57th
Annual Report

Balmer Lawrie-Van Leer Limited

2016 - 2017

Board of Directors:

Chairman
Reinier Hietink

Directors
Prabal Basu
Dhandapani Sothi Selvam
Kannan Ananthakrishnan
Manjusha Bhatnagar
Cristina Zeitz

Independent Directors
Srikumar Menon
Jozef M. Casparie

Key Managerial Persons:

Girish Pundlik	:	**Chief Executive Officer**
Sanjay Datta	:	**Chief Financial Officer**
Rajesh Juthani	:	**Company Secretary**

Bankers
The Hong Kong & Shanghai Banking Corporation Ltd.
Bank of India
Kotak Mahindra Bank Ltd.

Statutary Auditors
Walker Chandiok & Co LLP

Secretarial Auditors
N L Bhatia & Associates

Registrar & Share Transfer Agent
Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Ind. Premises, 1st Floor, Safed Pool,
Andheri-Kurla Road, Andheri (E), Mumbai-400 072.
Tel. : 022-2851 5606/5644/6338 Fax : 2851 2885

Registered Office
D-195/2, T.T.C. Indl. Area, MIDC Turbhe,
Navi Mumbai-400 705.
Tel.: 022-6739 6400 Fax : 022-6739 6436

Works

Drum Closure Division:
D-195/2, T.T.C. Indl. Area, MIDC Turbhe,
Navi Mumbai-400 705.
Tel.: 022-6739 6400 Fax : 022-6739 6436

Plastic Container Division Mumbai:
D-195/2, T.T.C. Indl. Area, MIDC Turbhe,
Navi Mumbai-400 705.
Tel.: 022-2763 0035-37 Fax : 022-2763 0038

Plastic Container Division Chennai:
Village : Janakipuram, Taluk : Madurantakam
Dist.: Kancheepuram, Chennai.
Tel.: 044-2756 7131 / 7132

Plastic Container Division Dehradun:
Khasra No. 122, Central Hope Town
(Now known as Selakui Industrial Area)
Pargana Pachhwa Doon, Dist. Dehradun,
Uttarakhand.
Tel.: 0135-2699907

Contents

NOTICE TO THE MEMBERS

Notice is hereby given that the Fifty Seventh Annual General Meeting of Balmer Lawrie-Van Leer Limited will be held at the Registered office of the Company at D-195/2, TTC Industrial area, MIDC Turbhe, Near Turbhe Telephone Exchange, Navi Mumbai-400 705 on Thursday, 21st September, 2017 at 11.00 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt
   (A) The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2017 together with the Report of the Board of Directors and the Auditors thereon;

   (B) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 together with the Report of the Auditors thereon.
2. To declare dividend on Equity.
3. To appoint a Director in place of Mr. Kannan Ananthakrishnan (DIN: 05281184) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Dhandapani Sothi Selvam (DIN: 07038156) who retires by rotation and being eligible offers herself for re-appointment.
5. To ratify appointment of Auditors and fix their remuneration.

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

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

By Order of the Board of Directors

For **Balmer Lawrie-Van Leer Limited**

Place : Mumbai,
Dated : 6th July, 2017.

Rajesh Juthani
Company Secretary

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

Item No. 5

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

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

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

NOTES:

1. The details of Directors seeking re-appointment under item no. 3 and 4 are annexed herewith.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxy in order to be effective must be received at the Company's registered office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms etc., must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organizations. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total shares capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy Form is sent herewith.**

3. The Register of Member and Share Transfer Books of the Company will remain closed from Friday September 15, 2017 to Thursday the 21st September, 2017 (both days inclusive).

4. Dividend on Equity Shares as recommended by the Board, if approved at the Annual General Meeting, will be paid on or before October 20, 2017 in respect of shares held in physical form to all those members whose names are on the Company's Register of Members as at close of business hours on September 14, 2017 and in respect of shares held in electronic form, the dividend will be paid to the beneficial owners of the shares as per details furnished by the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on September 14, 2017.

5. Members are requested to notify any change in their address, bank details, e-mail ID etc. to their respective Depository Participants (DPs) in respect of shares held in electronic form and to the Registrar and Share Transfer Agent of the Company M/s. SHAREX DYNAMIC (INDIA) PRIVATE LTD in respect of shares held in physical form, quoting their folio numbers.

6. As per the provisions of Section 72 of the Companies Act, 2013 facility for making nomination is available to the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents M/s. SHAREX DYNAMIC (INDIA) PRIVATE LTD., for shares held in physical form and from DPs in case of shares held in electronic form.

7. Members who have not registered their e-mail address so far with the Depository or Registrar and Share Transfer Agent are requested to register the same for receiving all communication including notices, annual report in electronic mode.

8. Members are requested to avail the facility of receiving dividend through NEFT/NECS by registering their bank details with Company's Registrar and Share Transfer Agents M/s. SHAREX DYNAMIC (INDIA) PRIVATE LTD., for shares held in physical form and with DPs in case of shares held in electronic form to avoid loss in transit or fraudulent encashment.

9. Members holding shares in physical form are requested to consider converting their shareholding in electronic form to eliminate the risks associated with physical shares like fraudulent transfer and loss in transit.

10. Pursuant to the provisions Section 124 and other applicable provisions of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, is required to be transferred to the Investor Education and Protection Fund ("the Fund") of the Central Government and no payments shall be made in respect of any such claims by the Fund or the Company. Unpaid/ Unclaimed dividend for and up to the financial year ended on March 31, 2008 have been transferred to the fund. The Company did not recommend any dividend for financial year 2008-09.

11. Unclaimed Dividend for the financial year 2009-10 will be due for transfer to the fund by November 07, 2017. Further Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 and the Rules made there under, the Company is also required to transfer the underlying shares in respect of which the dividend has remained unpaid or unclaimed for a period of seven consecutive years to the Demat Account of the Investor Education and Protection Fund (IEPF), Authority. The Company has sent notice to individual shareholders at their registered address in this respect on April 1, 2017.

12. Members who have either not received or en-cashed dividend warrant(s) for the financial year 2009-10, 2011-12, 2012-13, 2013-14 and 2014-15 are requested to send their warrant(s) for revalidation immediately or send claim either to the Company or Registrar and Share Transfer Agent M/s. SHAREX DYNAMIC (INDIA) PRIVATE LTD., at above mentioned address. The details of unpaid/unclaimed dividend is uploaded on the website of IEPF-www.iepf.gov.in and on the website of the Company-www.blvlindia.com

13. Electronic copy of the Annual Report is being sent to all those Members whose e-mails are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

14. Members desiring any information with respect to Accounts are requested to write to the Company at least ten days before the date of the meeting to enable the Management to keep the information ready at the meeting.

15. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the meeting.

16. Members are requested to kindly bring their copy of Annual Report.

17. A route map giving direction to reach the venue of the 57th Annual General Meeting is given at the end of the Notice on page 7.

18. To Support the "Green Initiative", Members who have not registered their email address are requested to register the same with Company, in respect of shares held in physical/ electronic mode respectively.

19. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rules framed there under the Members are provided with the facility to cast their vote electronically, through the e-voting service provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in this Notice. Ballot form is also sent to the shareholders who desire to vote in physical form.

    The facility for voting either through electronic voting system or through ballot shall be made available at the venue of the 57th AGM. The Members attending the Meeting, who have not cast their vote through remote e-voting/Ballot Form shall be able to exercise their voting rights at the AGM. The Members who have already cast their vote through remote e-voting/ Ballot Form may attend the Meeting but shall not be entitled to cast their vote again at the AGM.

    In terms of the requirements of the Companies act, 2013 and the relevant Rules, the Company has fixed September 14, 2017 as the "Cut-off" date. The remote E-Voting/voting rights of the shareholders/beneficial owners shall be reckoned on the Equity shares held by them as on "Cut-off" date i.e. September 14, 2017.

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

    In case of members receiving e-mail:

    (a) Long on to the e-voting website www.evotingindia.com

    (b) Click on "Shareholders" tab.

    (c) Now select the "Balmer Lawrie Van Leer Limited" from the drop down menu and click on "SUBMIT".

    (d) Now enter your user ID
    For CDSL: 16 digits beneficiary ID,
    For NSDL: 8 Character DP ID followed by 8 digits Client ID
    Members holding shares in physical form should enter folio number registered with the Company

    (e) Next enter the Image verification as displayed and click on Login.

    (f) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.

    (g) If you are a first time user follow the steps given below:

PAN	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both Demat shareholders and physical shareholder) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of their Demat Account Number/Folio No. as the case may be, in the PAN field. • In case the Folio No. is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. For example if your name is Vinay Kumar with Folio No. 1 then enter VI00000001 in the PAN Field.
Date of Birth (DOB) or Date of Incorporation	Enter the Date of Birth (DOB) as recorded in your Demat Account or in the Company's records for the said Demat Account in dd/mm/yyyy format or enter Folio No.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your Demat Account or in the Company's records for the said Demat Account or Folio No. Please enter any one of the details i.e. DOB or Dividend Bank Details in order to login. If the details are not recorded with the Company or Depository Participant please enter the number of shares held in the Dividend Bank Details.

