held on 7th September, 2018 was appointed for as Managing Director for a term of three years beginning from 1st April 2018.

The material terms of the draft agreement referred to in the resolution at item no. 6 are as follows:

1. The appointment of Mr. Girish Pundlik as Managing Director shall be for a period of 1 years commencing from 1st April, 2021 and ending on 31st March, 2022.
2. Mr. Girish Pundlik shall be responsible for and in charge of day to day management of the Company and shall exercise powers and perform such duties as may be entrusted by the Board from time to time more particularly under authority granted to him.
3. Mr. Girish Pundlik shall devote his whole time, attention and abilities during the business hours to the business of the Company and use his best endeavors to promote interest and welfare of the Company.

4. Mr. Girish Pundlik shall be entitled to the following emoluments, benefits and perquisites subject to limits laid down under Section 197, 198 and Schedule V of the Companies Act, 2013

- (a) Salary: Rs.1,48,250/- per month Annual increment with consequential increase in other allowances and benefits as may be approved by the Board each year based on merit and Company's performance.
- (b) Allowances Reimbursements & Perquisites: Mr. Girish Pundlik shall be entitled to following allowances, reimbursement of expenses and perquisites in accordance with the rules of the Company, applicable from time to time and shall be subject to limits as may be approved by the Board of Directors or its Committee:
  - (1) Allowances like house rent Allowance, cost of living allowance, children education allowance, variable performance bonus, leave travel allowance;
  - (2) Reimbursements towards books and periodicals, soft furnishing, uniform, medical expenses, repairs;
  - (3) Perquisite like reimbursement of gas, electricity, Company owned AC car with driver, reimbursement of expense towards running and maintenance of car, reimbursement of insurance premium for hospitalization policy for self, spouse and dependent children, Payment for Corporate club membership fees including entrance fees (maximum two clubs)
- (c) Commission: Subject to the overall ceiling as per Section 197 of the Companies Act, 2013, the Company shall pay commission @ 2% of the incremental Profit after Tax ("PAT") of the Company over previous financial year subject to a minimum of Rs. 4,00,000/- per year.
- (d) Retirement Benefits: Company shall contribute to Provident Fund @ 12% of basic salary plus cost of living allowance to provident fund and 15% of basic salary to Superannuation Fund. However Company's total contribution to Provident Fund and Superannuation Fund shall be up to a limit exempt from taxation under the Income-tax Act, as amended from time to time.
 

Gratuity as per rules of the Company subject to a maximum limits as per the Payment of Gratuity Act as applicable at the time of retirement, resignation or termination.

Encashment of leave during the tenure and /or at the end of tenure shall be in accordance with the rules of the Company.
- (e) Post Retirement Benefits: In the event of tenure extending till the age of retirement as per the rules of the Company or thereafter, Mr. Girish Pundlik shall be eligible for following additional benefits/ re-imbursments:
  - (i) Travelling expenses for self and family from Mumbai to Home town by Air or 1st Class AC train
  - (ii) Expenses for transfer of personal household items including packing, transit insurance, and local levy, if any.
  - (iii) House Rent, telephone expenses and car expenses including driver's salary as per last eligibility limits for maximum of two months

## 61st Annual Report 2020 - 2021

- (iv) Sale of fixed assets provided under Company's Furniture scheme at written down value or price as per rules of the Company

**Minimum Remuneration:** In the event of loss or inadequacy of profits during any financial year during the aforesaid period, the Company will pay remuneration by way of salary, allowance, reimbursement and perquisites as specified above, not exceeding the limits specified in Section II of Part II of Schedule V to the Companies Act, 2013, subject to requisite approval being obtained, if required.

5. Mr. Girish Pundlik shall not be paid any sitting fees for attending the meeting of the Board or of any Committee thereof.
6. Mr. Girish Pundlik shall be entitled to Privilege Leave, Sick Leave and Casual Leave as per the rules of the Company.
7. Mr. Girish Pundlik shall not during the terms of his appointment and at any time thereafter, divulge or disclose any information or knowledge obtained by him during his employment as to the business or affairs of the Company or any trade secrets or confidential information including technical processes of the Company.
8. Mr. Girish Pundlik shall not during the terms of his appointment or thereafter directly or indirectly engage himself in any business activity substantially similar to or competing with the business or activity of the Company or do any deed, matter or things so as to solicit the customer of the Company or offer to provide any service to any of the Customer otherwise than through the Company. Mr. Girish Pundlik shall not hold directorship in other Company without the previous written permission of the Company. However holding or making investment in shares of other Companies shall not be deemed a contravention of this clause.
9. In the event of Mr. Girish Pundlik is not in position to discharge his official duties due to any physical or mental incapacity or disqualifies himself to act as a Director for reasons stated in Section 164 Companies Act, 2013 or breach of Section 167 of the Companies Act, 2013, the Board of Directors shall have right to terminate this agreement on such terms as the Board of Directors may consider appropriate in the circumstances.
10. All personnel policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to Mr. Girish Pundlik, unless specifically provided otherwise.

The draft agreement between the Company and Mr. Girish Pundlik referred to in the resolution at item no. 6 will be open for inspection by the members at the registered office of the Company during business hours on any working day except Saturday till the conclusion of this meeting.

The Directors consider the aforesaid remuneration to be commensurate with the duties and responsibilities of Mr. Girish Pundlik as Managing Director and recommend the Resolution at item no. 6 for approval by the members.

Mr. Girish Pundlik is interested in this resolution since it relates to his own appointment. None of the other Directors or Key Managerial Persons of the Company is in any way concerned or interested, financial or otherwise in the resolution.

### In respect of item No. 7

The Company had received an intimation from M/s Balmer Lawrie & Co. Ltd. proposing the replacement of Mr. Prabal Basu (DIN No. 06414341) on the Board of BLVL and name of Mr. Adika Ratna Sekhar (DIN No. 08053637) was recommended. The Company has received a copy of Board resolution passed by the Board of M/s Balmer Lawrie & Co. Ltd., at meeting held on 18th December, 2020 confirming the withdrawal of nomination of Mr. Prabal Basu from the Board of BLVL and nominating Mr. Adika Ratna Sekhar in his place to represent M/s Balmer Lawrie & Co. Ltd, on completion of formalities for his appointment. The Board of Directors at the meeting held on 21st December, 2020 approved appointment of Mr. Adika Ratna Sekhar as Additional Director with effect from 18th December, 2020 subjected to approval of the members at the ensuing AGM.

Pursuant to provisions of Section 161 of the Act and Article 126 of the Articles of Association of the Company, Mr. Adika Ratna Sekhar will hold office up to the date of the ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing the candidature of Mr. Adika Ratna Sekhar for the office of Director. Mr. Adika Ratna Sekhar, once appointed will be liable to retire by rotation and will be subject to the Company's Policy on Retirement of Directors. The Company has received from Mr. Mr. Adika Ratna Sekhar (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act. The profile and specific areas of expertise of Mr. Adika Ratna Sekhar are provided as annexure to this Notice.

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

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

### In respect of item No. 8

The Company had received an intimation from M/s Greif International Holding B.V. proposing the replacement of Mr. Jaime Moreno Marin (DIN No. 07168391) on the Board of BLVL and name of Mrs. Donna M McPherson (DIN No. 09187217) was recommended. The Company has received a copy of Board resolution passed by the Board of M/s Greif International Holding B.V., at the meeting held on 20th April, 2021 confirming the withdrawal of nomination of Mr. Jaime Moreno Marin from the Board of BLVL and nominating Mrs. Donna M McPherson in his place to represent M/s Greif International Holding B.V., on completion of formalities for her appointment. The Board of Directors at the meeting held on 1st June, 2021 approved appointment of Mrs. Donna M McPherson as Additional Director subjected to approval of the members at the ensuing AGM.

Pursuant to provisions of Section 161 of the Act and Article 126 of the Articles of Association of the Company, Mrs. Donna M McPherson will hold office up to the date of the ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing the candidature of Mrs. Donna M McPherson for the office of Director. Mrs. Donna M McPherson, once appointed will be liable to retire by rotation and will be subject to the Company's



Policy on Retirement of Directors. The Company has received from Mrs. Donna M McPherson (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act. The profile and specific areas of expertise of Mrs. Donna M McPherson are provided as annexure to this Notice.

The Board accordingly recommends the resolution at Item No. 8 of this Notice for the approval of Members.

None of the Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 8 of this Notice.

#### In respect of item No. 9

The members at the 54th Adjourned Annual General meeting of the Company held on 12th September, 2014 and 58th Annual General Meeting dated 7th September, 2018 have authorized the Board of Director to borrow up to a limit of Rs.200.0 Crore. Pursuant to amalgamation of Proseal Closures Ltd (a 100% subsidiary) with the Company in July, 2017, the borrowings of the Company now include borrowings of amalgamating Company. For restructuring of operations post amalgamation and to finance Company's future expansion plan, and self financing of new projects of the Company may be required to borrow additional fund which may exceed the limit of Rs. 200.0 Crore.

Any borrowing in excess of limits approved by the members under Section 180 (1) (c) of the Companies Act, 2013 ("Act") require approval from members. Members approval is now sought for authorizing the Board to borrow up to Rs.225.0 Crore in terms of the provisions of Section 180 (1) (c) of the Act.

None of the Directors or Key Managerial Person of the Company or their relatives are concerned or interested in this resolution.

#### In respect of item No. 10

The members at the 55th Adjourned Annual General meeting of the Company held on 9th September, 2015 and 58th Annual General Meeting dated 7th September, 2018 had authorized the Board of Director to create charge on moveable and immoveable properties/assets of the Company by way of hypothecation and/ or mortgage, equitable or registered, up to a limit of Rs. 200.0 Crore in favor of the lenders to secure financial assistance/loan sanctioned/to be sanctioned from time to time.

Any fresh borrowing by the Company as stated at item no. 9 would require creation of charge on assets, moveable and/or immoveable, as security to lenders upto Rs.225 Crores. For creation of charge on assets an approval of members under Section 180 (1) (a) of the Companies Act, 2103 is required.

None of the Directors or Key Managerial Person of the Company or their relatives are concerned or interested in this resolution.

#### NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos.14/2020, 17/2020, 20/2020 and 02/2021 dated 5th May, 2020 read with circulars dated 8th April, 2020, 13th April, 2020, 5th May 2020 and 13th January 2021 (collectively referred to as "MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/2020/79 and SEBI/HO/CFD/CMD2/CIR/2021/11 dated 8th May, 2020 and 15th January, 2021, respectively

issued by Securities and Exchange Board of India (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 "SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company which shall be deemed to be venue of the Meeting.

2. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting. Corporate Members intending to authorise their representatives to participate in the AGM and vote through remote evoting during AGM are requested to send a certified board resolution to the scrutinizer through email to navintl@nlba.in with a copy to rnt.helpdesk@linkintime.co.in
3. A statement giving the details of the Director seeking appointment/re-appointment under Item No. 5 to 8 of the accompanying Notice and other requisite information as per Secretarial Standard-2 on General Meetings, are provided in annexure attached herewith.
4. SEBI vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, members are requested to take action to dematerialize their Equity Shares in the Company, promptly.
5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto. The Board of Directors have considered and decided to include the Item Nos. 5 to 8 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
6. The Board of Directors in its meeting held on June 2, 2021 declared Dividend of Rs.5.50/- (55%) per Equity Share of Rs.10/- each for the Financial Year 2020-21 payable to those Members whose name appears in the Register of Members/ Depository Participant as on 14th September, 2021.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 15th September, 2021 to Tuesday, 21st September, 2021 (both days inclusive) for the purpose of determining Members eligible for dividend on Equity Shares, if approved by the Members.
8. The dividend on Equity Shares, if declared at the Annual General Meeting, will be paid on or before 20th October, 2021 to Members whose names appear on the record of Depositories on Tuesday, 14th September, 2021, close of

## 61st Annual Report 2020 - 2021

- business hours (for shares held in demat mode) and in the Register of Members of the Company (for shares held in physical mode) updated as on close hours of 14th September, 2021. The dividend will be paid to the Members within the stipulated time.
9. Members are requested to immediately notify any change in their name, registered address, email id, telephone/mobile numbers, permanent account number (PAN), nominations, power of attorney, bank mandate viz. name and address of the branch of the bank, MICR code of the branch, account number with blank cancelled cheque to their Depository Participant (DP) quoting their Client IDs in case of shares held in demat form and to the Registrars and Share Transfer Agents M/s. Link Intime India Private Limited, C 101, 247 Park LBS Marg, Vikhroli (West), Mumbai- 400 083, Tel No: +91 22 49186000 Fax No: +91 22 49186060, Website: [www.linkintime.co.in](http://www.linkintime.co.in), Email id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) of the Company quoting their Folio Number in case of shares held in physical form.
  10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company at least 7 days before the Annual General Meeting through email on [investors@blvindia.com](mailto:investors@blvindia.com) the same will be replied by the Company suitably.
  11. Unclaimed dividends for the financial year ended March 31, 2014 shall be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government in terms of the provisions of Section 124 of the Companies Act 2013. Those members who have so far not encashed the dividend(s) from the year ended March 31, 2014 till the year ended 31st March, 2021 are requested to approach the Registrars and Share Transfer Agents of the Company for payment.

In terms of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the information in respect of the unclaimed dividends as on 31st March, 2021, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and also under the "Investors Section" on the website of the Company viz. [www.blvindia.com](http://www.blvindia.com).
  12. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares singly are advised to avail of nomination facility in their own interest. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.
  13. In compliance with the aforesaid MCA Circulars 5th May, 2020 and 13th January, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Depository Participant (DP)/Registrar & Share Transfer Agents. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.blvindia.com](http://www.blvindia.com). Members who have not registered their email address so far are requested to register their e-mail address with the Depository Participant (DP)/Registrar & Share Transfer Agents of the Company for receiving all communications from the Company electronically. In case you have not registered your email id with the DP / RTA please access the link [https://linkintime.co.in/EmailReg/Email\\_Register.html](https://linkintime.co.in/EmailReg/Email_Register.html) to temporarily register your email id for obtaining Annual Report 2020-21 and e-voting login details therein.
  14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  15. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of Members w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. The Members are requested to update their PAN with the Registrar and Share Transfer Agents (in case of shares held in physical mode) and with Depository Participant (in case of shares held in demat mode).
  16. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by 14th September, 2021 by accessing the link [https://linkintime.co.in/EmailReg/Email\\_Register.html](https://linkintime.co.in/EmailReg/Email_Register.html). Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident Members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by Tuesday, 14th September, 2021 by accessing the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.
  17. Since the AGM will be held through VC / OAVM, the Route Map is not being annexed to this Notice.
  18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.
  19. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  20. The remote e-voting period commences on Saturday, 18th September, 2021 (9:00 a.m. IST) and ends on Monday, 20th September, 2021 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, 14th September, 2021 i.e. cut-off date, may cast their vote electronically.
  21. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Tuesday, 14th September, 2021.
  22. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as attending and e-voting at the AGM.
  23. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date may obtain the login ID and password by sending a request at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

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

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

Pursuant to SEBI Circular dated 9th December, 2020, on e-Voting facility provided by listed companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only.