    (h) After entering these details appropriately, click on "SUBMIT" tab.

    (i) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password filed. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other

Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take the utmost care to keep your password confidential.

(j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(k) Click on EVSN for the relevant "Balmer Lawrie-Van Leer Limited" on which you choose to vote.

(l) On the voting page, you will see "RESOLUTIONS DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(n) After selecting the resolution you have decided to vote on, click ON "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(p) You can also take out print of the voting done by you clicking on "Click here to print" option on the Voting page.

(q) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(r) Note for Institutional shareholders:

- Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in the PDF format in the system for the scrutinizer to verify the same.

IMPORTANT NOTES:

The e-voting period commences on Monday, September 18, 2017 (from 11.00 A.M.) and ends on Wednesday, September 20, 2017 (at 5.00 P.M.). During this period, Members of the Company holding shares either in physical form or in Dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the Members, he shall not be allowed to change it subsequently.

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

The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on September 14, 2017.

Mr. N. L. Bhatia, Practicing Company Secretary (Membership No. FCS 1176 / C.P No. 422), failing him Mr. Bharat R. Upadhyay, Practicing Company Secretary (Membership No. FCS 5436 / C.P No. 4457), failing him Mr. Bhaskar Upadhyay Practicing Company Secretary (Membership No. FCS 8663 / C.P No. 9625) have been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the members who do not have access to the e-voting process) as well as voting through Poll paper at the AGM, in a fair and transparent manner.

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

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

The result along with the Scrutinizer's Report shall be placed on the Company's website www.blvlindia.com and on the website of CDSL www.evoting.cdsl.com immediately after the result is declared by the Company.

By Order of the Board of Directors

For **Balmer Lawrie-Van Leer Limited**

Place : Mumbai,

Dated : 6th July, 2017.

Rajesh Juthani

Company Secretary

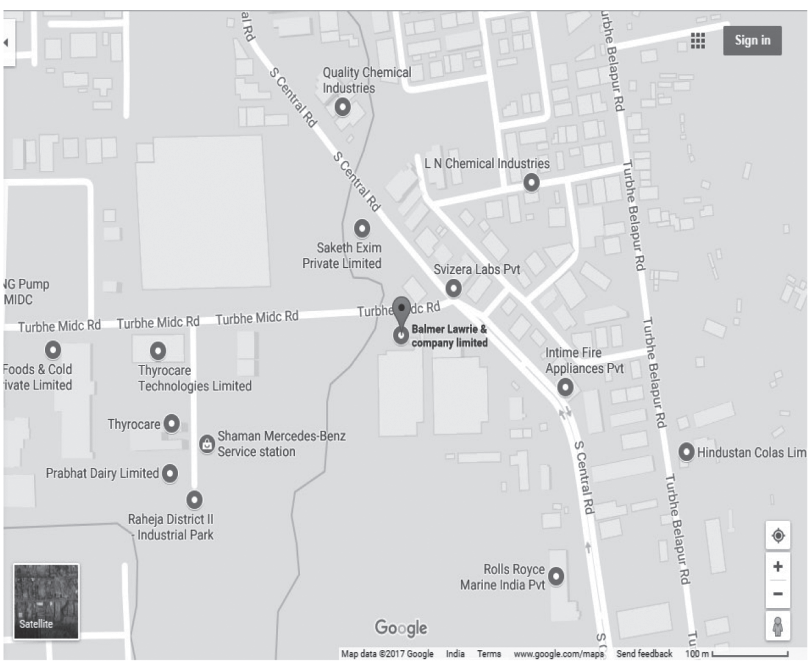
Details of Directors seeking re-appointment at the forth coming Annual General Meeting

Name of the Director	**Mr. Kannan Ananthakrishnan**	**Mr. Dhandapani Sothi Selvam**
Din No.	05281184	07038156
Date of Birth	May 5, 1965	July 31, 1960
Date of First Appointment on the Board of Balmer Lawrie-Van Leer Limited	June 1, 2012	September 2, 2015
Date of last appointment / Re-appointment at AGM	September 9, 2015	September 29, 2016
Qualification	B.S.C, A.C.S, CPA	Graduate in Chemical Engineering, MBA (Marketing), PG Diploma in Journalism & Mass Communication.
Experience (in no. of Years)	25 Years	31 Years
Expertise in specific functional areas	Strategic Planning, Finance, Accounts & General Management.	Manufacturing, Marketing, Business Process Re-engineering, Supply Chain Management, Technical Services etc.
Details of shares held in Co.	Nil	Nil
Directorship is held other Companies*	Nil	Balmer Lawrie & Co. Ltd. Proseal Closures Limited
Membership/Chairmanship of Committees** across public Companies	Nil	Balmer Lawrie-Van Leer Ltd (Stakeholders Relationship & Corporate Social Responsibility Committee as Member), Balmer Lawrie & Co. Ltd. (Audit Committee as Member)

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

** Includes Audit Committee, Stake Holders Relationship Committee (SRH) and Corporate Social Responsibility (CSR) Committee & Nomination & Remuneration (NRC) Committee

Route Map for the AGM Venue



DIRECTOR'S REPORT FOR THE FINANCIAL YEAR 2016-17

TO THE MEMBERS OF BALMER LAWRIE-VAN LEER LIMITED

Your Board is pleased to present 57th Annual Report of your Company along with the Audited Financial Statements and the Auditor's Report for the Financial Year ended March 31, 2017.

FINANCIAL HIGHLIGHTS:

	STAND ALONE		CONSOLIDATED	
	2016-17 In Rs. Lac	2015-16 In Rs. Lac	**2016-17 In Rs. Lac**	2015-16 In Rs. Lac
Net Sales/income	**33,156.25**	30,356.99	**42,034.66**	38,138.90
Operating and Other Expenditure	**30,936.66**	28,715.01	**37,688.42**	34,799.36
Operating Profit	**2,219.59**	1,641.98	**4,346.24**	3,339.54
Add: Other Income	**195.02**	538.04	**163.37**	141.84
Profit before Interest, Depreciation and Taxes	**2,414.61**	2,180.02	**4,509.61**	3,481.38
Less: Finance Cost	**502.60**	432.80	**722.08**	683.34
Less: Depreciation	**636.83**	553.26	**940.69**	831.64
Profit Before Tax	**1,275.18**	1,193.96	**2,846.84**	1,966.40
Less: Current Tax Expenses	**324.00**	272.15	**852.90**	653.23
Less: Deferred Tax	**100.57**	2.57	**147.23**	22.78
Profit After Tax	**850.61**	919.24	**1,846.71**	1,290.39
Other Comprehensive Income	**(65.57)**	(3.96)	**(95.74)**	(22.37)
Total Comprehensive Income	**785.04**	915.28	**1,750.97**	1,268.02

PERFORMANCE OVERVIEW:

The Ministry of Corporate Affairs (MCA), through its notification dated 16 February 2015, issued the Indian Accounting Standards (Ind AS) and recommended its application in a phased manner from 1 April 2016. All Companies, listed, public, or private, having net worth equal to or exceeding Rs. 500 Crore or more were covered in the first phase of Ind AS implementation. Effectively, the financial statements for the financial year ended on March 31, 2017, is the first reporting year under new standard.

Your Company is a joint venture of Balmer Lawrie & Co. Limited, a listed entity. Accordingly financial statements of the company for financial year 2015-16 prepared and reported under previously applicable Generally Accepted Accounting Principles ('Indian GAAP') have been re-stated in accordance with the new standard Ind AS. Changes in accounting policies/financial statements pursuant to adoption of Ind AS, reconciliation of Equity as on April 1, 2015 and March 31, 2016, reconciliation of profit and loss for the year ended March 31, 2016 along with explanations and impacts thereof are given at note no. 44 of Significant Accounting Policies and other explanatory information forming part of the Standalone Financial Statements at page no. 73 to 75.

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

- Total Revenue increased from Rs.30,356.99 Lac to Rs.33,156.25 Lac
- Decrease in 'Other Income' from Rs.538.04 Lac to Rs.195.02.
- Operating Profit increased from Rs.1,641.98 Lac to Rs.2,219.59
- Profit before Tax was higher at Rs.1,275.18 Lac as compared to Rs. 1,193.96 Lac during previous year.
- Profit after Tax was marginally lower at Rs.850.61 Lac as compared to Rs.919.24 Lac during previous year.