**Login method for Individual shareholders holding securities in demat mode/physical mode is given below:**

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ul style="list-style-type: none"> <li>• If you are already a registered User for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or mobile. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. A new screen will open. Please enter your User ID and Password.</li> <li>• After successful authentication, you will see 'e-Voting services'. Click on 'Access to e-Voting' under 'e-Voting services' and you will see the 'e-Voting page'. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or for joining the virtual meeting and voting during the meeting.</li> <li>• If the User is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select 'Register Online for IDeAS' portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. Please enter</li> </ul>	<p>your User ID i.e. your sixteen-digit demat account number (held with NSDL), Password/OTP and the Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or for joining the virtual meeting and voting during the meeting.</p>	<p>Individual Shareholders holding securities in demat mode with CDSL</p> <ul style="list-style-type: none"> <li>• Existing Users, who have opted for Easi/Easiest, can login through their User ID and Password. Option will be made available to reach e-Voting page without any further authentication. The URLs for Users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login on Easi/Easiest, the User will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, CDSL, LINKINTIME, KARVY. Click on e-Voting service provider name to cast your vote.</li> <li>• If the User is not registered on Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>• Alternatively, Users can directly access e-Voting page by providing Demat Account Number and PAN No. from the link <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the User by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, User will be provided links for the respective ESP where e-Voting is in progress.</li> </ul> <p>Individual Shareholders (holding securities in demat mode) and login through their depository participants</p> <ul style="list-style-type: none"> <li>• Users can also login using the login credentials of their Demat Account through their Depository Participant registered with NSDL/CDSL for e-Voting facility</li> </ul>
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## 61st Annual Report 2020 - 2021

	<ul style="list-style-type: none"> <li>When you login, you will see e-Voting option. Once you click on the same, you will be redirected to NSDL/CDSL sites after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining the virtual meeting and voting during the meeting.</li> </ul>		<ol style="list-style-type: none"> <li>Click on 'Login' under 'SHARE HOLDER' tab.</li> <li>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.</li> <li>After successful login, you will be able to see the notification for e-voting. Select 'View' icon.</li> <li>E-voting page will appear.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</li> <li>After selecting the desired option i.e. 'Favour/ Against' click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</li> </ol>
<p>Individual Shareholders holding securities in Physical mode and e-Voting service Provider is LINKINTIME.</p>	<ol style="list-style-type: none"> <li>Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> <ul style="list-style-type: none"> <li>Click on 'Sign Up' under 'SHARE HOLDER' tab and register with your following details                             <ol style="list-style-type: none"> <li>User ID: Shareholders/members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</li> <li>PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company) shall use the sequence number provided to you, if applicable.</li> <li>DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/ Company - in DD/MM/YYYY format).</li> <li>Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.                                     <ul style="list-style-type: none"> <li>Shareholders/members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.</li> </ul> </li> <li>Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>Click "confirm" (Your password is now generated).</li> </ol></li></ul> </li> </ol>	<p><b>Institutional shareholders:</b></p> <p>Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> and register themselves as 'Custodian/ Mutual Fund/Corporate Body'. They are also required to upload a scanned certified true copy of the Board Resolution/ Authority Letter/Power of Attorney, etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same</p> <p><b>Individual Shareholders, holding securities in physical mode, whose evoting service provider is LINKINTIME and who have forgotten their password:</b></p> <ul style="list-style-type: none"> <li>Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'</li> <li>Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.</li> <li>Shareholders/Members having valid email address, the Password will be sent to his/her registered e-mail address.</li> <li>Shareholders/Members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.</li> <li>The Password should contain minimum 8 characters, at least one special character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter.</li> </ul> <p><b>Individual Shareholders, holding securities in demat mode, with NSDL/CDSL and have forgotten their password:</b></p> <ul style="list-style-type: none"> <li>Shareholders/Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participant's website.</li> </ul>	



- It is strongly recommended not to share your Password with any other person and take utmost care to keep your password confidential.
- Shareholders/Members holding shares in physical form, the details can be used only for voting on the Resolutions contained in this Notice.
- During the voting period, Shareholders/ Members can login any number of times till they have voted on the Resolutions for a particular 'Event'.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case Shareholders/Members holding securities in demat mode have technical issues related to login through Depository i.e. NSDL/CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
	Members facing technical issue in login can contact NSDL helpdesk by sending a request to <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call toll free nos.: 1800 1020990 and 1800 22 44 30
Individual Shareholder holding securities in demat mode with CDSL	Members facing technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022 - 2305 8542/43

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders and e-Voting service Provider is LINKINTIME.

In case Shareholders/Members holding securities in physical mode/ Institutional shareholders have any queries regarding e-Voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help Section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 - 4918 6000.

#### GENERAL INSTRUCTIONS

1. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Tuesday, 14th September, 2021.
2. The facility for e-voting shall also be available at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote at the AGM. Only those Members who attend the AGM and have not cast their votes through remote e-voting and are otherwise not barred from doing so will be allowed to vote through the e-voting facility available at the AGM.
3. Any person, who acquires shares of the Company and becomes its Member after the sending of Notice of the AGM and holds shares as on the cut-off date for voting i.e. Tuesday, 14th September, 2021, may obtain the login ID and password by following the instructions of Remote e-voting.
4. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, within two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report

of the total votes cast in favour/against, if any, to the Chairperson or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.

5. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company [www.blvlindia.com](http://www.blvlindia.com) and on the LIIPL website <https://instavote.linkintime.co.in>.

#### PROCESS AND MANNER FOR ATTENDING AGM THROUGH INSTAMEET

For a smooth experience of AGM proceedings, shareholders who are registered for the event are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link <https://www.webex.com/downloads.html/>. Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

1. Open the internet browser and launch the URL for InstaMeet <<<https://instameet.linkintime.co.in>>> and register with your following details:
  - (a) Demat Account No. or Folio No.: Enter your 16-digit Demat Account No. or Folio Number registered with the Company.
  - (b) PAN: Enter your 10-digit Permanent Account Number.
  - (c) Mobile No.:
  - (d) Email ID:
2. Click "Go to Meeting"
3. Members can log in and join 30 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders' relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

#### Instructions for Shareholders/Members to Speak during the AGM through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/folio number, and email id, mobile number at [investors@blvlindia.com](mailto:investors@blvlindia.com), atleast 48 hours prior to the date of AGM.
2. Speakers will only be allowed to express their views/ask questions on first come first served basis during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
3. Shareholders, who would like to ask questions, shall send the same in advance mentioning their name; demat account number/folio number, e-mail, mobile number at [investors@blvlindia.com](mailto:investors@blvlindia.com), atleast 48 hours prior to the date of AGM. The same will be replied by the Company suitably.
4. Shareholders will get confirmation on first come first served basis depending upon the provision made by the Company.

## 61st Annual Report 2020 - 2021

5. Shareholders will receive 'speaking serial number' once they mark attendance for the meeting. Shareholders are requested to speak only when Moderator of the meeting will announce the name and serial number for speaking.
6. Please remember 'speaking serial number' and start your conversation with panelist by switching on audio of your device.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
6. Once you confirm your vote on the Resolution, you will not be allowed to modify or change your vote subsequently.

### Instructions for Shareholders to Vote during the AGM through InstaMeet:

Once the electronic voting is activated by the Scrutinizer/Moderator during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the shareholders VC page, click on the link for e-Voting 'Cast your vote'.
2. Speakers will only be allowed to express their views/ask questions on first come first served basis during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
3. Shareholders, who would like to ask questions, shall send the same in advance mentioning their name; demat account number/folio number, e-mail, mobile number investors@blvlindia.com, atleast 48 hours prior to the date of AGM. The same will be replied by the Company suitably.
4. Shareholders will get confirmation on first come first served basis depending upon the provision made by the Company.
5. Shareholders will receive 'speaking serial number' once they mark attendance for the meeting. Shareholders are requested to speak only when Moderator of the meeting will announce the name and serial number for speaking.
6. Please remember 'speaking serial number' and start your conversation with panelist by switching on audio of your device.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

### Instructions for Shareholders to Vote during the AGM through InstaMeet:

Once the electronic voting is activated by the Scrutinizer/Moderator during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the shareholders VC page, click on the link for e-Voting 'Cast your vote'.
2. Enter Demat Account No. /Folio No. and OTP (received on the registered mobile number/ registered e-mail) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see 'Resolution Description' and against the same the option 'Favour/Against' for voting.
4. Cast your vote by selecting appropriate option i.e. 'Favour/Against' as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. 'Favour/ Against' as desired and you have decided to vote, click on 'Save'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Confirm', else to change your vote, click on 'Back' and accordingly modify your vote.

### Note:

Shareholders present at the AGM through InstaMeet facility and who have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting from 4.00 p.m. (IST) till the expiry of 15 minutes after the AGM is over. Shareholders who have voted through remote e-voting prior to the AGM will be eligible to attend/participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders are encouraged to join the AGM through Tablets/ Laptops connected through broadband for better experience.

Shareholders are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the currency of the AGM.

Please note that shareholders connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate such kind of glitches.

In case shareholders have any queries regarding e-voting, they can address them to instameet@linkintime.co.in or call on +91 (022) 4918 6175

### Scrutinizers appointed for the Meeting.

Mr. N. L. Bhatia, Practicing Company Secretary (Membership No: FCS 1176 / C.P No. 422), failing him Mr. Bharat R. Upadhyay, Practicing Company Secretary (Membership No. FCS 5436 / C.P No. 4457), failing him Mr. Bhaskar Upadhyay Practicing Company Secretary have been appointed as the Scrutinizer to scrutinize the e-voting process at the AGM, in a fair and transparent manner.

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

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

The Chairman or a person authorized by him in writing shall forthwith on receipt of the Scrutinizers report declare the results of voting. The report of the Scrutinizer shall be placed on the website of the Company [www.blvlindia.com](http://www.blvlindia.com) and <https://instavote.linkintime.co.in>, immediately after the declaration of result by the Company.

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

Place : Mumbai  
Dated : 02nd June, 2021

**Nilesh Shirke**  
Company Secretary

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

Name of the Director	Mr. Balaji Venkatesh Sathyanarayanan	Mr. Sandip Das	Mr. Adika Ratna Sekhar	Mrs. Donna M McPherson
Director Identification Number (DIN)	08673086	08217697	08053637	09187217
Date of Birth / Age	02-07-1970	25-12-1962	10.06.1964	09.10.1965
Date of First Appointment	01-02-2020	01-05-2020	18.12.2020	01.06.2021
Date of last appointment / Re-appointment at AGM	NA	NA	NA	NA
Qualifications	BE Electronics & Communications, MBA General Management & HR. Advance Management Program	Chartered Accountant	Master of social work with Specialization in Personnel Management, Industrial Relations & Labour Welfare	Master of Science with Specialization in Strategic Planning, Marketing and Communications
Experience in no of Years	More than 19 years	More than 30 years	More than 30 years	More than 30 years
Expertise in specific functional areas	Mr Baliji Venketesh Sathyanarayanan is has wide experience in Human Reource and General Management	Mr. Sandip Das, a qualified Chartered Accountant, joined Balmer Lawrie on 24th May 1993. Prior to taking over as Director, he was holding the position of Senior Vice President [Finance]	Mr. Adika Ratna Sekhar joined Balmer Lawrie & Co. Ltd on 14th January 2014 as Senior Vice President- HR. He has wide experience in Human Resources Management, Industrial Relations and Administration	Mrs. Donna M McPherson joined Greif International Holding B.V. in June 2020 as Vice President and General Manager. She has international experience in marketing and Supply Chain Management
No. of Board Meetings attended during the year	5	5	3	Nil
Relationship between Director inter-se	Nil	Nil	Nil	Nil
Details of shares held in Co.	Nil	Nil	Nil	Nil
a) Own				
b) For other person as beneficial owner				
List of Companies* in which Directorship held as on 31.03.2021	Nil	<ul style="list-style-type: none"> <li>• Balmer Lawrie &amp; Co. Ltd.</li> <li>• Balmer Lawrie Investments Limited</li> <li>• Transafe Services Limited</li> <li>• Vishakhapatnam Port Logistics Park Limited</li> <li>• Balmer Lawrie Van Leer Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Balmer Lawrie &amp; Co. Ltd.</li> <li>• Biecco Lawrie Limited</li> <li>• Balmer Lawrie Van Leer Limited</li> </ul>	Nil
Chairperson / Member of Mandatory Committees** of the Board of the Companies on which he/she is a Director as on 31.03.2020	Nil	Nil	<ul style="list-style-type: none"> <li>• Balmer Lawrie &amp; Co. Ltd.</li> </ul>	Nil

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

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

# 61st Annual Report 2020 - 2021

## DIRECTOR'S REPORT

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

Your Board is pleased to present 61st Annual Report of your Company along with the Audited Financial Statements and the Auditor's Report for the Financial Year ended 31st March, 2021.

### FINANCIAL HIGHLIGHTS

	STANDALONE	
	2020-21 Rs. in lakhs	2019-20 Rs. in lakhs
Revenue from Operations	42,634	43,553
Operating and Other Expenditure	37,408	38,161
Operating Profit	5,226	5,392
Add: Other Income	210	801
Profit before Interest, Depreciation and Taxes	5,436	6,193
Less: Finance Cost	792	980
Less: Depreciation	1,402	1,372
Profit Before Tax	3,242	3,841
Less: Current Tax Expenses	910	1,294
Less: Deferred Tax	-297	31
Profit After Tax	2,629	2,516
Other Comprehensive Income	-130	-81
Total Comprehensive Income	2,499	2,435

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

### TRANSFER TO RESERVES

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

### DIVIDEND

The Directors have recommended a dividend of Rs. 5.50 per equity share (i.e. 55 % on the face value of Rs.10 per equity share) for the financial year 2020-21 (Previous Year: Rs.7.50 per share or @ 75%) subject to approval by the members at Annual General Meeting. Total outflow towards dividend on equity shares for the year would be Rs.987.36 Lac (Previous year: Rs.1346 Lac).

### Dividend Distribution Policy

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

### COMPANY & DIVISIONAL PERFORMANCE

The statement of Standalone and has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

The global economy in last financial year was marred by the pandemic of Covid 19 and the Company was not spared from its burnt but on a limited scale. In spite of the devastating effect, the Company have successfully managed its business activities during the year. The Company could retain most of its customers and add new customers to its fold. The Company overall managed to maintain consistency in production and sales in physical and value term. Net Revenue from Operations during the current year was Rs. 42634 Lac as compared to Rs. 43553 Lac in the previous year.



Our factories in Mumbai were under locked down till June 2020 but other factories at Dehradun, Bengaluru & Chennai were operational with limited capacity. With the opening of the economy post June 2020 came the spurt in pent-up demand. BLVL saw a rebound in both Revenue & PBT in the last 9 months and was partly able to regain the lost business. The Steel Drum closure unit of BLVL at Turbhe and at Bengaluru, have been able to maintain the last year's Turnover with a marginal increase. The Plastic Division at Turbhe, Dehradun & Chennai saw a shortfall in turnover compared to last year. However, BLVL Plastic Drum division witnessed an increased Value Addition. The proposed Plastic Drum Factory at Dahej has started commercial production since May 2021 in Large Blow Moulding and liners and expected to start commercial production of other products in a phased manner.

The Company earned a profit before tax of Rs. 3242 Lac as against Rs. 3841 Lac during the previous year. Net profit after tax was at Rs.2629 Lac, as against a net profit of Rs.2516 Lac in the previous year.

**Steel Drum Closure Division – Mumbai**

With the increase of steel price but limited production in the first Quarter, the division has recorded a drop of 12% in Sales value and PBT margin dropped by 166%. The orders position except in the first Quarter was in tandem with last year. Value addition is in line with last year.

Division has recorded revenue of Rs.7340 Lac (net of GST) and loss before tax of Rs -278 Lac during the current year as against Rs. 8221 Lac (net of GST) and profit before tax of Rs.423.33 Lac respectively achieved during the previous year.

**Steel Drum Closure Division – Bangalore**

Steel drum closures have service almost the same order quantity as previous year in respect of Drum closures, L&L, Closing ring and Rubber products. The division witnessed a higher sales value predominantly due to high Steel prices and increase in volume, The Value addition remains in tandem with last year. The division was operational throughout the year.

Division has recorded revenue of Rs.11380 Lac (net of GST) and profit before tax of Rs. 1837 Lac during the current year as against Rs. 9941 Lac (net of GST) and profit before tax of Rs. 1790 Lac respectively achieved during the previous year.

**Plastic Container Division – Mumbai**

The Plastic division at Mumbai witnessed a major drop in both Sales and Volumes compared to last year. This is primarily due to total closure of factory till the first quarter. The division could function in second to fourth quarter and maintain both the Sales and Volumes.