Despite continuation of economic slowdown both globally and in India, difficult market conditions, impacts due to structural changes effected in government policies and steps like de-monetization of high value notes and decision to implement goods and service tax (GST), overall performance of the Company was satisfactory and in line with the industry performance. The Company could satisfactorily manage its' operation, retain most of its customers by satisfying their organic growth and could add few new customers. There was marked improvement in production and sales both in physical and value term. Riding on improved volumes revenue from operations grew by 9.2% from Rs.30,356.99 Lac during the previous year to Rs.33,156.25 Lac during the current year. In a competitive market conditions the selling prices remain depressed and difficulty in passing on of additional cost to customers had an adverse impact on overall earnings of the Company.

Other Income during previous year was higher on account of one time write back of unsecured loan of Rs.262.50 Lac and dividend income of Rs.385.0 Lac received from Proseal Closures Limited., the 100% subsidiary of the Company.

STEEL DRUM CLOSURE DIVISION – MUMBAI

While there was moderate growth in domestic demand in line with expansion of steel drum industry, there was a significant improvement in exports. However consistent increase in steel prices by domestic steel manufacturers post imposition of minimum import price (MIP) by the Government, resistance to increase in selling price by major customers had negative impact on earning of the Division. Depreciation of Indian Rupee versus USD and improvement in operating efficiencies helped the Division to post nominal earnings. The Division recorded revenue of Rs.7,740.51 Lac and marginal profit of Rs. 15.0 Lac during the current year as against Rs. 6,596.80 Lac and loss of Rs. 16.38 Lac respectively during the previous year.

PLASTIC CONTAINER DIVISION – MUMBAI

Demand for Company's products during the year remained buoyant. However frequent stoppages due to breakdown of some of the critical equipments impacted supplies. Company has already initiated corrective actions by replacing old moulders with new technology energy saving moulders. The positive impact of such initiatives will be felt in coming years. Division processed higher tonnage of polymers as compared to previous year due to improvement in product cycle time. Better sales realization and strict control on procurement costs of imported polymers helped the Company to post better earnings. The Division recorded revenue of Rs.16,406.22 Lac and Profit before Tax of Rs. 992.50 Lac during the current year as against Rs. 16,065.29 Lac and Rs. 849.00 Lac respectively achieved during the previous year.

PLASTIC CONTAINER DIVISION – CHENNAI

Division continued efforts on improving the production efficiencies across the product segments, cutting down on operating costs and regaining lost customers. With improvement in cycle time and increased sale of V200 and Large Blow Moulded drums helped the Division to achieve higher sales and post nominal profit. Severe competition and lower selling prices by competitors kept pressure on margins. The Division recorded revenue of Rs.4,763.52 Lac and a marginal profit before tax of Rs. 40.30 Lac during the current year as against Rs. 3,690.11 Lac and loss of Rs.110.47 Lac respectively achieved during the previous year.

PLASTIC CONTAINER DIVISION – DEHRADUN

Division kept on consolidating its position further by adding new customers with uninterrupted supplies and service levels. Increased sale of Large Blow Moulded drums with competitive pricing though helped to post higher revenue had pressure on margins and overall earnings. The Division recorded revenue of Rs. 4,246.00 Lac and Profit before Tax of Rs. 113.60 Lac during the current year as against Rs. 4,004.79 Lac and Rs. 141.73 Lac respectively achieved during the previous year.

DIVIDEND

The Board of Directors at their meeting held on May 12, 2017 has recommended dividend of 35% or Rs.3.50 per Equity share of Rs.10/- each for the financial year ended March 31, 2017 (Previous Year @ 30% or Rs.3.00 per Equity Share)

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

COMMENTS BY STATUTORY AUDITORS:

The statutory auditors M/s. Walker Chandiok & Co. LLP has qualified their report on Standalone and Consolidated Financial statements for non-provisioning of interest expenses amounting to Rs.163.61 Lac on a loan from M/s. Balmer Lawrie & Co. Limited (BL) in accordance with terms of such loan agreement. According to Statutory auditors there is overstatement of net profit and understatement of current liabilities to that extent.

The statutory auditors M/s. Walker Chandiok & Co. LLP has further qualified their report on Standalone Financial Statements for non-provisioning of diminution in value of investment amounting to Rs.1,817.92 Lac in joint venture Company viz., Transafe Service Limited (TSL) due to significant accumulated losses and erosion of net worth of TSL.

The statutory auditors M/s. Walker Chandiok & Co. LLP has further qualified their report on Consolidated Financial Statements for TSL preparing financial statements on a going concern basis despite accumulated losses and complete erosion of its net worth.

BOARD'S RESPONSE:

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

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

A legal opinion was sought and the Company was advised that as per the clause 1.3 of the Loan Agreement the loan availed by the Company from BL is a non recourse loan and therefore there will be no loan repayment liability on the Company after the expiry of period of 60 months. Validity of the said agreement is extended up to 108 months from the date of disbursement.

Since the Company did not earn any income from investment and derive tax benefits, Company after written communication to BL, has stopped accruing liability in books and has not paid any interest on this loan since 1st April, 2010. BL as lender has also not raised any claim for interest so far.

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

With introduction of Goods and Service Tax (GST), expected unification of markets, improvement of business conditions, orders on hand/ under negotiation and restructuring of the Company, TSL Management is hopeful of turnaround in operation.

COMMENTS BY SECRETARIAL AUDITOR

N .L. Bhatia & Associates, the Secretarial Auditor have reported minor delay in preparation and circulation of draft minutes of few Board and Committee meetings.

BOARD'S RESPONSE

Due to intervening holidays and genuineness of reasons the delay was condoned by the members of the Board and Committees.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

SUBSIDIARY COMPANY

Proseal Closures Limited (PCL) a 100% subsidiary of your Company had made an application to the Mumbai High Court for amalgamation with the Company. Pursuant to the notification dated 7th December, 2016 issued by Ministry of Corporate Affairs effective from December 15, 2016, the matter was transferred to National Company Law Tribunal (NCLT). NCLT at hearing held on March 16, 2017 approved the Scheme of Amalgamation and certified order copy was received on 23rd June, 2017. Order is being filed with Registrar of Companies, Mumbai. The Scheme will be effective once the order is filed with Registrar of Companies (ROC).

Financial Statements of Proseal Closures Limited is prepared in compliance with Ind AS. Performance of Proseal Closures Limited was as under:

- Total Income increased from Rs.7,955.09 Lac in the previous year to Rs.9,365.75 Lac in 2016-17
- Profit before Tax increased from Rs.1,157.44 Lac in the previous year to Rs. 1,571.66 Lac in the current year.
- Profit after Tax increased from Rs.756.15 Lac in the previous year to Rs.996.10 Lac in the current year.

JOINT VENTURE

Company holds 11,361,999 Equity shares of Rs.10 each representing 50% of the total shareholding of Transafe Services Limited (TSL) since September 2009. Balance 50% in TSL is held by Balmer Lawrie & Co. Limited (BL). TSL is thus a Joint venture Company of Your Company and BL.

Financial Statements of Transafe Services Limited is prepared in compliance with Ind AS. Performance of Transafe Services Limited was as under:

- Total Income decreased from Rs.7,895.79 Lac in the previous year to Rs.5,682.22 Lac in 2016-17.
- Loss before Tax increased from Rs.1,056.68 Lac in the previous year to Rs. 1,558.43 Lac in the current year.
- Loss after Tax increased from Rs.724.93 Lac in the previous year to Rs.1,078.50 Lac in the current year.

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

PUBLIC DEPOSITS

During the financial year ended March 31, 2017, the Company has not accepted or renewed any fixed deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 (as amended).

UN-CLAIMED DIVIDENDS

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

Accordingly unclaimed dividend for the financial year up to 2007-08 has been transferred to IEPF. As on March 31, 2017 dividend, pertaining to periods from 2009-10, amounting to Rs.23.84 Lac has not been claimed by the shareholders. Notices have been sent to individual shareholders at their registered address on April 1, 2017 to lodge their claim for unclaimed dividend.

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

CHANGES IN SHARE CAPITAL

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

LOANS, ADVANCES, GUARANTEES AND INVESTMENTS

During the year the Company extended temporary financial assistance of Rs.350.0 Lac to Proseal Closures Limited., 100 percent subsidiary of the Company. Proseal Closure Limited repaid the said amount of Rs.350.0 Lac as also the outstanding loan of Rs. 350 carried forward from the previous year. The company has neither granted any loans (secured or unsecured)/advances nor issued guarantees to companies, firms or other parties covered under Section 186 of the Companies Act, 2013. The Company has not made investments during the financial year 2016-17.

CONTRACT/ ARRANGEMENT WITH RELATED PARTIES

There are no materially significant transactions entered into by the Company with related parties, directors, management or their relatives other than those disclosed in the financial statements which can have potential conflict with the interests of the Company at large.

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

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

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

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

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

I. Appointment

Mr. Dhandapani Sothi Selvam (DIN: 07038156) who was appointed as Additional Director with effect from September 2, 2015, was appointed as Nominee Director liable to retire by rotation at the Annual General Meeting held on September 29, 2016.