Division has recorded revenue of Rs. 11100 Lac (net of GST) and profit before Tax of Rs. 933 Lac during the current year as against Rs. 14148 Lac (net revenue after GST) and profit before tax of Rs. 1710 Lac respectively achieved during the previous year.

**Plastic Container Division – Chennai**

The plastics container division – Chennai, maintained its constant effort in increasing productivity, quality and austerity. The division could record better Revenue and volumes compared to last year. The division turnaround was possible with a impressive jump of 276% in PBT.

Division has recorded revenue of Rs. 5234 Lac (net of GST) and profit before tax of Rs. 195 Lac during the current year as against Rs. 5125 Lac (net of GST) and net loss of Rs. 110 Lac respectively achieved during the previous year.

**Plastic Container Division – Dehradun**

The Plastic division at Dehradun, in its constant thrust on excellence, enhanced capacity utilization and optimization cost have posted growth in revenue during the year.

Revenue of Rs.7281 Lac (net of GST) and profit before Tax of Rs.657 Lac during the current year as against Rs. 6118 Lac (net of central excise duty/GST) and profit before tax of Rs.129 Lac respectively achieved during the previous year.

**Future Prospects**

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

The Company has commenced commercial operation on its green field project for manufacturing Blow moulding at Dahej in Gujarat in the current FY 2021-22. The major construction work is done and some almost in the final stage of completion. During the year there were constraints of Lock-down which has hampered the early completion of civil work and machinery installation. The Government permissions are received however it was also affected due to partial functioning due to lockdown. In the current year the Company is expecting better performance from the division as it achieves full capacity production.

# 61st Annual Report 2020 - 2021

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

### Comments by Statutory Auditors

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

M/s. Walker Chandio & Co. LLP, the statutory auditors has further qualified their report on Standalone Financial Statements for non-provisioning of diminution in value of investment amounting to Rs.1818 Lac in joint venture Company viz., Transafe Service Limited (TSL) due to significant accumulated losses and erosion of net worth of TSL. Impairment of investment in Transafe Services Limited is pending despite NCLT order directing capital reduction of the entire equity share capital of investee Company.

### Board's Response

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

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

As per the legal opinion obtained on clause 1.3 of the Loan Agreement, it was advised that the loan availed by the Company from BL is a non recourse loan and therefore there will be no loan repayment liability on Company on expiry of the agreement. Validity of the said agreement has been extended up to 144 months from the date of disbursement.

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

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

The National Company Law Tribunal, Kolkata, in the insolvency proceedings, has passed an order dated 9th April 2021, directing reduction of entire equity share capital of the investee company.

The Management of the Company was given to understand from TSL that the capital reduction process is not effective due to some procedural issues and hence BLVL is still holding the shares of TSL as on date. Hence the investment at TSL is not being written off.

## SUBSIDIARIES, JOINT VENTURES AND CONSOLIDATED FINANCIAL STATEMENTS

Your company has no subsidiary Company as at year end.

### Joint Venture (JV)

**The details of an application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year 2020-2021 along with their status as at the end of the financial year.**

The Hon'ble National Company Law Tribunal, Kolkata ('NCLT') vide its Orders dated 11th November 2019 has admitted applications filed by operational creditors against Transafe Services Limited, and initiated the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 (IBC), consequently the Board stands suspended and the control is vested with the Resolution Professional, and Transafe Services Limited ceases to be a Joint venture of our Company. The Honorable NCLT, Kolkata bench, in the insolvency proceeding has approved the resolution plan and pronounced a final order on 9th April, 2021.

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

### PUBLIC DEPOSITS

Your Company has not accepted any deposits from the Directors, shareholders, public or any other person during the financial year 2020-21 under review.

### SHARE CAPITAL

The Authorized Share Capital of your Company is 1900 Lac. The Company has neither issued any fresh share capital with or without differential voting rights nor issued employee stock options or sweat equity shares during the financial year under review. The Company does not have any scheme to fund its employees to purchase the shares of the Company. As on 31st March, 2021 none of the Independent Director holds Equity shares of the Company. No other Director holds any shares in the Company.



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

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

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

#### **RELATED PARTY TRANSACTIONS**

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

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

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

#### **UNCLAIMED DIVIDEND & TRANSFER OF SHARES**

During the financial year under review there was no unpaid/unclaimed dividend amount or shares due for transfer to Investor Education & Protection Fund. As per company record an amount of Rs. 55.55 Lac pertaining to year 2013-14 to 2019-20 is lying in unpaid/unclaimed dividend account with the Bank as on 31st March, 2021. Individual notices have been sent to shareholders to lodge their claims either with the Company or Sharex Dynamic (India) Private Ltd., Registrar and Share Transfer Agent (RTA). The Company has uploaded the details of unpaid/unclaimed amounts of past seven years as on last Annual General Meeting i.e. 29th September, 2020 on Company website [www.bvlindia.com](http://www.bvlindia.com) and MCA website [www.mca.gov.in](http://www.mca.gov.in)

Pursuant to the provisions of Section 124(6) of the Act read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refunds) Rules, 2016 as amended from time to time, after giving necessary intimation to the members, 25547 shares in respect of which dividend had remained un-paid/ un-claimed for the financial year 2012-13 and for seven consecutive years thereafter have been transferred by the Company to the Authority. A list of shares already transferred and due for further transfer during the financial year 2019-20 is available on the Company website [www.bvlindia.com](http://www.bvlindia.com) and MCA website [www.mca.gov.in](http://www.mca.gov.in)

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

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **Composition**

Your Company's Board of Directors ("Board") decides the policies and strategy of the Company and has the overall superintendence and control over the management of the Company. The Company is managed by a Professional Board with Directors having qualification, proficiency in finance, business administration, sales, general management and experience of working in large corporate. Board of Directors, through various Committees provide leadership, guidance to the management and supervises the performance of the Company. Composition of the Board is in conformity with the Act.

As on 31st March, 2021 the Company's Board was comprised of Non-Executive Chairman, Managing Director, 4 [four] Non-Executive Directors and 2 [two] Independent Directors.

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

##### **Change in composition**

During the year under review, Mr. Jozef Casparie (DIN: 07168391) has been re-appointed as Independent Director of the Company for a second term of 5 [Five] Year with effect from 1st October, 2020.

During the year under review, Mr. Girish Pundlik (DIN: 8099591) has been re-appointed as Managing Director of the Company for a term of 1[one] Year with effect from 1st April, 2021.

# 61st Annual Report 2020 - 2021

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## Appointment

Mr. Adika Ratna Sekhar (DIN: 08053637) Director (HR & CA ) SVP, has been nominated by M/s Balmer Lawrie & Co. Ltd., as member on the Board with effect from 18th December, 2020. Mr. Adika Ratna Sekhar shall be liable to retire by rotation under Section 152 of the Companies Act, 2013. Mr. Prabal Basu (DIN 06414341) ceased to be Director of Company consequent to change in nomination of M/s Balmer Lawrie & Company Ltd., w.e.f 18th December, 2020.

Mrs. Donna McPherson (DIN: 09187217) Director Vice President & General Manager, has been nominated by Greif International Holding B.V. as member on the Board with effect from 1st June, 2021., Mrs. Donna McPherson shall be liable to retire by rotation under Section 152 of the Companies Act, 2013. Mr. Jaime Moreno Marin (DIN: 08214953) ceased to be Director of Company consequent to change in nomination of M/s Greif International Holdings B.V., w.e.f. 31st May, 2021.

## Retirement

During the year under review Mr. Prabal Basu (DIN 06414341) Director of the Company, upon withdrawal of nomination by Balmer Lawrie & Co. Ltd., ceased to be Director of the Board and member of Board Committees with effect from 17th December, 2020. Your Directors wish to place on record his sincere appreciation of significant contribution made by him in his tenure.

During the year under review Mr. Jaime Moreno Marin ( DIN: 08214953) Director of the Company, upon withdrawal of nomination by Greif International Holdings B.V., ceased to be Director of the Board and member of Board Committees with effect from 31st May, 2021. Your Directors wish to place on record his sincere appreciation of significant contribution made by him in his tenure.

In accordance with the provisions of Section 152 of the Act, Mr. Balaji Sathyaranayanan (DIN: 08673086) retire at the forthcoming annual general meeting by rotation and is eligible for re-appointment.

In accordance with the provisions of Section 152 of the Act, Mr. Sandip Das (DIN: 08217697) retire at the forthcoming annual general meeting by rotation and is eligible for re-appointment.

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

## Independent Directors

The Board of the Company is composed of two Independent Directors. The Independent Directors of the Company have registered themselves on Independent Director Database and have been exempted from the proficiency self-assessment test conducted by the Indian institute of Corporate Affairs. Mr. Vasudev Narayan Sharma and Mr. Jozef Martinus Casparie, Independent Directors continues to be on the Board and Board Committees in terms of their appointment.

Mr. Vasudev Narayan Sharma who was appointed as an Independent Director for a term of [3] three years with effect from 1st November, 2019, will continue to be member on the Board and Board Committees.

Mr. Jozef Martinus Casparie who was appointed as an Independent Director for a term of five years with effect from 8th May, 2015, was re-appointed for second term of 5 years beginning form 1st October, 2021 will continue to be member on the Board & Board Committees.

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

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

Independent Directors met on 31st March, 2021 without the attendance of Non-Independent Directors and members of management as required under Schedule IV to the Act (Code for Independent Directors) and reviewed the performance of Non-Independent Directors and the Board as a whole; performance of the Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board as may be necessary, for the Board to effectively and reasonably perform its' duties.

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

## Key Managerial Personnel (KMP)

As on 31st March, 2021 Mr. Sanjay Datta, Chief Financial Officer and Mr. Nilesh Shirke, Company Secretary were the KMP's of the Company.

## Board Meetings and Attendance of Directors

During the financial year 2020-21, the Board of Directors met 5 [five] times on 12.06.2020, 09.10.2020, 21.12.2020, 22.01.2021 and 31.03.2021 and the gap between two consecutive meeting never exceeded period of 120 days. All meetings of Board of Directors were duly convened and held as per the provisions of Section 173 of the Companies Act, 2013, rules made there under and applicable secretarial standards.

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

Name of Director	Category	No. of Board Meeting attended during 2020-21	Attendance at the 60th AGM held on 29th September, 2020	No. of Directorship* as on 31.03.2021		No. of Committee position in Mandatory Committees** as on 31.03.2021	
				Chairman	Member	Chairman	Member
Mr. Hari Krishna Kumar (DIN:06508909)	NENC	5	Yes	1	1	—	2
Mr. Girish Pundlik (DIN:08099591)	MD	5	Yes	—	1	—	1
Mr. Prabal Basu (DIN:06414341) up to 17.12.2020	NEND	2	Yes	1	1	2	2
Mr. Adika Ratna Sekhar (DIN:08053637) from 18.12.2020	NEND	3	No	2	1	2	2
Mr. Jaime Moreno Marin (DIN: 08214953) upto 31.05.2021	NEND	5	Yes	—	1	—	—
Mr. Balaji Venkatesh Sathyanarayanan (DIN: 8673086) w.e.f. 17.01.2020	NEND	5	Yes	—	1	—	—
Mr. Jozef M Casparie (DIN:07168391)	ID	5	Yes	—	1	2	1
Mr. Vasudev N Sharma (DIN: 11099) w.e.f. 01.11.2019	ID	5	Yes	—	1	—	2
Mr. Sandip Das (DIN:08217697) w.e.f. 01.05.2020	NEND	5	Yes	—	5	—	1
Mrs. Donna M McPherson (DIN: 9187217) w.e.f. 01.06.2021	NEND	0	NA	—	—	—	—

NENC – Non Executive Nominee Chairman

NEND – Non Executive Nominee Director

ID – Independent Director

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

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

## POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

### APPOINTMENT

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

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

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

# 61st Annual Report 2020 - 2021

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

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

## **Qualifications**

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees. A transparent nomination process is adopted which encourages diversity of thought, experience, knowledge, age and gender. It is generally ensured that the Board has diversity with an appropriate blend of functional and industry expertise and meets the high standards of Corporate Governance. While recommending the appointment of Director, the NRC considers the functional and domain expertise of the individual necessary to discharge board functions effectively and contribute to the overall skill mix of the Board.

## **Positive attributes**

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

## **Independence**

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

## **REMUNERATION**

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

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

## **BOARD EVALUATION**

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

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

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

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

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

#### AUDIT COMMITTEE

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

#### Composition and Attendance during the year

Audit Committee is constituted in accordance with the provisions of Section 177 of the Act. All the members of Audit Committee are financially literate. Mr. Josef Casparie is designated as Chairman of the Committee. Mr. Josef Casparie has proficiency in general management, finance, accounting, manufacturing and engineering. Company Secretary acts as Secretary to the Committee.

Audit Committee met 4 [four] times during the year on 12.06.2020, 09.10.2020, 22.01.2021 and 31.03.2021. The meetings of the Audit Committee are usually attended by Managing Director, Chief Financial Officer, Company Secretary and representatives of the Internal and Statutory Auditors. Business and Unit Heads are invited for the meeting as and when required.

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

Name of the Member	Category	No. of Meetings Attended	Attendance at AGM held on 29.09.2020
Mr. Jozef M Casparie, Chairman	Independent Director	4	Yes
Mr. Prabal Basu, Member, upto 17th December 2020	Non-Executive Nominee Director	2	Yes
Mr. Adika Ratna Sekhar, Member, w.e.f.18th December 2020	Non-Executive Nominee Director	2	No
Mr. Vasudev Narayan Sharma, Member	Non-Executive Nominee Director	4	Yes

#### NOMINATION AND REMUNERATION COMMITTEE (NRC)

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

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

#### Composition and Attendance during the year

NRC is constituted in accordance with the provisions of Section 178(1) of the Act. Mr. Prabal Basu was the Chairman of the Committee upto 17th December, 2020 and Mr. Adika Ratna Sekhar was appointed w.e.f 18th December, 2021 and Company Secretary acts as the Secretary to the Committee. There was one change in composition of the Committee during the year.

NRC met 2 [two] times the year on 12.06.2021 and 31.03.2021.

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

Name of the Director	Category	No. of Meetings Attended
Mr. Prabal Basu, Chairman, upto 17th December, 2020	Non-Executive Nominee Director	1
Mr. Adika Ratna Sekhar, Chairman, w.e.f. 18th December, 2020	Non-Executive Nominee Director	1
Mr. Hari Krishna Kumar, Member	Non-Executive Nominee Chairman	2
Mr. Jozef M Casparie, Member	Independent Director	2

# 61st Annual Report 2020 - 2021

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

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

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

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. In terms of the Companies Act, 2013, the Company was required to spend Rs. 68.98 Lac during the financial year 2020-21. As against this the Company has spent Rs. 68.68 Lac under various initiatives. The Company has proposed to spend the entire amount during the financial year 2020-21. The Annual Report on CSR Activities which forms part of the Director's Report is annexed as "Annexure C" to this report.

## Composition and Attendance during the year

The CSR Committee of the Company is constituted in accordance with the provisions of Section 135 of the Act. Mr. Jozef M. Casparie is the Chairman of the Committee and Company Secretary acts as the Secretary of the Committee. There was one change in composition of the Committee during the year. Mr. Prabal Basu was the Chairman of the Committee upto 17th December, 2020 and Mr. Adika Ratna Sekhar was appointed w.e.f. 18th December 2021. The Committee met once during the year on 22nd January 2021.

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

Name of the Director	Category	No. of Meetings Attended
Mr. Jozef M Casparie, Chairman	Independent Director	1
Mr. Hari Krishna Kumar, Member	Non-Executive Nominee Chairman	1
Mr. Prabal Basu, Member, upto 17th December , 2020	Non-Executive Nominee Director	0
Mr. Adika Ratna Sekhar, Member, w.e.f. 18th December, 2020	Non-Executive Nominee Director	1

## STAKEHOLDERS RELATIONSHIP COMMITTEE ('SRC')

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

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

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



### Composition and Attendance during the year

The SRC is constituted in accordance with the provisions of Section 178 (2) of the Act. Mr. Prabal Basu is the Chairman of the Committee upto 17th December, 2020 and Mr. Adika Ratna Sekhar was appointed w.e.f 18th December, 2021 and Company Secretary acts as Secretary to the Committee. There was no change in composition of the Committee during the year.

The Committee met [2] two times on 09.10.2020 and 22.01.2021 respectively.

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

Name of the Director	Category	No. of Meetings Attended
Mr. Prabal Basu, Chairman, upto 17th December, 2020	Non-Executive Nominee Director	1
Mr. Adika Ratna Sekhar, Member, w.e.f. 18th December, 2020	Non-Executive Nominee Director	1
Mr. Girish Pundlik, Member	Managing Director	2
Mr. Sandip Das, Member, w.e.f. 01.05.2020	Non-Executive Nominee Director	2

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

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

There were no valid Share Transfers or investor grievances pending for action as on 31st March, 2021.

### DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance system established and maintained by the Company, work performed by internal, statutory and Secretarial auditor, including audit of the internal finance controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the Audit Committee, your Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2020-2021.

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

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation where ever material departures;
- II. The Management has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss of the Company for the year ended 31st March, 2021.
- III. The Management has taken proper and sufficient care for the maintenance of proper and adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. The Management has prepared the accounts for the financial year ended on 31st March, 2021 on a 'Going Concern' basis;
- V. The Management has laid down appropriate financial controls and are adequate and operating efficiently.
- VI. The Management has devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and is operating efficiently.

### STATUTORY AUDITORS

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

# 61st Annual Report 2020 - 2021

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## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. N. L. Bhatia & Associates, Practising Company Secretaries as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Auditor's Report does not have any adverse remarks with respect to following procedures as per Secretarial Standard. The Secretarial Audit Report for the Financial Year 2020-21 is annexed to this Report as "Annexure D".

## **Secretarial Standards**

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

## **MAINTENANCE OF COST RECORDS AND AUDIT**

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

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

Over the years, the Company established a strong reputation for doing business with integrity and has displayed zero tolerance for any form of unethical conduct or behavior. In compliance with the provisions of Section 177(9) and (10) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Vigil mechanism/Whistleblower Policy for Directors and employees to report genuine concerns, generic grievances, misconduct, actual or suspected fraud, misappropriation of funds / assets or violation of code of conduct or ethical issues. The Policy provides for protection to whistle blower from victimization for providing the information and the whistle blower has direct access to the Chairman of the Audit Committee. Employees are at liberty to report unethical practices and raise their concerns to the office of the Ombudsperson without any fear of retaliation or retribution. Complaints, including anonymous ones are investigated/ examined by teams of strategic business units heads/officers appointed by the Ombudsperson and are swiftly redressed.

During the financial year under review two complaints was received by the Company. The Chairman of the Audit Committee conducted an investigation / inquiry by speaking to all interested parties as also by taking feedback from the Managing Director. The finalized report was submitted to the Company which was resolved and corrective actions were taken to improve controls and checks to prevent such incidences. The Whistle Blower Policy is available on the Company's website at <http://www.blvindia.com>

## **RISK MANAGEMENT POLICY**

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

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

- Dependency on single supplier for HMHDPE and consolidation of capacities in steel sector
- Company has initiated the process of placing part orders on alternative suppliers.
- A continued Pandemic with unpredictable lockdown, and uncertain global and domestic economic forecast creates a great deal of uncertainty for both the ITES and the manufacturing business.

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

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

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

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

## **Risk of Cyber Security and Data Privacy**

An attack on a company's IT systems or non-compliance with data privacy laws can lead to loss of critical business intelligence, financial loss and loss of reputation. The relevance of this risk has been made even more acute due to COVID-19 requiring office-based workforce moving to a work from- home model. Implemented an effective The Company has developed cyber security infrastructure to protect against data loss and malicious attacks. It continuously monitors the effectiveness of its existing systems to identify and address security gaps.



## HUMAN RESOURCE (HR)

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

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

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

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

## ENVIRONMENT HEALTH AND SAFETY

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

The Board reviews the performance against set standards and guides on deficiencies and corrective actions, if any. A surveillance audit under ISO 9001 is held by an external agency. The Company is committed to continuously employing world-class Safety, Health and Environment ('SHE') practices through benchmarking with the companies that are best in the business.

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

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

## INTERNAL CONTROL SYSTEMS

Your company maintains adequate controls over financial reporting. All the financial data are captured from the system with in-built security developed for both financial data accuracy and prevention of data leakage. Your company has an effective ERP system which is customised to suit the company-specific requirements. The majority of approvals and work-flows are routed through the system. The Company has devised internal control policies, procedures, delegation of authorities and authority levels keeping in mind the size of the organization, taking care of growth rate and for achieving the Company's objective efficiently and economically. The adequacy, designing, operations and effectiveness of manual and automated internal controls are reviewed by the Internal and Statutory Auditors through periodic audits. Internal audit plan for the financial year is approved by the Audit Committee. Periodic audit reports are presented and reviewed and actions initiated are monitored by the Audit Committee.

Company's internal control systems are designed to ensure:

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

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

## 61st Annual Report 2020 - 2021

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The Audit Committee briefs the Board on effectiveness of the internal control system in the operation of the Company. The Board reviews quarterly and annual performance vis-a-vis budget and discuss the reasons for variances with senior management team. Annual Revenue and capital expenditure Budget of each units and Company is approved by the Board.

### DISCLOSURES

#### Material Changes and Commitments

Subsequent to the close of the financial year 2020-2021, apart from NCLT order in respect of Transafe Services Limited there has been no material change and/or commitments having an adverse impact either on the financial parameters or sustainability of the Company.

#### Change in Nature of Business

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

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

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

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

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

### PARTICULARS OF EMPLOYEES

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

There were no employees drawing remuneration in excess of limits specified as on 31st March, 2021.

Particulars of employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 are required to be annexed to the Board's Report. In accordance with the provisions of section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and other entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

#### Reporting of Frauds

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

#### The details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof.

There has been no incidence of any one-time settlement and valuation while taking loan from Banks or Financial institutions thereof.

#### Green Initiatives

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Notice of 61st Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/ Depository Participant(s).

### IMPACT OF COVID ON COMPANY'S PERFORMANCE

The performance of your Company during the Financial Year 2020-21 has consistently improved since the end of the 1st Quarter due to outbreak of Covid. The 1st quarter (April to June 2020) was hit sharply due to the National Lockdown; our plants were closed or partially operational, man power and logistics were constraints. The plants were allowed to reopen as the Company is servicing the Essential Commodity Sector. Your Company suffered a loss in the first Quarter FY20-21. But there was a sharp rebound in the next Three Quarters that is clearly reflected in our performance.



The Management team and all the employees of your Company united together to overcome this challenge and we took a number of steps to minimize the impact of the pandemic and the economic disruption to our businesses through some of the following key initiatives:

- (a) Senior Management working closely with the Functional Heads to anticipate problems and develop and implement solutions, and monitor progress was key to the recovery.
- (b) Promoting Personnel Safety, Work From Home infrastructure and support, safe travel facilitation for all our essential staff, logistics, hourly cash flow control, active support to vendors, adopting digital interface and safe working methods, avoidance of personal contacts and visits.
- (c) Periodic interaction with the Government Agencies at Local, District, State and the Central levels for permits, information and for a variety of other requirements. We reopened the Unit after the first lockdown in early May 2020, all these initiatives were successfully implemented and we were able to ramp-up production, dispatches and sales.

Some of our employees and their families have been affected by illness. Most unfortunately some of them have suffered bereavement and loss of loved ones. We offer our condolences to all our employees, their families, our customers and suppliers, shareholders and other stakeholders who have suffered and continue to suffer during this pandemic.

#### **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the website of the Company in the following link – [www.blvlindia.com](http://www.blvlindia.com)

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

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

#### **APPRECIATION**

Your Directors thank the various Central and State Government Departments, Organisations and Agencies for the co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz., shareholders, customers, dealers, vendors, and banks for their support. The Directors wish to place on records its appreciation to JV Partner i.e., Greif International Holding B.V. and Balmer Lawrie & Co. Ltd., for their continued commitment, support, guidance and patronage. The Directors place on record their sincere appreciation of all employees of the Company for their commitment and continued contribution to the Company.

For and on behalf of the Board of Directors

**HARI KRISHNA KUMAR**

*Chairman*

(DIN: 06508909)

**GIRISH PUNDLIK**

*Managing Director*

(DIN: 8099591)

Place : Mumbai

Dated : 02nd June, 2021

# 61st Annual Report 2020 - 2021

## ANNEXURE: A

### Form AOC – I

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

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

#### Part “A”: Subsidiaries

Your Company does not have any subsidiary as on 31st March, 2021.

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

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

Name of Associates/Joint Ventures	*Transafe Services Limited
1. Latest audited Balance Sheet Date	31st March, 2021
2. Shares of Associate / Joint Ventures held by the company on the year end	
No. of shares.	1,13,61,999
Amount of Investment in Associates / Joint Venture (Rs. in lakhs)	1,818
Extent of Holding %	50
3. Description of how there is significant influence	Company has right to appoint equal no. of Directors as other Joint Venture Partner
4. Reason why the Associate / Joint venture is not consolidated	Pursuant to Ind AS
5. Net Worth attributable to Shareholding as per last audited Balance Sheet as at 31st March, 2021 (Rs. in lakhs)	(0)
6. Profit / (Loss) for the year (Rs. in lakhs)	(0)

\* By NCLT order dated 09.04.2021

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

For and on behalf of the Board of Directors

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

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

Place : Mumbai

Dated : 02nd June, 2021



**ANNEXURE-B**

**FORM NO. AOC-2**

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

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

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

The Company has not entered into any contract or arrangement or transactions with its related parties which is not at arm's length during the financial year 2020-21.

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

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

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

(b) Nature of contracts/arrangements/ transactions:

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

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

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

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

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

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

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

(f) Amount paid as advances, if any:

Nil

For and on behalf of the Board of Directors

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

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

Place : Mumbai

Dated : 02nd June, 2021

# 61st Annual Report 2020 - 2021

## ANNEXURE: C

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

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility ('CSR') activities of the Company are governed through the Corporate Social Responsibility Policy ('CSR Policy') approved by the Board. The CSR Policy guides in designing CSR activities for improving quality of life of society and conserving the environment and biodiversity in a sustainable manner. The CSR Committee of the Board oversees the implementation of CSR spending in line with the Company's CSR Policy.

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

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

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

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

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

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Category	Number of CSR Committee Meetings Held during the year	Number of CSR Committee Meetings attended during the year
1.	Mr. Jozef M Casparie, Chairman	Independent Director	1	1
2.	Mr. Hari Krishna Kumar	Non-Executive Nominee Chairman	1	1
3.	Mr. Prabal Basu, upto 17.12.2020	Non-Executive Nominee Director	1	0
4.	Mr. Adika Ratna Sekhar, from 18.12.2020	Non-Executive Nominee Director	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy, and CSR projects approved by the Board are disclosed on the website of the Company: CSR policy is available on Companies website at [www.blvlindia.com](http://www.blvlindia.com)

4. Provide the details of Impact Assessment of CSR Projects carried out in pursuance of Sub-Rule (3) of Rule-8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the Report): Not Applicable

5. Details of the amount available for set off in pursuance of Sub - Rule (3) of Rule - 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any: NIL

6. Average Net Profit of the Company as per Section - 135(5) : Rs. 3449 Lac
7. (a) Two percent of average net profit of the company as per Section - 135(5) : Rs.68.98 Lac  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years : Nil  
 (c) Amount required to be set off or the Financial Year, if any : Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c) : Rs 68.98 Lac
8. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs. in lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section – 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section – 135 (5)		
	Amount	Date of transfer	Name of the Fund	Amount (Rs. in lakhs)	Date of transfer
68.98			PM CARE FUND	68.98	26.03.2021

- (b) Details of CSR amount spent against ongoing projects for the Financial Year : Nil  
 (c) Details of CSR amount spent against other than ongoing projects for the Financial Year : Nil  
 (d) Amount spent in Administrative Overheads : Nil  
 (e) Amount spent on Impact Assessment, if applicable : NA  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 68.98 Lac

Specify the reason (s), if the Company has failed to spend two percent of the Average Net Profit as per Section-135(5): NA

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

For and on behalf of the Board of Directors

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

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

Place : Mumbai

Dated : 02nd June, 2021

## 61st Annual Report 2020 - 2021

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

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

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. Due to Lock Down it was impossible to conduct a Physical Audit and hence, the Company has extended Virtual Data Room Facility to the Auditor for performing Secretarial Audit.

For **M/s. N L Bhatia & Associates**  
*Practicing Company Secretaries*  
**UIN: P1996MH055800**  
**UDIN: F005436C000405033**

**Bharat Upadhyay**  
*Partner*  
FCS No. 5436  
COP No. 4457  
P/R. No.:700/2020

Place: Mumbai  
Date: 01st June, 2021

**ANNEXURE: D**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

*[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 AND RULE NO. 9 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]*

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

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns Filed and Other Records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and Other Records maintained by the Company for the Financial Year ended on March 31, 2021 according to the provisions of:

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

## 61st Annual Report 2020 - 2021

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(vi) Other Laws Applicable to the Company:

1. Factories Act, 1948 and the Maharashtra Factories Rules, 1963.
2. The Employees Provident Fund Act, 1952.
3. The Employees State Insurance Act, 1948.
4. The Contract Labour (Regulation & Abolition) Act, 1970 & Rules 1971.
5. The Payment of Bonus Act, 1965.
6. Employment Exchange Act, 1959.
7. The Apprentice Act, 1961.
8. Minimum Wages Act, 1948.
9. Payment of Wages Act, 1936.
10. The Industrial Employment (Standing) Order Act, 1946.
11. Payment of Gratuity Act, 1972.
12. Maternity Benefit Act, 1961.
13. Maharashtra Labour Welfare Fund Act, 1953.
14. The Air (Prevention & Control of Pollution) Act, 1981 & The Water (Prevention & Control of Pollution) Act, 1975 and the Rules thereunder.
15. Hazardous Waste (Management & Handling) Rules, 2000.
16. Weights & Measurement Act.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) MCA Notification holding Meetings through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

The Company has complied with The IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 for Financial Year 2020-21.

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

During the Financial Year under review, the **Meeting of Independent Directors was held on March 31, 2021 for Board Evaluation.**

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all the Directors to schedule the Board Meetings, Agenda and Detailed Notes on Agenda were sent **at least seven days in advance**, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with Applicable Laws, Rules, Regulations and Guidelines.

**We further report that** during the period under review that , as the offices are closed due to pandemic situation of COVID -19, the provision in respect of Circulating Draft Minutes and Signed Minutes within 15 days to all the Directors as per the Secretarial Standard-1 issued by the Institute of Company Secretaries of India (ICSI) is not complied.



We further report that during the period under review that:

- **One Complaint received under Whistle Blower Mechanism in the Financial Year 2019-20**, the same has been investigated and placed before the Board of Directors for discussion. The Company and the Board of Directors resolved the same matter in the Board Meeting held on June 12, 2020 by taking appropriate action as prescribed under the Companies Act.
- The **Two Complaints were received under Whistle Blower Mechanism under Financial Year 2020-21**, the same has been investigated and placed before the Members of the Audit Committee for discussion. The Complaint was resolved by the Members of the Audit Committee of the Company in the Audit Committee Meeting held on January 22, 2021 by taking appropriate actions as prescribed under the Companies Act.

For **M/s. N L Bhatia & Associates**  
*Practicing Company Secretaries*  
**UIN: P1996MH055800**  
**UDIN: F005436C000405033**

**Bharat Upadhyay**  
*Partner*  
FCS No. 5436  
COP No. 4457  
P/R. No.:700/2020

Place: Mumbai  
Date: 01st June, 2021

# 61st Annual Report 2020 - 2021

## ANNEXURE: E

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

Information (Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014) for the year ended 31st March, 2021.