Ms. Manjusha Bhatnagar (DIN: 07059799) who was appointed as Additional Director with effect from May 1, 2016, was appointed as Nominee Director liable to retire by rotation at the Annual General Meeting held on September 29, 2016.

Mr. Girish Pundlik was appointed as Chief Executive officer of the Company ("KMP") with effect from July 7, 2016.

II. Re-appointment

During the year Mr. Prabal Basu (DIN: 06414341) and Mrs. Cristina Paula Trigo Alves Zeitz (DIN: 07146615) were re-appointed as Director liable to retire by rotation at the Annual General Meeting held on September 29, 2016.

III. Retirement

Mr. Mohan Menon, who was appointed as "Advisor cum Chief Executive Officer ("KMP") with effect from April 1, 2016 has relinquished the post from the close of the business hours on July 6, 2016.

Mr. Kannan Ananthakrishnan and Mr. Dhandapani Sothi Selvam, Directors of the Company shall retire by rotation at the ensuing Annual General meeting and are eligible for re-appointment.

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

During the year Mr. Kannan Ananthakrishnan, Mrs. Cristina Paula Trigo Alves Zeitz and Mr. Prabal Basu, Directors were re-designated as 'Nominee Director' liable to retire by rotation.

Nature, no. of directorship/committee membership held in other Companies and no. of shares held by directors in the Company as on March 31, 2017 (based on declaration received from individual Director in Form MBP-1 and DIR-8) is given hereunder:

Name of Director	Category	No. of Directorship in other Companies*	No. of Membership in Committee** of other Companies	No. of Shares held in Company
Mr. Reinier Hietink	Chairman-NEND	1	—	—
Mr. K. Ananthakrishnan	NEND	—	—	—
Mrs. Cristina Zeitz	NEND	—	—	—
Mr. Prabal Basu	NEND	3	—	—
Mr. D. Sothi Selvam	NEND	2	1	—
Ms. Manjusha Bhatnagar	NEND	1	—	—
Mr. Srikumar Menon	NEID	4	—	150
Mr. Jozef M Casparie	NEID	1	—	—

NEND — Non Executive Nominee Director

NEID — Non Executive Independent Director

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

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

MEETINGS OF THE BOARD / MEMBERS AND DIRECTOR'S ATTENDANCE

During the financial year 2016-17 Board met six times on May 13, 2016, June 28, 2016, August 3, 2016, September 29, 2016, December 6, 2016 and March 10, 2017

The Independent Directors met on December 6, 2016 without the presence of Non-Independent Directors and inter alia evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board of Directors as a whole.

Independent Directors discussed about the quality/timeliness of the flow of the information and participation of directors at the meeting.

56th Annual General Meeting was held on September 29, 2016.

Attendance details are as under:

Name of Director	No. of Board Meeting attended	Attendance at AGM
Mr. Reinier Hietink	6	Yes
Mr. K. Ananthakrishnan	5	Yes
Mrs. Cristina Zeitz	1	No
Mr. Prabal Basu	5	No
Mr. D. Sothi Selvam	6	Yes
Ms. Manjusha Bhatnagar	5	Yes
Mr. Srikumar Menon	4	Yes
Mr. Jozef M Casparie	4	Yes

DECLARATION BY DIRECTOR/ INDEPENDENT DIRECTOR

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

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

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

APPOINTMENT:

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

Further as per Articles of Association so long Greif International Holding B.V., Amsterdam and Balmer Lawrie & Co. Limited, Kolkata, continue to hold more than 50% of the Paid up Equity Capital of the Company, each are entitled to nominate one Director each on the Board of the Company from time to time. The Directors so appointed shall not be subject to retirement by rotation and shall hold office until with-drawl of nomination or expiry of terms of appointment.

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

Both Greif International Holding B.V. and Balmer Lawrie & Co. Ltd. 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.

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

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

REMUNERATION:

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

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

BOARD EVALUATION

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

Board considered the following parameters for evaluating the performance of the Board and Committees:

- Size, structure and composition of the Board/ Committees
- Delegation of responsibilities and discharge of functions by the various Committees as per terms of reference
- Quality of agenda, discussion and conduct of meeting
- Culture and Dynamics
- Engagement with senior management team

Board considered the following parameters for evaluating the performance of the Independent Directors:

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

Similarly the Directors made self assessment of their effectiveness in terms of attendance and participation. The feedback including suggestions received on evaluation was discussed at the meeting of the Nomination and Remuneration Committee and Board of Directors.

COMMITTEES OF THE BOARD

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

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

Each Committee is governed by its charter/terms of reference which outline the scope, roles, responsibilities and powers. Information/ data required by the Committee to discuss the matters are circulated in advance. Committee deliberates on the matter assigned/referred to it by the Board and all the decisions/recommendations of the Committee are placed before the Board for its approval. The minutes of all Committee meetings are circulated to the Board for information/noting.

AUDIT COMITTEE

Audit Committee of the Board as at March 31, 2017 consisted of three Directors viz. Mr. Srikumar Menon (Independent Director), Mr. Jozef M Casparie (Independent Director) and Mr. Prabal Basu (Non Executive Director). There was no change in composition of the Committee during the year.

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

During the Financial Year 2016-17, the Committee met four times on May 13, 2016, August 3, 2016, January 24, 2017 and March 9, 2017. The attendance details are as under:

Name of the Director	No. of Meetings held	No. of Meetings Attended
Mr. Srikumar Menon	4	3
Mr. Prabal Basu	4	4
Mr. Jozef M Casparie	4	2

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

NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee (“NRC”) of the Board as at March 31, 2017 consisted of four Directors viz., Mr. Reinier Hietink (Non Executive Director), Mr. Prabal Basu (Non Executive Director), and Mr. Srikumar Menon (Independent Director) and Mr. Jozef M Casparie (Independent Director). There was no change in composition of the Committee during the year.

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

During the Financial Year 2016-17, the Committee met twice on June 28, 2016 and December 5, 2016. The attendance details are as under:

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

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE & INITIATIVES

The Corporate Social Responsibility Committee of the Board as at March 31, 2017 consisted of Mr. Reinier Hietink (Non Executive Director), Mr. Prabal Basu (Non executive Director), Mr. D. Sothi Selvam (Non Executive Director) and Mr. Jozef M Casparie (Independent Director). There was no change in composition of the Committee during the year.

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

During the year 2016-17, the Committee met twice on December 5, 2016 and March 10, 2017. All members attended both meetings.

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

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

STAKEHOLDERS RELATIONSHIP COMMITEE

Stakeholders Relationship Committee ("SRC") of the Board as at March 31, 2017 consisted of Mr. D. Sothi Selvam (Non Executive Director), Mr. Prabal Basu (Non Executive Director) and Company Secretary acts as the Secretary. There was no change in composition of the Committee during the year.

During the Year 2016-17, the Committee met four times on May 12, 2016, June 28, 2016, December 5, 2016 and March 9, 2017. Both members attended all meetings.

The main role of the Committee is to review shareholders'/ investors' grievances such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports etc.

The Committee is also authorized by Board to issue 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).

Name of the Director	No. of Meetings held	No. of Meetings Attended
Mr. D. Sothi Selvam	4	4
Mr. Prabal Basu	4	4

SHARE TRANSFER COMMITEE

A Share Transfer Committee is constituted by the Board primarily to approve share transfers.

Share Transfer Committee as at March 31, 2017 consisted of Mr. Rajesh Juthani (Company Secretary) and Mr. Prashant Mujumdar (Head-Costing & MIS).

During the year the Committee met five times on August 11 2016, November 21, 2016, December 26, 2016, December 29, 2016 and March 14, 2017. During the year 34 (thirty four) requests for physical transfers of 305 Equity Shares were processed.

There were no valid Share Transfers pending as on March 31, 2017.

DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls established and maintained by the Company, reviews performed by the Management and Internal Auditors in concurrence with the Audit Committee, Board of Directors is of the opinion that the Company's internal financial controls were adequate and effective as on 31st March, 2017

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

I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

II. 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 that period;

III. The Management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,2013 for safeguarding the assets of the Company and for detecting fraud and other irregularities;

IV. The Management has prepared the annual accounts on a going concern basis;

V. The Management has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

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

At 55th Annual General Meeting held on 2nd September, 2015 (adjourned to 9th September, 2015) M/s. Walker Chandiok & Co. LLP Chartered Accountants, (Firm Registration No. 001076N/ N500013) were appointed as Statutory Auditors of the Company for a period of three years i.e. until the conclusion of the 58th Annual General Meeting to be held in 2018. As per the provisions of section 139 (1) of the Companies Act, 2013 the appointment shall be ratified in every annual general meeting. The company has obtained necessary consent and confirmation required under Section 141 of the Companies Act, 2013 and the Rules made thereunder from statutory auditors.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. N. L. Bhatia & Associates, Practicing Company Secretaries as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2016-17. The report did not contain any qualification, reservation or adverse remarks except minor delay in preperation and circulation of draft minutes. The Secretarial Audit Report for the Financial Year 2016-17 is annexed to this Report as Annexure D.

VIGIL MECHANISM POLICY

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

The Vigil Mechanism Policy is available on the Company's website at *http://www.blvlindia.com*

RISK MANAGEMENT POLICY

The Company has put in place an enterprise wide Risk Management framework. The Company identifies, makes assessment, evaluates and takes corrective action to either mitigate the risks that could materially impact its performance or minimize the impact.

The Risk Management Committee under guidance of Audit Committee ensures that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business. The Audit Committee periodically reviews the strategic decisions and evaluate Company's portfolio of risks as against the Company's Risk appetite. The Committee recommends road to the Risk Management Technique and/ or associated processes, practices and framework whenever felt necessary.

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

Business cyclical risks arising out of slowdown of economy due to change in government policies, escalation of geo political tensions or political in-stability. Board and Management periodically review the situation, weigh the risk-reward ratio and commit the business accordingly.

Company's significant dependence on Joint venture partners for sale of drum closures and few big customers in oil & lube, soft drink and spice oil segment in case of plastic drums. In the last few years, your company has given thrust to increase its sales of steel drum closures to non promoter entities and has also taken steps to diversify and broaden the customer base in case of plastic drums.

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

Every business has inherent risk of loss of business and erosion of margin due to completive pricing by existing players and new entrants. The Company has undertaken initiatives to enhance capacities, reduce operational costs by replacing some of the old machines with new high speed energy efficient machines.

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

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

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

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

Joint Venture Partners provide support by organizing in house training programs on operation excellence, commercial excellence, functional expertise and improvement of working environment.

Industrial relations remained cordial at all locations. Long term wage settlement is done at all locations with permanent workmen either through negotiation or mutual understanding.

Company believes in fair compensation to its employees based on individual and Company performance. Compensation include fixed and variable component linked to Key Result Areas (KRA) score.

Total strength of permanent staff and workmen as at March 31, 2017 was 347.

SAFETY HEALTH AND ENVIRONMENT

Safety, Health and protection of environment are the key focus areas and one of the prime drivers of the Company's operating efficiency. The Company has taken a challenge to ensure zero accidents or injuries to its employees, contract workforce and the communities in which it operates. Each minor or major accident is analyzed into reasons, corrective actions taken and closely monitored to avoid re-occurrence. The Company organized in house training and regular communications for improving safety at the work place across the organization.

Periodical in-house review is done at senior management level. Further surveillance audit under ISO 9001 is held by an external agency.

The Board reviews the performance against set standards and guides on deficiencies and corrective actions, if any.

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

ADEQUACY OF INTERNAL CONTROL SYSTEMS

The Company's Board of Directors keeping the size and nature of the business in view, have laid down broad guidelines for various policies, procedures and authorization levels for establishing and maintaining appropriate internal controls and the Management has observed that such internal financial controls were adequate and operating effectively. The internal financial controls designed and implemented 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 also confirmed in their report to the members that such controls are adequate and are operating effectively. Recommendations of auditors for improvement are being implemented. Audit Committee at each of its meeting reviews the report of Internal Auditors and monitor actions initiated on earlier internal audit recommendations including those relating to strengthening the Company's risk management policies and systems.

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

DISCLOSURES

Material Changes and Commitments

Mr. Mohan Menon has ceased to be 'Advisor cum Chief Executive Officer' of the Company from the close of the business hours of July 6, 2016. Mr. Girish Pundlik has succeeded Mr. Mohan Menon as the Chief Executive Officer of the Company with effect from July 7, 2016.

Proseal Closures Limited, 100 percent subsidiary of your company had applied to the Mumbai High Court on December 30, 2015 and filed Scheme for its amalgamation with your Company. Before Mumbai High Court could deliver its verdict and approve the Scheme of Amalgamation, the matter was transferred to National Company Law Tribunal (NCLT) pursuant to notification issued by Ministry of Corporate Affairs on 7th December, 2016. NCLT has sanctioned the scheme of amalganation at its hearing held on March 16, 2017 and issued the certified copy of order on June 23, 2017. The scheme shalll be effective once the order is filed with the Registrar of Companies (ROC).

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

Change in Nature of Business

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

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

During the period under review, no significant and material orders are passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

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

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

No complaint of any sort of harassments was reported during the financial year 2016-17.

CHANGE IN REGISTRAR AND SHARE TRANSFER AGENT

During the year, SEBI suspected fraud and malpractices in the conduct and operations of Sharepro Services (India) Pvt. Ltd., who were the Company's Registrar & Share Transfer Agent (RTA) for a long time. After investigating the affairs of the said RTA, SEBI vide its order dated 22nd March, 2016, restrained sharepro Services (India) Pvt. Ltd., from conducting R & T activities and directed all the Client Companies to carry out audit of records and systems relating to transfer, payment of dividends etc., carried out by Sharepro Services (India) Pvt. Ltd., for the last ten years.

Accordingly the Company appointed M/s. N.L. Bhatia and Associates, Practising Company Secretaries to carry out such audit. They have certified that no irregularities or violations with respect to transfer of securities or payment of dividend were noticed in records of last ten years. Subsequently as per the advisory issued by SEBI, the Company has appointed M/s. Sharex Dynamic (India) Pvt. Ltd., as the new RTA with effect from 1st August, 2016.

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 are no employees drawing remuneration in excess of Rs. 1.02 cr per annum or Rs. 8.5 Lac per month as on 31st March, 2017.

Particulars of employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 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.

EXTRACT OF ANNUAL RETURN

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

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

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

ACKNOWLEDGEMENT

Board thanks its employees, shareholders, customers, vendors, service providers, bankers and other business associates for their continued commitment, support and patronage.

For and on behalf of the Board of Directors

KANNAN ANANTHAKRISHNAN	**DHANDAPANI SOTHI SELVAM**
Director	*Director*
(DIN: 05281184)	(DIN: 07038156)

Place : Mumbai

Dated: 6 July, 2017.

ANNEXURE: A TO THE DIRECTORS' REPORT

Form AOC – I

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

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

Part "A": Subsidiaries

(Amounts in Rupees)

Sl. No.	1
Name of the subsidiary	Proseal Closures Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
Share capital	2,200,000
Reserves & surplus	384,519,801
Total assets	840,229,403
Total Liabilities	840,229,403
Investments	—
Turnover (Gross)	938,321,057
Profit before taxation	157,166,247
Provision for taxation (incl. Deferred Tax Exp. Rs.4,665,664)	57,555,664
Profit after taxation	99,610,583
Other Comprehensive Income	(3,016,849)
Total Comprehensive Income	96,593,734
Proposed Dividend	NIL
% of shareholding	100

Notes:

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

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

Part "B": Associates and Joint Ventures

(Amounts in Rupees)

Name of Associates/Joint Ventures	Transafe Services Limited
1. Latest audited Balance Sheet Date	31st March, 2017
2. Shares of Associate / Joint Ventures held by the company on the year end	
No. of shares.	11,361,999
Amount of Investment in Associates / Joint Venture	181,791,984
Extend of Holding %	50
3. Description of how there is significant influence	Company has right to appoint equal no. of Directors as other Joint Venture Partner
4. Reason why the Associate / Joint venture is not consolidated	Refer Explanations B.9 of 42 of significant accounting policies on the consolidate financial statements
5. Net Worth attributable to Shareholding as per last audited Balance Sheet as at March 31, 2017	(368,598,672)
6. Profit / Loss for the year	(53,924,998)
i. Considered in Consolidation	—
ii. Not Considered in Consolidation	(53,924,998)

1. Names of associates or joint ventures which are yet to commence operations: **None**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **None**

For and on behalf of the Board of Directors

KANNAN ANANTHAKRISHNAN
Director
(DIN: 05281184)

DHANDAPANI SOTHI SELVAM
Director
(DIN: 07038156)

Place : Mumbai
Dated: 6 July, 2017.

ANNEXURE-B TO DIRECTORS REPORT

FORM NO. AOC – 2

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

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

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

   The Company has not entered into any contract or arrangement or transactions with its related parties which is not at arm's length process during the financial year 2016-17.

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. 39 (I) of the Standalone Financial Statements annexed herewith.

   (b) Nature of contracts/arrangements/ transactions:
   Refer Note No.39 (II) of the Standalone Financial Statements for related party transactions.

   (c) Duration of the Contract/arrangements/transactions:
   Transactions are normal business transactions on an ongoing basis.

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
   Sale/Purchase of Goods, Components, Services, Payment of lease rent / commission / Interest on loan, Re-imbursement of Expenses and other transactions as indicated in Note No. 39(II) of the Standalone Financial Statements annexed herewith.