#### Power and Fuel Consumption for the year ended 31st March, 2021

	2020-21 (Rs. in lakhs)	2019-20 (Rs. in lakhs)
<b>Electricity – Purchased From Electricity Boards</b>		
Units Purchased (in nos.)	2,74,30,956	2,81,76,565
Total Amount spent (Rs. in lacs)	2,194.18	2,474
Rate per Unit (in Rs.)	8.00	8.69
<b>Electricity – Purchased from Open Access</b>		
Units Purchased (in nos.)	—	—
Total Amount spent (Rs. in lacs)	—	—
Rate per Unit (in Rs.)	—	—
<b>Electricity – Captive Generation</b>		
HSD Consumed (in Liter)	77,429	70,843
Total cost of HSD (Rs. in lacs)	49	49
Cost per Liter (in Rs.)	60.16	66.72
Total units Generated (in Units)	2,41,379	2,39,953
Units generated per Liter (in Nos.)	3.13	3.31
Generation Cost (Rs. per Unit)	24.92	25.9

During the year the Company utilized solar power generation & effective methods.

#### ENERGY CONSERVATION MEASURES TAKEN ARE AS UNDER:

1. Purchase of Electricity through open access at cheaper rate.
2. Replaced old ageing Plant & Machinery, use of SEW Energy Motors, power efficient equipments and Utilities with latest technology which is high energy efficient at all units.
3. Replacement of Automatic Power Factor Capacitor Panels, Changed factory and street lights with LED lighting.
4. Replaced compressed air line from MS to Aluminum.
5. Replaced in Unit II, old induction motors with high speed servo motors.
6. Initiating employee engagement and awareness of conservation of energy resources
7. Regular check to have optimized plant energy consumption.

**TECHNOLOGY UP-GRADATION AND ABSORPTION**

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

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

	<b>2020-21 (Rs. in lakhs)</b>	2019-20 (Rs. in lakhs)
Exports (in FC)	<b>9,457</b>	11,234
Imports /Expenditure (in FC)	<b>10,388</b>	17,688

For and on behalf of the Board of Directors

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

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

Place : Mumbai

Dated : 02nd June, 2021

# 61st Annual Report 2020 - 2021

## Independent Auditor's Report

To the Members of Balmer Lawrie-Van Leer Limited

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### QUALIFIED OPINION

1. We have audited the accompanying financial statements of **Balmer Lawrie – Van Leer Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### BASIS FOR QUALIFIED OPINION

3. As stated in Note 43 to the financial statements, the Company has not accrued interest aggregating Rs. 164 lakhs (Previous Year: Rs. 164 lakhs) on a loan in accordance with terms of such loan agreement. Further, the Company has not impaired the carrying value of its investment aggregating Rs. 1,818 lakhs (Previous Year: Rs. 1,818 lakhs) in its erstwhile joint venture company, Transafe Services Limited, despite an order passed by the National Company Law Tribunal, Kolkata, in the insolvency proceedings filed against such investee company, directing capital reduction of the entire equity share capital of such investee company. Had the Company provided for interest in accordance with the terms of the aforesaid agreement and had impaired the investment, net profit for the year ended 31 March 2021 would have been lower by Rs. 1,940 lakhs, other financial liabilities as at 31 March 2021 would have been higher by Rs. 1,768 lakhs, non-current financial assets would be lower by Rs. 1,818 lakhs and the reserves and surplus as at that date would have been lower by Rs. 3,576 lakhs. Our audit opinion on the financial statements for the year ended 31 March 2020 was also qualified in respect of aforesaid matters.
4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the

Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

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

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

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

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

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company

or to cease operations, or has no realistic alternative but to do so.

8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

12. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - (b) except for the effects of the matters described in paragraph 3 in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the financial statements dealt with by this report are in agreement with the books of account;
  - (d) except for the effects of the matters described in paragraph 3 in the Basis for Qualified Opinion section, in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - (e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - (f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;
  - (g) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 02 June 2021 as per Annexure II expressed an unmodified opinion; and

## 61st Annual Report 2020 - 2021

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- (h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in note 40 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
  - ii. the Company has made provision as at 31 March 2021, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. following are the instances of delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:  
  
Unpaid dividend for Financial Year 2012-2013 amounting to Rs. 6 lakhs and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

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

**Bharat Shetty**  
*Partner*  
Membership No.: 106815  
UDIN No.: 21106815AAAABV6654

Place: Mumbai  
Date: 02nd June, 2021



**Annexure I to the Independent Auditor's Report of even date to the members of Balmer Lawrie – Van Leer Limited, on the financial statements for the year ended 31st March 2021**

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

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

## 61st Annual Report 2020 - 2021

### Annexure I – (contd.)

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

#### Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non submission of forms, interest and other matters	37	20	Financial year 2008-09	Joint Commissioner of Sales Tax (Appeals)
		8	4	Financial year 2006-07	Joint Commissioner of Sales Tax (Appeals)
The Customs Act, 1962	Custom duty	16	—	F.Y. 2014-16	Additional Commissioner of Customs
Finance Act, 1994	Service tax	12	—	F.Y. 2007-12	Commissioner of Central Excise (Appeals)
		27	—	F.Y. 2015-16	Commissioner of Central Excise (Appeals)
		19	—	F.Y. 2016-17	Commissioner of Central Excise (Appeals)
Income-tax Act, 1961	Income tax	4	—	Assessment year 2010-11	Commissioner of Income Tax (Appeals)
		109	22	Assessment year 2011-12	Commissioner of Income Tax (Appeals)
		20	33	Assessment year 2012-13	Commissioner of Income Tax (Appeals)
		46	11	Assessment year 2013-14	Commissioner of Income Tax (Appeals)
		5	1	Assessment year 2014-15	Commissioner of Income Tax (Appeals)
		29	29	Assessment year 2015-16	Centralized Processing Centre
		9	1	Assessment year 2016-17	Commissioner of Income Tax (Appeals)
		25	4	Assessment year 2016-17	Commissioner of Income Tax (Appeals)



**Annexure A – (contd.)**

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

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

**Bharat Shetty**  
*Partner*  
Membership No.: 106815  
UDIN No.: 21106815AAAAABV6654

Place: Mumbai  
Date: 02nd June, 2021

# 61st Annual Report 2020 - 2021

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Annexure II to the Independent Auditor's Report of even date to the members of Balmer Lawrie – Van Leer Limited, on the financial statements for the year ended 31st March 2021

## **INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')**

1. In conjunction with our audit of the financial statements of Balmer Lawrie - Van Leer Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

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

## **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

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

## **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

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

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

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

**OPINION**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

**Bharat Shetty**  
*Partner*  
Membership No.: 106815  
UDIN No.: 21106815AAAABV6654

Place: Mumbai  
Date: 02nd June, 2021

# 61st Annual Report 2020 - 2021

## BALANCE SHEET AS AT MARCH 31, 2021

	Note	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	11,961	12,245
Capital work-in-progress		8,280	5,102
Goodwill		1,016	1,016
Other intangible assets	3	29	62
<b>Financial assets</b>			
Investment	4	1,818	1,818
Loans	5	432	400
Other financial assets	6	3	35
Other non-current assets	7	486	837
		<u>24,025</u>	<u>21,515</u>
<b>Current assets</b>			
Inventories	8	7,878	7,476
<b>Financial assets</b>			
Trade receivables	9	9,904	8,014
Cash and bank balances	10	883	1,706
Loans	11	197	185
Other financial assets	12	375	595
Other current assets	13	2,201	1,943
		<u>21,438</u>	<u>19,919</u>
		<u>45,463</u>	<u>41,434</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	1,796	1,796
Other equity	15	14,691	13,538
		<u>16,487</u>	<u>15,334</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	6,790	5,008
Other financial liabilities	17	78	35
Provisions	18	18	23
Deferred tax liabilities (net)	19	389	691
		<u>7,275</u>	<u>5,757</u>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20	9,646	11,481
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	428	291
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	5,110	3,367
Other financial liabilities	22	5,275	4,093
Provisions	23	511	522
Current tax liabilities (net)	24	330	207
Other current liabilities	25	401	382
TOTAL		<u>21,701</u>	<u>20,343</u>
		<u>45,463</u>	<u>41,434</u>

Significant accounting policies and other explanatory information

1 to 53

As per our report of even date attached.

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

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

Mumbai, 02nd June, 2021

For and on behalf of the Board of Directors

**Girish Pundlik** – Managing Director  
DIN: 08099591  
**Adika Ratna Sekhar** – Director  
DIN: 08053637  
**Sanjay Datta** – Chief Financial Officer  
**Nilesh Shirke** – Company Secretary  
Membership No.: 029233

Mumbai, 02nd June, 2021



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

	Note	Year Ended March 31, 2021 (Rs. in lakhs)	Year Ended March 31, 2020 (Rs. in lakhs)
I. Revenue from Operations	26	42,634	43,553
II. Other Income	27	210	801
III. <b>Total Revenue (I + II)</b>		<b>42,844</b>	<b>44,354</b>
IV. <b>Expenses:</b>			
Cost of materials consumed	28	23,875	24,772
Purchases of stock-in-trade		136	176
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	151	116
Employee benefits expense	30	5,183	5,116
Finance costs	31	792	980
Depreciation and amortization expense	2 and 3	1,402	1,372
Other expenses	32	8,063	7,981
<b>Total Expenses</b>		<b>39,602</b>	<b>40,513</b>
V. <b>Profit Before Tax (III-IV)</b>		<b>3,242</b>	<b>3,841</b>
VI. <b>Tax Expense</b>	33		
(i) Current tax		910	1,294
(ii) Deferred tax expense / (credit)		(297)	31
		<b>613</b>	<b>1,325</b>
VII. <b>Net profit after tax (V-VI)</b>		<b>2,629</b>	<b>2,516</b>
VIII. <b>Other comprehensive income (OCI)</b>	34		
Items that will not be reclassified to profit or loss			
(i) Measurements of defined employee benefit plans		(132)	(104)
(ii) Income tax relating to items that will not be reclassified to profit or loss		33	36
Items that will be reclassified to profit or loss			
(i) Deferred loss on cash flow hedges		(3)	(20)
(ii) Income tax relating to items that will be reclassified to profit or loss		(28)	7
		<b>(130)</b>	<b>(81)</b>
IX. <b>Total comprehensive income for the period (VII+VIII)</b>		<b>2,499</b>	<b>2,435</b>
X. Earnings per equity share:	44		
Basic and diluted (in Rs.)		14.63	14.00
Face value per share (in Rs.)		10.00	10.00

Significant accounting policies and other explanatory information

1 to 53

As per our report of even date attached.

For and on behalf of the Board of Directors

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

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

**Girish Pundlik** – Managing Director  
DIN: 08099591  
**Adika Ratna Sekhar** – Director  
DIN: 08053637  
**Sanjay Datta** – Chief Financial Officer  
**Nilesh Shirke** – Company Secretary  
Membership No.: 029233

Mumbai, 02nd June, 2021

Mumbai, 02nd June, 2021

# 61st Annual Report 2020 - 2021

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

Equity share capital (including forfeited equity shares)

	Number of shares	Amount (Rs. in lakhs)
As at April 01, 2019	17,974,814	1,796
Changes during the year	—	—
<b>As at March 31, 2020</b>	<b>17,974,814</b>	<b>1,796</b>
Changes during the year	—	—
<b>As at March 31, 2021</b>	<b>17,974,814</b>	<b>1,796</b>

### Other equity

(Rs. in lakhs)

	Securities premium	General reserve	Retained earnings	Deemed equity contribution on loan from shareholder	Other comprehensive income (OCI)		Total
					Cash flow hedge reserve account	Other items	
<b>Opening balance as at April 01, 2019</b>	<b>3,218</b>	<b>796</b>	<b>9,034</b>	<b>185</b>	<b>(182)</b>	<b>—</b>	<b>13,051</b>
<b>Transactions during the year</b>							
<b>Total comprehensive income for the year</b>							
Profit for the year	—	—	2,516	—	—	—	2,516
Other comprehensive (loss)/ gain	—	—	—	—	(13)	(68)	(81)
Dividend	—	—	(1,616)	—	—	—	(1,616)
Tax on dividends	—	—	(332)	—	—	—	(332)
Transfer from OCI to retained earnings	—	—	(68)	—	—	68	—
<b>Closing balance as at March 31, 2020</b>	<b>3,218</b>	<b>796</b>	<b>9,534</b>	<b>185</b>	<b>(195)</b>	<b>—</b>	<b>13,538</b>
<b>Transactions during the year</b>							
<b>Total comprehensive income for the year</b>							
Profit for the year	—	—	2,629	—	—	—	2,629
Other comprehensive (loss)/ gain	—	—	—	—	(31)	(99)	(130)
Dividend	—	—	(1,346)	—	—	—	(1,346)
Transfer from OCI to retained earnings	—	—	(99)	—	—	99	—
<b>Closing balance as at March 31, 2021</b>	<b>3,218</b>	<b>796</b>	<b>10,718</b>	<b>185</b>	<b>(226)</b>	<b>—</b>	<b>14,691</b>

As per our report of even date attached.

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

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

Mumbai, 02nd June, 2021

For and on behalf of the Board of Directors

**Girish Pundlik** — Managing Director  
DIN: 08099591  
**Adika Ratna Sekhar** — Director  
DIN: 08053637  
**Sanjay Datta** — Chief Financial Officer  
**Nilesh Shirke** — Company Secretary  
Membership No.: 029233

Mumbai, 02nd June, 2021



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

	Year Ended March 31, 2021 (Rs. in lakhs)	Year Ended March 31, 2020 (Rs. in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax as per Statement of Profit and Loss</b>	<b>3,242</b>	3,841
<b>Adjusted for:</b>		
Depreciation and amortization expense	1,402	1,372
Interest income	(20)	(16)
Finance costs	792	980
Bad debts/ advances written off	—	10
Provision for doubtful debts	—	1
Liabilities no longer required written back	(15)	(382)
Actuarial gain/ (loss) recognised in other comprehensive income	(132)	(104)
Deferred grant income	(2)	(2)
Unrealised foreign exchange loss/(gain)	137	(141)
	<u>2,162</u>	<u>1,718</u>
<b>Operating profit before working capital changes</b>	<b>5,404</b>	5,559
<b>Changes in working capital:</b>		
(Decrease) in provisions, trade payables and other liabilities	2,598	(171)
Decrease/ (increase) in trade receivables	(2,003)	332
(Increase) in inventories	(402)	(1,240)
(Increase)/ decrease in loans and other assets	(73)	259
	<u>5,524</u>	<u>4,739</u>
<b>Operating profit after working capital changes</b>	<b>5,524</b>	4,739
Direct taxes paid (net of refund)	(787)	(1,238)
<b>Net cash generated from operating activities</b>	<b>4,737</b>	3,501
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress and interest capitalised)	(3,810)	(5,275)
Fixed deposits matured	5	29
Interest received	20	16
<b>Net cash used in investing activities</b>	<b>(3,785)</b>	(5,230)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid (including dividend distribution tax thereon)	(1,346)	(1,948)
Repayment of non-current borrowings	(1,114)	(1,443)
Proceeds from non-current borrowings	3,311	4,365
Settlement of lease obligations	(39)	(22)
Finance costs paid	(789)	(1,030)
Proceeds from current borrowings (net)	(1,835)	3,136
<b>Net cash generated from financing activities</b>	<b>(1,812)</b>	3,058
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(860)</b>	1,329
Opening balance of cash and cash equivalents	1,596	267
<b>Closing balance of cash and cash equivalents</b>	<b>736</b>	1,596
<b>Components of cash and cash equivalents:</b>		
Balances with banks in current accounts	460	645
Balances with banks in deposits accounts	275	949
Cash on hand	1	2
<b>Cash and cash equivalents as per financial statements</b>	<b>736</b>	1,596

As per our report of even date attached.

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

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

Mumbai, 02nd June, 2021

For and on behalf of the Board of Directors

**Girish Pundlik** – Managing Director  
DIN: 08099591  
**Adika Ratna Sekhar** – Director  
DIN: 08053637  
**Sanjay Datta** – Chief Financial Officer  
**Nilesh Shirke** – Company Secretary  
Membership No.: 029233

Mumbai, 02nd June, 2021

# 61st Annual Report 2020 - 2021

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

### 1.1 Background of the Company

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

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

### 1.2 Significant Accounting Policies

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

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

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

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

#### (b) Investments in joint venture

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

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

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

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

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

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

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

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

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

#### (d) Intangible assets

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

#### (e) Borrowing costs

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

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

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

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

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

**(g) Investments and financial assets****Classification**

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

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

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

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

**Measurement**

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

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

**Measurement of debt instruments**

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

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

# 61st Annual Report 2020 - 2021

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

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

### Measurement of equity instruments

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

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

### Impairment of financial assets

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

### De-recognition of financial assets

A financial asset is derecognised only when

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

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

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

### Interest income from financial assets

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

## (h) Derivative financial instruments and hedge accounting

### Initial and subsequent measurement

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

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

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

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

**Accounting for cash flow hedges**

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

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

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

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

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

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

**(j) Inventories**

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

**(k) Foreign Currency Transactions**

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

**(l) Revenue Recognition**

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

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

# 61st Annual Report 2020 - 2021

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

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

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

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

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

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

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

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

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

#### **Defined Contribution Plans**

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

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

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

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

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

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

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

#### **Compensated Absences**

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

#### **Termination Benefits**

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

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

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

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

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

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

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

**(p) Leases**

**Company as a lessee**

The Company assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i. the contract involves the use of an identified asset; ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and iii. the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a lease term of twelve months or less (short-term leases) and low value leases.

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

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

**Company as a lessor**

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

**Finance lease**

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

**Company as a lessee**

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

# 61st Annual Report 2020 - 2021

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

### Company as a lessor

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

### (q) Provisions and Contingent Liabilities

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

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

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

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

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

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

### (r) Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

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

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

### (s) Earnings per share

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

### (t) Dividends

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

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

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2021.



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021**  
(All amount in Rupees, Lakhs, unless, otherwise stated)

**2. PROPERTY, PLANT AND EQUIPMENT**

(Rs. in lakhs)

Gross block	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Right of use assets (refer note 50)	Computers	Office equipment	Enabling assets	Total
<b>Balance as at April 01, 2019</b>	523	1,669	2,772	9,789	168	129	—	87	93	161	15,391
Additions/Adjustments	—	—	129	1,459	12	—	55	27	17	—	1,699
Deletions/Adjustments	—	—	—	—	(1)	—	—	(1)	—	—	(2)
<b>Balance as at March 31, 2020</b>	523	1,669	2,901	11,248	179	129	55	113	110	161	17,088
Additions/Adjustments	—	—	27	875	6	11	112	32	19	—	1,082
Deletions/Adjustments	—	—	—	—	(1)	(3)	—	(1)	—	—	(5)
<b>Balance as at March 31, 2021</b>	523	1,669	2,928	12,123	184	137	167	144	129	161	18,165
<b>Accumulated depreciation and amortisation</b>											
<b>Balance as at April 01, 2019</b>	—	73	556	2,623	70	59	—	61	49	33	3,524
Depreciation/amortisation	—	23	186	996	26	21	20	17	16	16	1,321
Deletions/Adjustments	—	—	—	—	(1)	—	—	(1)	—	—	(2)
<b>Balance as at March 31, 2020</b>	—	96	742	3,619	95	80	20	77	65	49	4,843
Depreciation/amortisation	—	23	194	1,004	28	24	35	24	18	16	1,366
Deletions/Adjustments	—	—	—	—	—	(3)	—	(1)	—	—	(5)
<b>Balance as at March 31, 2021</b>	—	119	936	4,623	122	101	55	100	83	65	6,204
<b>Net block</b>											
<b>Balance as at March 31, 2020</b>	523	1,573	2,159	7,629	84	49	35	36	45	112	12,245
<b>Balance as at March 31, 2021</b>	523	1,550	1,992	7,500	62	36	112	44	46	96	11,961

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

**3. OTHER INTANGIBLE ASSETS**

(Rs. in lakhs)

Gross block	Computer Software	Total
<b>Balance as at April 01, 2019</b>	148	148
Additions/Adjustments	37	37
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2020</b>	185	185
Additions/Adjustments	3	3
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2021</b>	188	188
<b>Accumulated depreciation and amortisation</b>		
<b>Balance as at April 01, 2019</b>	72	72
Depreciation/amortisation	51	51
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2020</b>	123	123
Depreciation/amortisation	36	36
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2021</b>	159	159
<b>Net block</b>		
Balance as at March 31, 2020	62	62
<b>Balance as at March 31, 2021</b>	29	29

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

#### 4. INVESTMENTS

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Trade Investments in Equity Instruments – Unquoted, at Cost</b>		
Investment in Others:		
11,361,999 Equity Shares in Transafe Services Limited of Rs. 10 each, fully paid up (Refer Note 43)	1,818	1,818
	<b>1,818</b>	<b>1,818</b>
Aggregate amount of quoted investments and market value thereof	—	—
Aggregate amount of unquoted investments	<b>1,818</b>	<b>1,818</b>

#### 5. LOANS

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
<b>Security Deposits</b>		
Security deposits	424	390
Considered doubtful	7	7
Less: Provision for doubtful deposits	(7)	(7)
Loans and advances to employees	8	10
	<b>432</b>	<b>400</b>

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Bank deposit with maturity more than 12 months	3	35
	<b>3</b>	<b>35</b>

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**7. OTHER NON-CURRENT ASSETS**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
Capital advances	352	694
Prepaid expenses	11	1
Balances with government authorities	123	142
	<b>486</b>	<b>837</b>

**8. INVENTORIES**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Raw materials and packing materials		
Goods-in-transit	—	16
Others	4,525	3,953
	<b>4,525</b>	<b>3,969</b>
Work-in-progress	965	1,107
Finished goods	1,195	1,210
Stock-in-trade	32	26
Stores and spares	1,161	1,164
	<b>7,878</b>	<b>7,476</b>

**9. TRADE RECEIVABLES (UNSECURED)**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Considered good	9,904	8,014
Considered doubtful	96	97
Less: Provision for doubtful debts	(96)	(97)
	<b>9,904</b>	<b>8,014</b>

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

#### 10. CASH AND BANK BALANCES

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Cash and cash equivalents</b>		
Balances with banks in current accounts	460	645
Deposits with original maturity less than 3 months	275	949
Cash on hand	1	2
	<b>736</b>	1,596
<b>Other bank balances</b>		
Restricted balance with bank in current account	55	55
Unpaid dividend accounts	61	51
Deposits with maturity of more than three months but less than twelve months	31	4
	<b>147</b>	110
	<b>883</b>	1,706

#### 11. LOANS

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
Security deposits	104	91
Loans and advances to employees	16	27
Others – considered good	77	67
Others – considered doubtful	14	14
Less: Provision for doubtful loans	(14)	(14)
	<b>197</b>	185

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
Duty drawback	66	38
Receivable under Merchandise Exports from India Scheme (MEIS)	283	388
Derivative financial instruments	26	169
	<b>375</b>	595



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**13. OTHER CURRENT ASSETS**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
<b>Advances other than capital advances</b>		
Advance to suppliers	191	211
Balances with government authorities	1,817	1,535
Prepaid expenses	193	197
	<b>2,201</b>	<b>1,943</b>

**14. EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Authorised:</b> 19,000,000 (Previous Year: 19,000,000) Equity Shares of Rs. 10 each	1,900	1,900
<b>Issued:</b> 17,974,814 (Previous Year: 17,974,814) Equity Shares of Rs. 10 each	1,797	1,797
<b>Subscribed and Paid-Up:</b> 17,952,014 (Previous Year: 17,952,014) Equity Shares of Rs. 10 each fully paid up	1,795	1,795
Add: Forfeited Equity Shares [22,800 (Previous Year: 22,800) Equity Shares of Rs. 10 each (amount originally paid up Rs. 5 each)]	1 —	1 —
	<b>1,796</b>	<b>1,796</b>

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

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (Rs. in lakhs)	No. of Shares	Amount (Rs. in lakhs)
Balance as at the beginning of the year	17,974,814	1,796	17,974,814	1,796
Add: Shares issued during the year	—	—	—	—
Balance as at the end of the year	<b>17,974,814</b>	<b>1,796</b>	17,974,814	1,796

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

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

**(c) No bonus shares has been issued during last five years.**

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

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

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Equity Shares:</b>				
Balmer Lawrie and Company Limited	8,601,277	47.91%	8,601,277	47.91%
Greif International Holding B.V.	8,601,282	47.91%	8,601,282	47.91%

#### 15. OTHER EQUITY

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Reserves and surplus</b>		
Securities premium *	3,218	3,218
General reserve **	796	796
Retained earnings ***	10,718	9,534
	<b>14,732</b>	13,548
<b>Other</b>		
Deemed equity contribution on loan from shareholder	185	185
Cash flow hedge reserve account	(226)	(195)
Other comprehensive Income – Others	—	—
	<b>(41)</b>	(10)
Total	<b>14,691</b>	13,538

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>* Securities premium reserve</b>		
<b>Balance as at the beginning of the year</b>	3,218	3,218
Add : Additions made during the year	—	—
<b>Balance as at the end of the year</b>	<b>3,218</b>	3,218
Nature and Purpose – Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.		
<b>** General reserve</b>		
<b>Balance as at the beginning of the year</b>	796	796
Transaction during the year		
Add : Transfer from Surplus in the Statement of Profit and Loss	—	—
<b>Balance as at the end of the year</b>	<b>796</b>	796

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>*** Retained earnings</b>		
<b>Balance as at the beginning of the year</b>	9,534	9,034
Transaction during the year		
Net profit for the year	2,629	2,516
Dividend	(1,346)	(1,616)
Tax on dividends	—	(332)
Transfer from other comprehensive income	(99)	(68)
<b>Balance as at the end of the year</b>	10,718	9,534
<b>Deemed equity contribution on loan from shareholder</b>		
<b>Balance as at the beginning of the year</b>	185	185
Transaction during the year	—	—
<b>Balance as at the end of the year</b>	185	185
Nature and Purpose – The difference between the fair value of interest free borrowing from shareholder and the transaction price is recognised as a deemed equity component of the shareholder.		
<b>Other comprehensive income</b>		
<b>Other income</b>		
<b>Balance as at the beginning of the year</b>	—	—
Transaction during the year		
Actuarial gain or loss	(132)	(104)
Deferred tax on actuarial gain or loss	33	36
Transferred to retained earnings	99	68
<b>Balance as at the end of the year</b>	—	—
<b>Cash flow hedge reserve account</b>		
<b>Balance as at the beginning of the year</b>	195	182
Add: Changes during the year		
Effective portion of losses on hedging instruments	3	20
Deferred tax on losses of hedging instruments	28	(7)
<b>Balance as at the end of the year</b>	226	195

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

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Secured</b>		
Term loan from banks (refer note i, iii, iv and 22)	6,790	5,008
	6,790	5,008

#### Nature of security and terms of repayment for secured borrowings

<p>(i) Term Loan from Kotak Mahindra Bank is secured by first and exclusive hypothecation charge on all existing and future movable property, plant and equipment including Plant and Equipment of the Company, located at survey no-237/1, 238 &amp; 264/2 in Janakipuram Village, Madhuranthakam Taluk Village, Kanchipuram district, Chennai. First and exclusive equitable mortgage on immovable properties being property located at survey no-237/1, 238 &amp; 264/2 in Janakipuram Village, Madhuranthakam Taluk Village, Kanchipuram district, Chennai.</p> <p>(ii) Loan of Rs. 1,818 lakhs from Balmer Lawrie and Company Limited is secured by pledge on all the shares held by the Company in Transafe Services Limited.</p> <p>(iii) Term Loan from Standard Chartered Bank is secured by first and exclusive hypothecation charge on all existing and future movable property, plant and equipment including Plant and Equipment of the Company, located at survey no-Plot no.D3/124 &amp; 125 &amp; 126, Dahej III, GIDC, Taluka- Vagra District- Bharuch, Gujarat-392130, and Khasara No.122, Central Hope Town, Pargana Pachwa Doon, District- Dehradun, Uttarakhand-248197.</p> <p>(iv) Working Capital Term Loan under Emergency Credit Line Guarantee Scheme 2.0 from Axis Bank is secured by primarily having Second Charge on Current assets of Bangalore division and collateral security of second charge by way of equitable mortgage on land, Factory Building, Plant and machinery.</p>	<p>(a) Loan of Rs. 500 Lakhs received during the year with outstanding of Rs. 375 lakhs Repayable in 18 equal monthly installment of Rs. 20.83 lakhs (short/excess being adjusted in last installment) with interest of 8.75% per annum as at balance sheet date.</p> <p>(b) Working Capital Term Loan under Emergency Credit Line Guarantee Scheme 2.0 Loan of Rs. 880 lakhs received during year repayable in 48 unequated installments (after moratorium of 12 Months) (short/ excess being adjusted in last installment) from 20 February 2022 with interest of 7% per annum as at balance sheet date.</p> <p>Repayable within 144 months from the date of disbursement of first instalment (August, 2009) of the loan. Interest to be paid annually at 9% or the prevailing bank rate, whichever is higher.</p> <p>The Company has not accrued interest expense for the current financial year aggregating Rs. 164 lakhs (Previous year Rs. 164 lakhs). (Refer Note 22 and 43)</p> <p>(a) Loan of Rs. 4,802 lakhs with outstanding amount of Rs. 4,573 lakhs repayable in 20 equal quarterly instalments of Rs.229 lakhs each (short/excess being adjusted in the last instalment) with interest of 9.15% per annum as at the Balance Sheet date. (Refer Note 36 (C)).</p> <p>(b) Loan of Rs. 481 lakhs with outstanding amount of Rs. 481 Lakhs repayable in 21 equal quarterly installment of Rs. 22.92 Lakhs each from 29 September 2021 (short/excess being adjusted in last installment) with interest of 8.40% per annum as at the balance sheet date. (Refer Note 36 (C)).</p> <p>Loan of Rs. 1,450 lakhs received during year repayable in 48 equal installments (after moratorium of 12 Months) of Rupees 30.20 lakhs (short/ excess being adjusted in last installment) with interest of 7% per annum as at balance sheet date.</p>
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**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**17. OTHER FINANCIAL LIABILITIES (NON-CURRENT)**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Lease Liability (refer note 50)	65	19
Deferred grant income	13	16
	<b>78</b>	<b>35</b>

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Others		
Provision for indirect taxes (Refer note 47)	18	23
	<b>18</b>	<b>23</b>

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Deferred tax liabilities</b>		
Depreciation	708	1,084
<b>Deferred tax assets</b>		
Provision for doubtful debts, advances and deposits	29	41
Provision for indirect taxes	25	8
Provision for employee benefits	181	240
Others	84	104
	<b>389</b>	<b>691</b>

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

#### 20. CURRENT FINANCIAL LIABILITIES – BORROWINGS

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Secured</b>		
Cash credit / packing credit (refer note below)	7,136	8,029
<b>Unsecured</b>		
Overdraft facility with Bank	2,510	3,452
	<b>9,646</b>	<b>11,481</b>

**Note:** Cash Credit/ Packing Credit from Banks are secured by first pari passu charge on current assets viz. inventory of raw materials, work-in-progress, finished goods, stocks, stores and consumables (not relating to plant and equipment), bills receivables/ book debts and other movable assets, both present and future and second pari passu charge on movable plant and equipment (including stores and consumables relating to plant and equipment), both present and future.