   (e) Date(s) of approval by the Board, if any:
   Not specific approval of Board is 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

KANNAN ANANTHAKRISHNAN
Director
(DIN: 05281184)

DHANDAPANI SOTHI SELVAM
Director
(DIN: 07038156)

Place : Mumbai
Dated: 6 July, 2017.

ANNEXURE: C TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

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

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

   To serve the socially and economically weak, disadvantaged, underprivileged and destitute sections of the Society regardless of race, color, sex, age, creed, national origin or religion with sole intention to make the group or individual self dependent and live life more meaningfully.

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

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

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

   BLVL has decided to carry out CSR activities in the states of Maharashtra, Tamil Nadu and Uttarakhand where the Company has Units.
2. Composition of the CSR Committee: The CSR Committee comprises of Mr. Reinier Hietink as Chairman, Mr. Prabal Basu, Mr. D. Sothi Selvam and Mr. Jozef M Casparie as members.
3. Average net profit of the Company for last three financial years: Rs. 968.02 Lac.
4. Prescribed CSR Expenditure: The Company was required to spend Rs. 19.36 Lac towards CSR.
5. Details of CSR spend for the financial year
   (a) Total CSR expense Amount Committed : Rs.19.36 Lac
   (b) Cumulative CSR expense Incurred : Rs.19.61 Lac
   (c) CSR amount Committed but to be spent [(a)-(b)] : Nil
   (d) Amount unspent, if any : Nil
   (e) Manner in which the amount spent during the financial year is detailed below:
   By way of donation to 'The Prime Minister's National Relief Fund'
6. Reason for not spending the amount at 5(d): Not Applicable

We state the implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

KANNAN ANANTHAKRISHNAN
Director
(DIN: 05281184)

DHANDAPANI SOTHI SELVAM
Director
(DIN: 07038156)

Place : Mumbai
Dated: 6 July, 2017.

ANNEXURE: D TO DIRECTOR'S REPORT

FORM MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[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,
Balmar 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, 2017 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 31,2017 according to the provisions of :

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **Not applicable**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **Not applicable**

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015

(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. Maharashtra Labour Welfare Fund Act, 1953
15. The Air (Prevention & Control of Pollution) Act, 1981 & The Water (Prevention & Control of Pollution) Act, 1975 and Rules there under.
16. Hazardous Waste (Management & Handling) Rules, 2000
17. 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.

However the company has not circulated the draft minutes of the Board and Committees Meetings within the prescribed time under the secretarial Standards for meetings held on March 10, 2017 for Board Meeting, January 24, 2017 and March 09, 2017 for Audit Committee Meeting and March 10, 2017 for both Stakeholders Relationship Committee and Corporate Social Responsibility Meetings.

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

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

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

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

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

For **N L Bhatia & Associates**
UIN: P1996MH055800

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

Place: Mumbai
Date: April 26, 2017

ANNEXURE: E TO DIRECTORS REPORT

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

I. REGISTRATION AND OTHER DETAILS

CIN No.	U99999MH1962PLC012424
Registration Date	12th February, 1960
Name of the Company	Balmer Lawrie Van Leer Limited
ISIN No.	INE920D01015
Category/Sub-Category of the Company	Company limited by Shares
Address of the Registered Office & Contact details	D-195/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai- 400 705 Tel: + 91 22 6739 6400 Fax: + 91 22 6739 6436 E mail: rajesh_juthani@ blvlindia.com
Whether Listed or not	De-listed with effect from 4th March, 2008
Registrar and Transfer Agents	SHAREX DYNAMIC (INDIA) PVT. LTD. Unit-1, Luthra Industrial Premises, 1st Floor, Safed Pool, Andheri-Kurla Road, Andheri (East), Mumbai-400 072 Contact Person: Mrs. Darshana Champanekar (Extn. 31) Telephone No: 2851 5606 / 2851 5644 / 2851 6338 Fax No : 2851 2885

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

Sl. No.	Name & Description of main Products	NIC Code of the Product	Annual Turnover in Rs. Lac	% of total turnover of the Company
1	Manufacturing of other basic Iron & Steel (Flanges & Plugs-Steel Drum Closures)	24,109	7,740.51	23.35
2	Manufacturing of Plastic articles for packing of goods (Plastic Containers/Liners)	22,203	25,415.74	76.65
	Total		**33,156.25**	**100.00**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section of the Companies Act, 2013
1	Balmer Lawrie & Co. Limited, Balmer Lawrie House, 21, N.S. Road, Kolkata - 700 001	L15492WB1924GOI004835	Joint Venture Promoter Company	47.91	2(69)
2	Greif International Holding B.V. Bergseweg 6, 3633 AK Vreeland, The Netherlands	33065401	Joint Venture Promoter Company	47.91	2(69)
3	Proseal Closures Limited, Plot No.51, Road No. 3, Jigani Industrial Area, Anekal Taluk, Bangalore Dist- 562 106	U27100KA1989PLC010148	Subsidiary	100.00	2(87)
4	Transafe Services Limited, Balmer Lawrie House, Rear Building, 6th Floor, 21, N. S. Road, Kolkata - 700 001	U28992WB1990PLC050028	Associate (Joint Venture)	50.00	2(6)

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

I) Category wise Share Holding

Category	No of Shares held at the beginning of the Year (As on April 1, 2016)				No. of Shares held at the end of the Year (As on March 31, 2017)				% change during the Year
	Electronic	Paper	Total	% of Total	Electronic	Paper	Total	% of Total	
A. Promoters									
Indian	7,501,277	1,100,000	8,601,277	47.91	7,501,277	1,100,000	8,601,277	47.91	Nil
Foreign	1,067,465	7,533,817	8,601,282	47.91	1,067,465	7,533,817	8,601,282	47.91	Nil
Total - A	**8,568,742**	**8,633,817**	**17,202,559**	**95.82**	**8.568,742**	**8,633,817**	**17,202,559**	**95.82**	**Nil**
B. Public Shareholding									
a) Institutions									
Mutual Funds	—	4,850	4,850	0.03	—	4,850	4,850	0.03	Nil
Banks/ FI	1,259	1,050	2,309	0.01	1,259	1,050	2,309	0.01	Nil
Central Govt.	—	—	—	—	—	—	—	—	—
State Govt.	—	—	—	—	—	—	—	—	—
Venture Capital Funds	—	—	—	—	—	—	—	—	—
Insurance Cos.	—	—	—	—	—	—	—	—	—
FII's	—	—	—	—	—	—	—	—	—
Foreign Venture Capital	—	—	—	—	—	—	—	—	—
Others	92	—	92	0.00	92	—	92	0.00	0.00
b) Non-Institutions									
Bodies Corporate									
Indian	12,975	4,401	17,376	0.10	12,038	4,401	16,439	0.09	-0.01
Overseas	—	150	150	0.00	—	150	150	0.00	Nil
Individuals									
Up to Rs. 1 Lac	361,361	363,317	724,678	4.04	364,592	361,023	725,615	4.05	+0.01
Above Rs. 1 Lac	—	—	—	—	—	—	—	—	
Total - B	**375,687**	**373,768**	**749,455**	**4.18**	**377,981**	**371,474**	**749,455**	**4.18**	**Nil**
C. Share held by Custodian for GDR/ ADR	—	—	—	—	—	—	—	—	—
Grand Total - A+B+C	**8,944,429**	**9,007,585**	**17,952,014**	**100.00**	**8,946,723**	**9,005,291**	**17,952,014**	**100.00**	**Nil**

II) Share holding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2016)			Shareholding at the end of the year (As on March 31, 2017)			% change during the Year
		No. of Shares	% of Total Share-holding	% of shares pledged / encum-bered to total shares	No. of Shares	% of Total Share-holding	% of shares pledged / encum-bered to total shares	
1	Balmer Lawrie & Co. Limited	8,601,277	47.91	Nil	8,601,277	47.91	Nil	Nil
2	Greif International Holding B.V.	8,601,282	47.91	Nil	8,601,282	47.91	Nil	Nil
	Total	**17,202,559**	**95.82**	**Nil**	**17,202,559**	**95.82**	**Nil**	**Nil**

III) Change in Promoter's Shareholding:

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

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2016) No. of Shares	Shareholding at the beginning of the year (As on April 1, 2016) % of Total Shares of the Company	Increase (+)/ Decrease (-)	Cumulative Shareholding during the year 2016-17 No. of Shares	Cumulative Shareholding during the year 2016-17 % of Total Shares of the Company	Shareholding at the end of the year (As on March 31, 2017) No. of Shares	Shareholding at the end of the year (As on March 31, 2017) % of Total Shares of the Company
1	Surendra Chhajer	8,900	0.0496	Nil	8,900	0.0496	8,900	0.0496
2	Pheroze K Mistry	7,150	0.0398	Nil	7,150	0.0398	7,150	0.0398
3	Naveen Bothra	5,000	0.0279	Nil	5,000	0.0279	5,000	0.0279
4	Jayesh B Salot	4,801	0.0267	Nil	4,801	0.0267	4,801	0.0267
5	Kanta Chhajer	4,722	0.0263	Nil	4,722	0.0263	4,722	0.0263
6	Darshan P Vohra	4,600	0.0256	Nil	4,600	0.0256	4,600	0.0256
7	Arms Securities Pvt. Ltd.	4,364	0.0243	Nil	4,364	0.0243	4,364	0.0243
8	Hemant Thakker	4,200	0.0234	Nil	4,200	0.0234	4,200	0.0234
9	Rajesh J Kandhar	4,100	0.0228	Nil	4,100	0.0228	4,100	0.0228
10	Kapil S Gupta	3,860	0.0215	Nil	3,860	0.0215	3,860	0.0215

V) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of Director / KMP	Shareholding at the beginning of the year (As on April 1, 2016) No. of Shares	Shareholding at the beginning of the year (As on April 1, 2016) % of Total Shares of the Company	Increase (+)/ Decrease (-) during the year	Cumulative Shareholding during the year 2016-17 No. of Shares	Cumulative Shareholding during the year 2016-17 % of Total Shares of the Company	Shareholding at the end of the year (As on March 31, 2017) No. of Shares	Shareholding at the end of the year (As on March 31, 2017) % of Total Shares of the Company
1	Reinier Hietink	—	—	—	—	—	—	—
2	K. Ananthakrishnan	—	—	—	—	—	—	—
3	Cristina Zeitz	—	—	—	—	—	—	—
4	Prabal Basu	—	—	—	—	—	—	—
5	D. Sothi Selvam	—	—	—	—	—	—	—
6	Manjusha Bhatnagar	—	—	—	—	—	—	—
7	Srikumar Menon	150	0.00	—	150	0.00	150	0.00
8	Jozef M. Casparie	—	—	—	—	—	—	—
9	Mohan Menon	—	—	—	—	—	—	—
10	Girish Pundlik	—	—	—	—	—	—	—
11	Rajesh Juthani	25	0.00	—	25	0.00	25	0.00
12	Sanjay Datta	75	0.00	—	75	0.00	75	0.00

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment as at March 31, 2017

	Secured Loan (Excl. Deposit)	Unsecured Loans	Public Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	520,632,647	48,977,106	—	569,609,753
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	1,301,943	—	—	1,301,943
Total	**521,934,590**	**48,977,106**	**—**	**570,911,696**
Changes in Indebtedness during the financial year				
— Additions	1,546,810,701	—	—	1,546,810,701
— Reductions	1,346,789,277	48,977,106	—	1,395,766,383
Net Change	**200,021,424**	**(48,977,106)**	**—**	**151,044,318**
Indebtedness at the end of the financial year				
i) Principal Amount	720,250,735	—	—	720,250,735
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	1,705,279	—	—	1,705,279
Total	**721,956,014**	**—**	**—**	**721,956,014**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration Paid to Managing Director

There was no Managing Director during the year. Hence this information is not given.

B. Remuneration to Other Directors

Sl. No.	Name of Director	Category	Sitting Fees	Commission	Total Amount
1	Reinier Hietink	Non Executive Director	—	—	—
2	K. Ananthakrishnan	Non Executive Director	—	—	—
3	Cristina Zeitz	Non Executive Director	—	—	—
4	Prabal Basu	Non Executive Director	—	—	—
5	D Sothi Selvam	Non Executive Director	—	—	—
6	Manjusha Bhatnagar	Non Executive Director	—	—	—
7	S. K. Menon	Independent Director	80,000	—	—
8	Jozef M Casparie	Independent Director	90,000	—	—
	Total Managerial Remuneration		**170,000**	**—**	**—**
	Overall Ceiling as per Act				**NA**

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

Sl. No.	**Particulars of Remuneration**	**Mohan Menon (CEO) 1.4.2016 to 6.7.2017**	**Girish Pundlik (CEO) 7.7.2016 to 31.3.2017**	**Rajesh Juthani (Co. Sec)**	**Sanjay Datta (CFO)**	**Total**
1	Gross Salary					
	(a) Salary as per provisions of Sec. 17(1) of I.T. Act	6,140,477	1,697,551	2,429,352	2,144,789	12,412,169
	(b) Value of Perquisites u/s 17(2) of I.T. Act	301,422	39,631	212,004	—	553,057
	(c) Profits in lieu of Salary u/s 17(3) of I.T. Act	—	—	—	—	—
2	Stock Option	—	—	—	—	—
3	Sweat Equity	—	—	—	—	—
4	Commission as % of Profit	—	—	—	—	—
	Total-A	**6,441,899**	**1,737,182**	**2,641,356**	**2,144,789**	**12,965,226**

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

KANNAN ANANTHAKRISHNAN
Director
(DIN: 05281184)

DHANDAPANI SOTHI SELVAM
Director
(DIN: 07038156)

Place : Mumbai
Dated: 6 July, 2017.

ANNEXURE: F TO DIRECTORS REPORT

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 March 31, 2017

Power and Fuel Consumption

	2016-2017 In Rs. Lac	2015-2016 In Rs. Lac
Electricity – Purchased		
Units Purchased (in nos.)	**23,179,466**	21,575,740
Total Amount spent (in Rs)	**178,080,977**	154,729,300
Rate per Unit (in Rs)	**7.68**	7.17
Electricity – Captive Generation		
HSD Consumed (in Liter)	**218,108**	84,816
Total cost of HSD (in Rs)	**12,293,876**	4,293,119
Cost per Liter (in Rs.)	**56.37**	51.00
Total units Generated (in Units)	**633,641**	328,871
Units generated per Liter (in Nos.)	**2.905**	3.906
Generation Cost (Rs. per unit)	**19.40**	13.05

ENERGY CONSERVATION MEASURES TAKEN, ENERGY SAVED AND INVESTMENT MADE:

Replaced CFL/Mercury lamps used for factory and street lighting with energy efficient LED lamps.

Changed chemical composition and process parameters in plating bath to reduce requirement of current for plating.

TECHNOLOGY UPGRADATION AND ABSORPTION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

	2016-2017 In Rs. Lac	2015-2016 In Rs. Lac
Revenue from Exports	**3,564.14**	3,048.02
Expenditure / Imports	**14,145.71**	13,104.06

For and on behalf of the Board of Directors

KANNAN ANANTHAKRISHNAN
Director
(DIN: 05281184)

DHANDAPANI SOTHI SELVAM
Director
(DIN: 07038156)

Place : Mumbai
Dated: 6 July, 2017.

Independent Auditor's Report

To the Members of Balmer Lawrie-Van Leer Limited

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

1. We have audited the accompanying standalone financial statements of Balmer Lawrie - Van Leer Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2017, 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.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

BASIS FOR QUALIFIED OPINION

8. (a) As stated in Note 49 to the standalone financial statements, the Company has not accrued interest aggregating ₹16,361,279 (Previous year ₹16,361,279) on a loan in accordance with terms of such loan agreement. Had the Company provided for interest in accordance with the terms of the aforesaid agreement, net profit for the year ended 31 March 2017 would have been lower by ₹10,951,749 (Previous year: ₹10,698,967), other financial liabilities as at 31 March 2017 would have been higher by ₹111,256,696 (Previous year: ₹94,895,417) and the reserves and surplus as at that date would have been lower by ₹109,119,422 (Previous year: ₹92,505,361). Our audit opinion on the financial statements for the year ended 31 March 2016 was also qualified in respect of this matter.

   (b) As stated in Note 49 to the standalone financial statements, non-current investments, as at 31 March 2017, held by the Company, include an investment amounting to ₹181,791,984 in its joint venture company, Transafe Services Limited, whose financial statements indicate significant accumulated losses and net worth being fully eroded, however, no provision has been recognised in the books for 'other than temporary' diminution in value of investments. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the carrying value of this investment and the consequential impact, if any, on the financial statements. Our audit opinion on the financial statements for the year ended 31 March 2016 was also qualified in respect of this matter

QUALIFIED OPINION

9. In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

OTHER MATTERS

10. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2016 and 31 March 2015 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the shareholders of the Company dated 19 May 2016 and 14 May 2015 respectively. These financial statements have been adjusted for the differences in the

accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

11. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

12. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

    (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    (b) except for the effects of matter described in paragraph 8(a) and possible effects of the matter described in paragraph 8(b) in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    (c) the standalone financial statements dealt with by this report are in agreement with the books of account;

    (d) except for the effects of matter described in paragraph 8(a) and possible effects of the matter described in paragraph 8(b) in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

    (e) the matters described in paragraphs 8(a) and 8(b), under the Basis for Qualified Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;

    (f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2017 from being appointed as a director in terms of Section164(2) of the Act;

    (g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;

    (h) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 15 May 2017 as per Annexure B expressed an unmodified opinion;

    (i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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 standalone financial statements, has disclosed the impact of pending litigations on its financial position;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

        iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

        iv. the Company, as detailed in Note 55 to the standalone financial statements, has made requisite disclosures in these standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the Company.