#### 21. TRADE PAYABLES

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Dues to Micro and Small Enterprises	428	291
Dues to others	5,110	3,367
	<b>5,538</b>	<b>3,658</b>

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

Particulars	Year ended March 31, 2021 (Rs. in lakhs)	Year ended March 31, 2020 (Rs. in lakhs)
Principal amount due to suppliers under MSMED Act (Including Payable for Property, plant and equipment)	428	291
Interest accrued and due to suppliers under MSMED Act on the above unpaid amount	2	4
Payment made to suppliers (other than interest) beyond the appointed day during the year	574	655
Interest paid to suppliers under MSMED Act (Other than Section 16)	—	—
Interest paid to suppliers under MSMED Act (Section 16)	—	—
Interest due and payable to suppliers under MSMED Act for payment already made	4	4
Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act	12	6

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

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**22. OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Current maturities of long-term debt (refer note 43 and note 16)	3,102	2,687
Interest accrued but not due on borrowings	39	36
Unpaid dividends (refer note below)	61	51
Deposits received	208	168
Employee benefits payable	459	437
Payable for property, plant and equipment	160	15
Lease Liability (refer note 50)	56	20
Deferred grant income	2	2
Outstanding expenses	1,188	677
	<b>5,275</b>	<b>4,093</b>

**Note:** An amount of Rs. 6.00 lakh pertaining to FY 2012-2013 has not been transferred to the Investor Education and Protection Fund (IEPF) as at 31 March 2021. Subsequent to the year end Company has transfer the same with IEPF.

**23. CURRENT PROVISIONS**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 41(b))	77	184
Provision for compensated absences (refer note 41(c))	434	338
	<b>511</b>	<b>522</b>

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Provision for tax [net of advance tax]	330	207
	<b>330</b>	<b>207</b>

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

#### 25. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Advances from customers	255	261
Statutory dues	146	121
	<b>401</b>	<b>382</b>

#### 26. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2021 (Rs. in lakhs)	Year ended March 31, 2020 (Rs. in lakhs)
Sale of products	39,163	40,341
Sale of services	73	29
Recovery towards freight outward	1,233	1,134
<b>Other Operating Revenue</b>		
Scrap sales	1,789	1,488
Income from duty drawback / MEIS (refer note 52)	376	561
	<b>42,634</b>	<b>43,553</b>

#### 27. OTHER INCOME

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Interest income		
From fixed deposits with banks	6	2
From others	14	14
Gain on foreign exchange (Net)	172	394
Liabilities no longer required written back	15	382
Deferred grant income	2	2
Miscellaneous Income	1	7
	<b>210</b>	<b>801</b>

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**28. COST OF MATERIALS CONSUMED**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Raw materials and packing materials consumed</b>		
Opening inventory	3,969	2,805
Add: Purchases	24,431	25,936
Less: Closing inventory	4,525	3,969
	<b>23,875</b>	<b>24,772</b>

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>At the end of the year</b>		
Work-in-progress	965	1,107
Finished goods	1,195	1,210
Stock-in-trade	32	26
	<b>2,192</b>	<b>2,343</b>
<b>At the beginning of the year</b>		
Work-in-progress	1,107	1,060
Finished goods	1,210	1,356
Stock-in-trade	26	43
	<b>2,343</b>	<b>2,459</b>
	<b>151</b>	<b>116</b>

**30. EMPLOYEE BENEFITS EXPENSE**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Salaries, wages and bonus (refer note 41(c))	4,475	4,375
Contribution to provident and other funds (refer note 41(a) and 41(b))	335	363
Staff welfare expenses	373	378
	<b>5,183</b>	<b>5,116</b>

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

#### 31. FINANCE COSTS

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Interest on borrowings:		
– From banks	1,338	1,424
Less: Interest cost capitalised	(597)	(506)
Net interest on borrowings	741	918
Other borrowing costs	51	62
	792	980

#### 32. OTHER EXPENSES

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Consumption of stores and spare parts	885	1,036
Power, fuel and water charges	2,483	2,559
Screen printing charges	170	201
Repairs and maintenance:		
Plant and equipment	209	283
Buildings	106	78
Others	118	167
Rent (refer note 50)	157	88
Rates and taxes	93	97
Bank charges	84	78
Insurance	159	97
Communication charges	45	37
Printing and stationery	21	24
System and software expenses	71	69
Travelling, conveyance and car expenses	56	176
Security and safety expenses	163	137
Legal, professional and secretarial expenses (refer note 45)	141	148
Corporate social responsibility expenses (refer note 46)	69	66
Freight and transportation expenses	2,936	2,461
Commission on sales	19	27
Export processing charges	10	14
Provision for doubtful debts	—	1
Bad debts	—	10
Miscellaneous expenses	68	127
	8,063	7,981



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**33. TAX EXPENSE**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Current tax expense</b>		
Current tax for the year	910	1,294
<b>Deferred tax expenses</b>		
(Decrease)/ Increase in deferred tax assets (With OCI Adjustments)	(66)	(13)
Decrease in deferred tax liabilities	(231)	44
	(297)	31
	613	1,325
<b>Tax reconciliation</b>		
<b>Profit before tax</b>	3,242	3,841
Taxes at applicable rate (31 March 2021: 25.17%; 31 March 2020: 34.94%)	816	1,342
<b>Tax effect of amounts which are not deductible / taxable</b>		
Interest on MSMED	2	2
Corporate social responsibility expenses	17	17
Deferred grant income	(1)	(1)
	18	18
<b>Other tax deductions</b>		
Donation u/s 80G	17	20
Deduction u/s 35DD	8	12
	25	32
Others	(3)	(3)
Adjustment due to change in tax rate*	(193)	—
<b>Income tax expense</b>	613	1,325

\* The Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its deferred tax liabilities / assets basis the rate prescribed in the aforesaid section. The remeasurement of accumulated deferred tax liabilities (net) has resulted in addition of deferred tax expenses (net) of Rs. 193 lakhs and has been recognised in the Statement of profit and loss for the year.

**34. OTHER COMPREHENSIVE INCOME**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Actuarial gain/(loss) on defined benefit obligations (refer note 41(b))	(132)	(104)
Deferred loss on cash flow hedges	(3)	(20)
Deferred taxes on above	5	43
	(130)	(81)

# 61st Annual Report 2020 - 2021

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

### 35. FAIR VALUE MEASUREMENTS

#### Financial instruments by category:

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

#### Fair value hierarchy

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

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

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

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

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

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

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

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

(Rs. in lakhs)

Fair value for assets measured at amortised cost	March 31, 2021				March 31, 2020			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>Financial liabilities</b>								
Borrowings (other than current borrowings)	—	9,931	—	9,931	—	7,731	—	7,731
Lease Liability	—	121	—	121	—	39	—	39
<b>Financial assets</b>								
Fixed deposits with bank	—	309	—	309	—	988	—	988

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

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

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

#### Valuation processes

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

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**36. FINANCIAL RISK MANAGEMENT**

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

**A Credit risk**

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

**Credit risk management**

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

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

**B Liquidity risk**

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

**Liquidity risk management**

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

**Maturities of non – derivative financial liabilities**

As at March 31, 2021

(Rs. in lakhs)

Particulars	Within 6 months	6 months to 1 year	Between 1 and 2 years	Beyond 2 years	Total
Non-current borrowings from banks (including current maturities)	605	691	1,694	4770	7,760
Loan from Balmer Lawrie and Company Limited	1,818	—	—	—	1,818
Current financial liabilities – Borrowings	9,646	—	—	—	9,646
Trade payables	5,538	—	—	—	5,538
Other current financial liabilities	2,134	—	—	—	2,134
<b>Total</b>	<b>19,741</b>	<b>691</b>	<b>1,694</b>	<b>4,770</b>	<b>26,896</b>

As at March 31, 2020

(Rs. in lakhs)

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

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

#### C Market risk

##### Foreign currency risk

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

##### Foreign currency risk management

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

##### Foreign currency risk exposure

(Rs. in lakhs)

Particulars	March 31, 2021			March 31, 2020		
	USD	AUD	Euro	USD	AUD	Euro
<b>Financial assets</b>						
Trade receivables (net of forward contract derivatives)	2,465	40	1,033	1,719	—	647
Advances to Vendors	24	2	—	605	—	20
<b>Financial liabilities</b>						
Trade payables (net of balance covered by forward contract derivatives)	2,713	—	22	1,455	36	20

##### Sensitivity to foreign currency risk

(Rs. in lakhs)

Particulars	Impact on statement of profit and loss for the year ended	
	March 31, 2021	March 31, 2020
<b>USD sensitivity</b>		
INR / USD		
Increase by 5%	(11)	43
Decrease by 5%	11	(43)
<b>Euro sensitivity</b>		
INR / Euro		
Increase by 5%	51	32
Decrease by 5%	(51)	(32)
<b>AUD sensitivity</b>		
INR / AUD		
Increase by 5%	2	(2)
Decrease by 5%	(2)	2



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**Impact of hedging activities**

**(a) Disclosure of effects of hedge accounting on financial position**

As at March 31, 2021

(Rs. in lakhs)

Type of hedge and risks	Notional value		Carrying amount of hedging instrument		Maturity date	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
<b>Cash flow hedge</b> Foreign currency and interest rate risk (i) Cross currency swaps	—	5,373	26	—	27 March 2026 and 27 September 2026	100.00%	Avg rate USD: Rs.68.99 and USD: Rs.72.95	221	(221)

**(b) Disclosure of effects of hedge accounting on financial performance**

For the year ended March 31, 2021

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income/(loss)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b> Foreign currency and interest rate risk (i) Cross currency swaps	221	—	(327)	Other expenses (decreased by Rs.327 lakhs)

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

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

In hedges of foreign currency borrowings, ineffectiveness mainly arises because of Change in timing of hedged item from that of the hedging instrument and cost of hedging. There were no ineffectiveness recognised in the statement of profit and loss during the year ended March 31, 2021.

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>As at April 01</b>	<b>(195)</b>	(182)
Add: Changes in fair value of swap	<b>221</b>	351
Less: Amount reclassified to profit or loss	<b>(327)</b>	(468)
Less: Deferred tax relating to above (net)	<b>75</b>	104
<b>As at March 31</b>	<b>(226)</b>	(195)

### 37. CAPITAL MANAGEMENT

#### 37.1 Risk management

The Company's objectives when managing capital are to

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

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

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
The capital composition is as follows:		
Net debt#	<b>18,841</b>	17,616
Total equity	<b>16,487</b>	15,334
<b>Net debt to equity ratio</b>	<b>114%</b>	115%

# includes non-current borrowings, current borrowings, current maturities of non-current borrowings and interest accrued and due on borrowings (net of cash and cash equivalents).

#### Debt covenants

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

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

#### 37.2 Dividends

Particulars	Year ended March 31, 2021 (Rs. in lakhs)	Year ended March 31, 2020 (Rs. in lakhs)
<b>Equity dividend</b>		
Final dividend for the year ended March 31, 2020 of Rs. 7.50 (March 31, 2019 – Rs. 9.0) per fully paid share	<b>1,346</b>	1,616

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**38. RELATED PARTY DISCLOSURES:**

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

**(I) List of related parties and relationship.**

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

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

**(ii) Joint Venture**

Transafe Services Limited (refer note 43)

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

Balmer Lawrie (UAE) LLC  
Greif Egypt LLC  
Greif Nederland B.V.  
Greif France SAS  
Greif Saudi Arabia Co. Ltd  
Greif Czech Republic A.S  
Greif Vologda Limited Liability Company Russian  
Hwyang Industry Co. Ltd  
Greif Sweden AB  
Greif Mexico, S.A. De C.V.  
Pachmas Packaging Ltd  
American Flange and Manufacturing Co. Inc.  
Greif Embalagenes Ind do Brasil Ltda  
Tri-Sure Closures Australia PTY Limited  
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.  
Greif Flexibles Trading Holding BV

**(iv) Key Managerial Personnel**

- (a) Girish Pundlik – Managing Director
- (b) Sanjay Datta – Chief Financial Officer
- (c) Nilesh Shirke – Company Secretary (with effect from 1st July, 2020)
- (d) Rajesh Juthani – Company Secretary (upto 30th June, 2020)

# 61st Annual Report 2020 - 2021

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

### Related Party Disclosures

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

Nature of Transaction	(Rs. in lakhs)					
	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (ii) above	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
<b>Purchase of Raw Materials and Stores (Inclusive of Levies and taxes)</b>						
Balmer Lawrie and Company Limited	1	—	—	—	—	—
Greif Embalagens Ind do Brasil Ltda	—	—	—	—	44	51
Greif Nederland B.V.	—	—	—	—	86	34
American Flange and Manufacturing Co. Inc.	—	—	—	—	6	—
Tri-Sure Closures Australia PTY Limited	—	—	—	—	—	43
	1	—	—	—	136	128
<b>Sale of Finished Goods (Exclusive of levies and taxes)</b>						
Balmer Lawrie and Company Limited	1,775	1,706	—	—	—	—
Balmer Lawrie (UAE) LLC	—	—	—	—	188	318
American Flange and Manufacturing Co. Inc.	—	—	—	—	4,149	3,997
Greif Egypt LLC	—	—	—	—	178	115
Greif Embalagens Ind do Brasil Ltda	—	—	—	—	74	71
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.	—	—	—	—	1,334	1,842
Greif Czech Republic A. S.	—	—	—	—	31	28
Greif France SAS	—	—	—	—	77	93
Greif Mexico S.A.DE C.V	—	—	—	—	—	81
Greif Saudi Arabia Co. Ltd.	—	—	—	—	277	291
Greif Sweden AB	—	—	—	—	37	92
Greif Vologda Limited Liability Company Russian	—	—	—	—	186	178
Pachmas packaging limited	—	—	—	—	109	46
Greif Nederland B.V.	—	—	—	—	1,271	969
Hwyang Industry Co. Ltd.	—	—	—	—	94	179
	1,775	1,706	—	—	8,006	8,291
<b>Lease Rent Expenses</b>						
Balmer Lawrie and Company Limited	1	1	—	—	—	—
	1	1	—	—	—	—
<b>Purchase of Services</b>						
Balmer Lawrie and Company Limited	34	314	—	—	—	—
	34	314	—	—	—	—



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021.**  
**(All amount in Rupees, Lakhs, unless, otherwise stated)**

**Related Party Disclosures**

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

Nature of Transaction	(Rs. in lakhs)					
	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
<b>Commission Expense</b> Greif Nederland B.V.	—	—	—	—	4	11
<b>Expenses Reimbursed by other Companies</b> Greif Flexibles Trading Holding BV	—	—	—	—	4	11
<b>Liabilities no longer required written-back</b> Greif Sweden AB	2	—	—	—	—	—
	2	—	—	—	—	—
<b>Dividend Paid</b> Balmer Lawrie and Company Limited Greif International Holding B.V.	645	774	—	—	—	—
	645	774	—	—	—	—
	1,290	1,548	—	—	—	—

# 61st Annual Report 2020 - 2021

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

### Related Party Disclosures

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

Nature of Balance	(Rs. in lakhs)					
	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
<b>Outstanding Receivable (Net of Payable)</b>	458	347	—	—	—	—
Balmer Lawrie and Company Limited	—	—	3	3	—	—
Transafe Services Limited	—	—	—	—	50	—
Greif Egypt LLC	—	—	—	—	44	—
Greif Embalagens Ind do Brasil Ltda	—	—	—	—	1,959	1,188
American Flange and Manufacturing Co. Inc.	—	—	—	—	31	53
Balmer Lawrie (UAE) LLC	—	—	—	—	307	365
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.	—	—	—	—	10	—
Greif Czech Republic A. S.	—	—	—	—	21	31
Greif France SAS	—	—	—	—	361	169
Greif Netherland B.V.	—	—	—	—	116	93
Greif Saudi Arabia Co. Ltd.	—	—	—	—	42	65
Greif Vologda Limited Liability Company Russian	—	—	—	—	59	43
Pachmas Packaging Limited	—	—	—	—	—	30
Greif Sweden AB	458	347	3	3	3,000	2,037
<b>Outstanding Payable (Net of Receivable)</b>	—	—	—	—	—	—
Greif Embalagens Ind do Brasil Ltda	—	—	—	—	—	12
Tri-Sure Closures Australia Pty Ltd.	—	—	—	—	—	2
<b>Advance to supplier</b>	—	—	—	—	—	14
Tri-Sure Closures Australia Pty. Ltd.	—	—	—	—	2	2
<b>Outstanding Loan Payable</b>	1,818	1,818	—	—	—	—
Balmer Lawrie and Company Limited	1,818	1,818	—	—	—	—
<b>Commission payable</b>	—	—	—	—	—	—
Greif Netherland B.V.	—	—	—	—	4	11
	—	—	—	—	4	11

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

Particulars	(Rs. in lakhs)	
	March 31, 2021	March 31, 2020
Remuneration to Girish Pundlik	47	36
Remuneration to Sanjay Datta	31	28
Remuneration to Nilesh Shirke	12	—
Remuneration to Rajesh Juthani	36	31

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**39. NET DEBT RECONCILIATION**

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
Cash and cash equivalents	736	1,596
Non-current borrowings (including current maturities)	(9,892)	(7,695)
Current borrowings	(9,646)	(11,481)
Interest payable	(39)	(36)
<b>Net Debt</b>	<b>(18,841)</b>	<b>(17,616)</b>

(Rs. in lakhs)

	Cash and cash equivalents	Non-current borrowings (including current maturities)	Current borrowings	Interest Payable
<b>Net debt as at April 01, 2020</b>	1,596	(7,695)	(11,481)	(36)
Cash flows	(860)	(2,197)	1,835	—
Finance costs	—	—	—	(792)
Interest paid	—	—	—	789
Adjustment on account of Ind AS 116	—	—	—	7
<b>Net debt as at March 31, 2021</b>	<b>736</b>	<b>(9,892)</b>	<b>(9,646)</b>	<b>(39)</b>

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

#### 40. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>(a) Contingent Liabilities</b>		
(a) Sales Tax Liability that may arise in respect of matters in appeal	45	45
(b) Income Tax Liability that may arise in respect of matters in appeal	247	247
(c) Service tax/excise duty/customs duty liability that may arise in respect of matters in appeal	58	55
(d) Outstanding guarantees to various banks, in respect of the guarantees given by those banks in favour of various government authorities and others	106	311
<b>Notes:</b>		
1. The Company does not expect any reimbursement in respect of the above contingent liabilities.		
2. It is not practical to estimate the timing of cash outflows, if any, in respect of matters (a) to (c) above, pending resolution / completion of the appellate proceedings/other proceedings, as applicable.		
<b>Other Matter</b>		
The Honourable Supreme Court, has passed a judgement on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.		
<b>(b) Commitments</b>		
(a) Estimated value of contracts in capital account remaining to be executed (net of capital advance)	342	1,186

#### 41. EMPLOYEE BENEFITS

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

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

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

Particulars	Year ended March 31, 2021 (Rs. in lakhs)	Year ended March 31, 2020 (Rs. in lakhs)
Employer's Contribution to Provident fund	199	184
Employer's Contribution to ESIC	4	8
Employer's Contribution to Superannuation	48	51



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**(b) Defined Benefit Plan:**

**Gratuity**

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

	Year ended March 31, 2021 (Rs. in lakhs)	Year ended March 31, 2020 (Rs. in lakhs)
<b>Mortality Table</b>	<b>Indian Assured Lives Mortality (2012-14)</b>	Indian Assured Lives Mortality (2012-14)
Discount rate	6.30%	6.35%
Salary growth rate	7.00%	5.00%
Withdrawal rate	5.00%	5.00%
<b>Changes in the Fair value of Plan Assets</b>		
Present value of plan assets at the beginning of the year	790	781
Investment income	51	58
Employer's contribution	264	32
Employee's contribution	—	—
Benefits paid	(4)	(36)
Return on plan assets, excluding amount recognised in net interest expense	75	(45)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,176</b>	790
<b>Changes in the Present Value of Obligation</b>		
Present value of obligation at the beginning of the year	974	833
Current service cost	64	56
Interest expenses or cost	62	62
Re-measurement (or actuarial) (gain) / loss arising from:		
– change in the demographic assumptions	—	—
– change in the financial assumptions	164	69
– experience variance (i.e. actual experience v/s assumptions)	43	(10)
Past service cost	—	—
Benefits paid	(54)	(36)
<b>Present Value of Obligation at the end of the year</b>	<b>1,253</b>	974

Particulars	As at March 31, 2021 (Rs. in lakhs)	As at March 31, 2020 (Rs. in lakhs)
<b>Amount recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	1,253	974
Fair Value of Plan Assets at the end of the year	(1,176)	(790)
<b>Net Liability recognised at the end of the year</b>	<b>77</b>	184
<b>Percentage of each category of plan assets to total fair value of plan assets as at year end:</b>		
Administered by Life Insurance Corporation of India	100.00%	100.00%

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

Particulars	Year ended March 31, 2021 (Rs. in lakhs)	Year ended March 31, 2020 (Rs. in lakhs)
<b>Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	64	56
Past service cost	—	—
Net interest cost / (income) on the net defined benefit liability/(assets)	11	4
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>75</b>	<b>60</b>
Actuarial (gains) / losses		
— change in demographic assumptions	—	—
— change in financial assumptions	164	69
— experience variance (i.e. actual experience v/s assumptions)	43	(10)
Return on plan assets, excluding amount recognised in net interest expense	(75)	45
<b>Actuarial (Gain) / Loss recognised in Other Comprehensive Income</b>	<b>132</b>	<b>104</b>
<b>Maturity Profile of Defined Benefit Obligation</b>		
Weighted average duration (based on discounted cash flows)	<b>7 years</b>	
<b>Expected cash flows over the next (valued on undiscounted basis) :</b>		
1 year	134	
2 to 5 years	487	
6 to 10 years	714	
More than 10 years	788	

#### Sensitivity Analysis:

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

Defined Benefit Obligation (Base) 1,253                      974

Particulars	March 31, 2021		March 31, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate ( -/+ 1%)	1,348	1,168	1,045	912
(% change compared to base due to sensitivity)	7.6%	-6.7%	7.2%	-6.5%
Salary Growth Rate ( -/+ 1%)	1,169	1,344	911	1,044
(% change compared to base due to sensitivity)	-6.6%	7.3%	-6.6%	7.2%
Attrition Rate ( -/+ 50%)	1,263	1,245	961	985
(% change compared to base due to sensitivity)	0.8%	-0.6%	-1.4%	1.1%
Mortality Rate ( -/+ 10%)	1,253	1,252	974	975
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

#### (c) Compensated absences

The obligation for compensated absences is recognised in the same manner as gratuity and net (credit)/ charge to the Statement of Profit and Loss for the year is Rs. 95 lakhs (Previous Year: Rs.106 lakhs).



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

**42. SEGMENT REPORTING**

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

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

The above operating segments have been identified considering:

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

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

(Rs. in lakhs)

Particulars	2020-2021			2019-2020		
	Steel Drum Closures	Plastic Containers	Total	Steel Drum Closures	Plastic Containers	Total
<b>Revenue</b>						
External Segment Revenue	18,720	23,914	42,634	18,160	25,393	43,553
<b>Total Revenue</b>	<b>18,720</b>	<b>23,914</b>	<b>42,634</b>	<b>18,160</b>	<b>25,393</b>	<b>43,553</b>
<b>Result</b>						
Segment Result	2,396	2,559	4,955	2,864	2,620	5,484
Add: Unallocable Income			8			442
Less: Interest Expense			792			980
Less: Unallocable Expenses			929			1,105
<b>Profit Before Taxation</b>			<b>3,242</b>			<b>3,841</b>
Less: Tax Expenses			613			1,325
<b>Profit After Taxation</b>			<b>2,629</b>			<b>2,516</b>
<b>Other Information</b>						
Segment Assets	17,398	23,428	40,826	15,692	19,594	35,286
Unallocable Assets			4,637			6,148
<b>Total Assets</b>			<b>45,463</b>			<b>41,434</b>
Segment Liabilities	2,324	5,862	8,186	1,752	3,874	5,626
Unallocable Liabilities			20,790			20,474
<b>Total Liabilities</b>			<b>28,976</b>			<b>26,100</b>
<b>Depreciation and amortisation</b>						
Segment	748	560	1,308	718	549	1,267
Unallocable			94			105
<b>Total Depreciation and amortisation</b>			<b>1,402</b>			<b>1,372</b>
<b>Non-cash expenses other than depreciation and amortisation</b>						
Segment	—	—	—	10	1	11
Unallocable			—			—
<b>Total</b>			<b>—</b>			<b>11</b>
<b>Information about geographical segments *</b>						
<b>Revenue</b>						
India			32,053			32,828
Outside India			10,581			10,725
			<b>42,634</b>			<b>43,553</b>
<b>Non Current Assets</b>						
(Other than financial instrument, deferred tax and employee benefits)						
India			21,772			19,261
Outside India			—			—
			<b>21,772</b>			<b>19,261</b>

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

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

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

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

Post investment, TSL has been reporting continuous losses resulting into erosion of the net worth. Consequent to the losses and erosion in the net worth (negative net worth as at March 31, 2019 date beyond which audited financial statements are not available), the fair value of investment held by the Company has come down. The Hon'ble National Company Law Tribunal, Kolkata ('NCLT') vide its Order dated 11 November 2019 has admitted applications filed by operational creditors against TSL, and initiated the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 (IBC). In addition to the above, as per the NCLT order dated 09 April 2021, the entire equity share capital of TSL will undergo a capital reduction and accordingly the investment made by the Company in the equity shares of TSL will also undergo a reduction.

Management of the Company has been given to understand by the share transfer agent of TSL that, as on date, the capital reduction has not been effective due to administrative issues faced by TSL and hence the Company continues to be a shareholder of TSL. Accordingly, the investment in TSL has not been written off from the books of account of the Company.

During the year ended March 31, 2013, the Company had expressed its inability to BL to pay accrued interest amounting to Rs. 295 lakhs (net of TDS) for the financial years ended March 31, 2011 and March 31, 2012. As the Company had never earned any income from this investment and the interest expense was being disallowed under the Income tax Act, 1961, the Company has stopped accruing any further interest. Accordingly, during the financial year ended March 31, 2013, the Company had written back the interest accrued and payable amounting to Rs. 295 lakhs and has not accrued the annual interest expense of Rs.164 lakhs per annum for the financial years ended March 31, 2013 to March 31, 2021 based on the written communication to BL.

#### 44. EARNINGS PER SHARE

Particulars	Year Ended March 31, 2021 (Rs. in lakhs)	Year Ended March 31, 2020 (Rs. in lakhs)
I. Profit Computation for both Basic and Diluted Earnings per share: Net Profit attributable to equity share holders (Rs. in lakhs)	2,629	2,516
II. Computation of weighted average number of equity shares: Number of shares for Basic and Diluted earnings per share	17,974,814	17,974,814
III. Earnings Per Share: Basic (in Rs.)	14.63	14.00
Diluted (in Rs.)	14.63	14.00

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

Particulars	Year Ended March 31, 2021 (Rs. in lakhs)	Year Ended March 31, 2020 (Rs. in lakhs)
Audit Fees	35	34
Out of Pocket Expenses	1	1
	36	35

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)****46. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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

Particulars	Amount (Rs. in lakhs)
Average net profit of the Company for last three financial years	3,449
Prescribed CSR expenditure (2% of the average net profit as computed above)	69
<b>Details of CSR expenditure during the financial year:</b>	
Total amount provided for CSR during the financial year	69
Amount spent	69
Amount unspent	—

**47. PROVISIONS**

Particulars	Year Ended March 31, 2021 (Rs. in lakhs)	Year Ended March 31, 2020 (Rs. in lakhs)
Balance at the beginning of the year	23	131
Additions (net of reversal)	(5)	(108)
Amount used	—	—
<b>Balance at the end of the year</b>	<b>18</b>	<b>23</b>

**Note:**

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

**48. PROPOSED DIVIDEND**

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
The final dividend proposed for the year is as follows:		
On equity shares of Rs. 10 each:		
Amount of dividend proposed	987	1,346
Dividend per equity share	Rs. 5.50	Rs. 7.50

## 61st Annual Report 2020 - 2021

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)

#### 49. DIVIDEND REMITTED IN FOREIGN CURRENCY

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Dividend paid during the year	645	774
Number of non-resident shareholders	1	1
Number of Equity Shares held by such non-resident shareholders	8,601,282	8,601,282
Year to which the dividends relate	2019-20	2018-19

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

Particulars	As at and Year ended March 31, 2021	As at and Year ended March 31, 2020
The Balance sheet shows the following amounts relating to leases:		
<b>Right-of-use assets</b>	<b>112</b>	<b>35</b>
	<b>112</b>	<b>35</b>
<b>Lease liabilities</b>		
Current	56	20
Non-current	65	19
	<b>121</b>	<b>39</b>
<b>Amounts recognised in statement of profit and loss</b>		
<b>Depreciation charge on Right of use assets</b>	<b>35</b>	<b>20</b>
	<b>35</b>	<b>20</b>
Interest expense included in finance cost	7	5
Expense relating to short-term leases (included in other expenses)	157	88
Expense relating to leases of low-value assets that are not shown above as short-term leases	—	—
Expense relating to variable lease payments not included in lease liability	—	—
Income from sub-leasing right of use asset	—	—
Total cash outflow for leases during current financial year	<b>39</b>	<b>22</b>
Additions to the right of use assets during the current financial year (including transitional adjustments)	<b>112</b>	<b>55</b>
Gains or losses arising from sale & leaseback transactions	—	—

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

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate at April 1, 2020.

The weighted average incremental borrowing rate applied is 10%

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2021. (All amount in Rupees, Lakhs, unless, otherwise stated)**

51. In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a “Public Health Emergency of International Concern”, which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. The impact of COVID-19 on the business operations of the Company, including the duration, cannot be reasonably ascertained at this point in time, however, considering the fact that the Company’s services have been classified as essential services, the management does not anticipate any material adverse impact on the business, results of operations, financial position and cash flows in the financial year ending 31 March 2022.
52. Government of India has announced ‘Remission of Duties and Taxes on Exported Products (RoDTEP) scheme’ on 14 September 2019 which is a combination of Merchandise Export from India Scheme (MEIS) and Rebate of State and Central Taxes and Levies (RoSCTL). The RoDTEP scheme was made effective from 1 January 2021, replacing the MEIS scheme, however, the applicable rates for the incentive have not yet been notified. Considering the incentive rates have not yet being notified, the Management has not recognise the export incentive under such scheme for the period 1 January 2021 to 31 March 2021, in the financial statement for the year ended 31 March 2021. These export incentives would be recognised once such rates are notified.

**53. COMPLIANCE WITH REQUIREMENTS OF THE COMPANIES ACT, 2013**

The Company has identified that it has not complied with Section 149(1) provisions of the Companies Act, 2013 relating to the appointment of the Women Director where in the intermittent vacancy of the women director shall be filled-up by the Board at the earliest but not later than the immediate next Board meeting or three months from the date such vacancy whichever is later.

The Company is in the process of complying with the above provision as required under Companies Act, 2013. Management believes that the liabilities / penalties, if any, on account of the above stated non-compliance is not expected to be material.

As per our report of even date attached.

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

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

Mumbai, 02nd June, 2021

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

<b>Girish Pundlik</b>	– <i>Managing Director</i> DIN: 08099591
<b>Adika Ratna Sekhar</b>	– <i>Director</i> DIN: 08053637
<b>Sanjay Datta</b>	– <i>Chief Financial Officer</i>
<b>Nilesh Shirke</b>	– <i>Company Secretary</i> Membership No.: 029233

Mumbai, 02nd June, 2021

## 61st Annual Report 2020 - 2021

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### NOTES

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## 61st Annual Report 2020 - 2021

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### NOTES

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## 61st Annual Report 2020 - 2021

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### NOTES

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