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

per Bharat Shetty
Partner
Membership No.: 106815

Place: Mumbai
Date: 15 May 2017

Annexure A to the Independent Auditor's Report of even date to the members of Balmer Lawrie - Van Leer Limited, on the standalone financial statements for the year ended 31 March 2017

Annexure A

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties which are included under the head 'Property, plant and equipment are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has granted unsecured loans to a company covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.

(b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular;

(c) there is no overdue amount in respect of loans granted to such company.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

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

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (Rupees)	Amount paid under protest (Rupees)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non submission of forms, interest and other matters	6,067,869	2,000,000	Financial year 2008-09	Joint Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956	Non submission of forms, interest and other matters	765,925	383,000	Financial year 2006-07	Joint Commissioner of Sales Tax (Appeals)
Income Tax Act, 1961	Income tax	105,910	—	Assessment year 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	1,972,470	3,251,500	Assessment year 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	4,568,450	1,145,250	Assessment year 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	455,500	70,000	Assessment year 2014-15	Commissioner of Income Tax (Appeals)

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(ix) In our opinion, the Company has applied moneys raised by way of term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments) during the year.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been 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

per Bharat Shetty
Partner
Membership No.: 106815

Place: Mumbai
Date: 15 May 2017

Annexure B to the Independent Auditor's Report of even date to the members of Balmer Lawrie - Van Leer Limited, on the standalone financial statements for the year ended 31 March 2017

Annexure B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

1. In conjunction with our audit of the standalone financial statements of Balmer Lawrie - Van Leer Limited (the "Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Bharat Shetty
Partner
Membership No.: 106815

Place: Mumbai
Date: 15 May 2017

BALANCE SHEET AS AT MARCH 31, 2017

	Note	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
ASSETS				
Non-current assets				
Property, plant and equipment	2	**703,519,388**	670,725,834	587,282,637
Capital work-in-progress		**77,730,349**	38,672,763	46,178,810
Intangible assets	3	**4,516,021**	431,571	50
Financial assets				
Investment in subsidiary and joint venture	4	**444,291,837**	444,291,837	444,291,837
Loans	5	**19,458,017**	17,982,743	18,177,184
Other non-current financial assets	6	**10,000**	300,561	10,000
Other non-current assets	7	**18,626,415**	25,806,219	21,220,200
		1,268,152,027	1,198,211,528	1,117,160,718
Current assets				
Inventories	8	**406,805,733**	344,526,837	322,925,708
Financial assets				
Trade receivables	9	**480,266,283**	442,975,066	406,377,823
Cash and bank balances	10	**47,380,876**	21,011,084	29,400,127
Loans	11	**7,763,671**	42,765,360	21,587,184
Other current financial assets	12	**8,620,808**	8,960,977	3,534,281
Other current assets	13	**127,848,008**	117,410,025	104,011,840
		1,078,685,379	977,649,349	887,836,963
		2,346,837,406	2,175,860,877	2,004,997,681
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	**179,634,140**	179,634,140	179,634,140
Other equity	15	**873,099,556**	859,415,835	788,512,373
		1,052,733,696	1,039,049,975	968,146,513
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	**232,459,828**	215,299,391	231,525,954
Other non-current liabilities	17	**2,235,669**	2,464,968	2,694,268
Non-current provisions	18	**35,786,069**	38,671,748	32,266,658
Deferred tax liabilities (net)	19	**33,749,701**	26,931,502	27,882,329
		304,231,267	283,367,609	294,369,209
Current liabilities				
Financial liabilities				
Borrowings	20	**447,816,959**	337,519,778	328,422,923
Trade payables	21	**327,988,778**	318,009,540	257,690,658
Other current financial liabilities	22	**148,616,779**	127,693,466	109,851,669
Current provisions	23	**17,693,709**	13,896,929	8,045,849
Current tax liabilities (net)	24	**13,627,523**	20,911,435	12,158,336
Other current liabilities	25	**34,128,695**	35,412,145	26,312,524
TOTAL		**989,872,443**	853,443,293	742,481,959
		2,346,837,406	2,175,860,877	2,004,997,681
Significant accounting policies and other explanatory information	**1 to 56**			

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, 15 May, 2017

For and on behalf of the Board of Directors

Reinier Hietink
Prabal Basu
S. K. Menon
D. Sothi Selvam
Kannan Ananthakrishnan
Jozef Casparie
Manjusha Bhatnagar
– *Directors*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Mumbai, 12 May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

		Note	**Year Ended March 31, 2017 Rupees**	Year Ended March 31, 2016 Rupees
I.	Revenue from Operations	**26**	**3,315,624,730**	3,035,699,350
II.	Other Income	**27**	**19,502,048**	53,804,210
III.	**TOTAL REVENUE (I+II)**		**3,335,126,778**	3,089,503,560
IV.	**EXPENSES:**			
	Cost of materials consumed	**28**	**1,971,113,810**	1,791,099,567
	Purchases of stock-in-trade		**4,148,756**	—
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	**29**	**(40,207,697)**	9,425,054
	Excise duty expense		**311,309,789**	284,790,355
	Employee benefits expense	**30**	**252,442,501**	241,617,467
	Finance costs	**31**	**50,260,032**	43,280,573
	Depreciation and amortization expense	**2 and 3**	**63,682,674**	55,326,302
	Other expenses	**32**	**594,858,881**	544,568,386
	TOTAL EXPENSES		**3,207,608,746**	2,970,107,704
V.	**Profit Before Tax (III-IV)**		**127,518,032**	119,395,856
VI.	**Tax Expense**	**33**		
	(i) Current tax		**32,400,000**	27,215,400
	(ii) Deferred tax expense		**10,057,132**	256,713
			42,457,132	27,472,113
VII.	**Net profit after tax (V-VI)**		**85,060,900**	91,923,743
VIII.	**Other comprehensive income**	**34**		
A.	(i) Items that will not be reclassified to profit or loss		**(9,796,247)**	(605,069)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**3,238,933**	209,402
			(6,557,314)	(395,667)
IX.	**Total comprehensive income for the period (VII+VIII)**		**78,503,586**	91,528,076
X.	Earnings per equity share:	**45**		
	Basic and diluted (in Rs.)		**4.73**	5.11
	Face value per share (in Rs.)		**10.00**	10.00

Significant accounting policies and other explanatory information **1-56**

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, 15 May, 2017

For and on behalf of the Board of Directors

Reinier Hietink
Prabal Basu
S. K. Menon
D. Sothi Selvam
Kannan Ananthakrishnan
Jozef Casparie
Manjusha Bhatnagar
– *Directors*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Mumbai, 12 May, 2017

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

Equity share capital (including forfeited equity shares)

	Number of shares	Amount
As at April 01, 2015	17,974,814	179,634,140
Changes during the year	—	—
As at March 31, 2016	17,974,814	179,634,140
Changes during the year	—	—
As at March 31, 2017	17,974,814	179,634,140

Other equity

	Securities premium reserve	General reserve	Retained earnings	Deemed equity contribution on loan from shareholder	Other comprehensive income (OCI) - other items	Total
Opening balance as at April 01, 2015	321,762,975	33,560,605	429,951,234	3,237,559	—	**788,512,373**
Transactions during the year						
Total comprehensive income for the year						
Profit / (loss) for the year	—	—	91,923,743	—	(395,667)	**91,528,076**
Transfer from retained earnings to general reserve	—	8,300,000	(8,300,000)	—	—	**—**
Dividend	—	—	(35,904,028)	—	—	**(35,904,028)**
Tax on dividends	—	—	—	—	—	**—**
Write back of amortised balance of loan	—	—	—	23,365,876	—	**23,365,876**
Current tax on loan written back	—	—	—	(9,084,600)	—	**(9,084,600)**
Deferred tax reversed on loan written back	—	—	—	998,138	—	**998,138**
Transfer from OCI to retained earnings	—	—	(395,667)	—	395,667	**—**
Closing balance as at March 31, 2016	**321,762,975**	**41,860,605**	**477,275,282**	**18,516,973**	**—**	**859,415,835**
Transactions during the year						
Total comprehensive income for the year						
Profit / (loss) for the year	—	—	85,060,900	—	(6,557,314)	**78,503,586**
Dividend	—	—	(53,856,042)	—	—	**(53,856,042)**
Tax on dividends	—	—	(10,963,823)	—	—	**(10,963,823)**
Transfer from OCI to retained earnings	—	—	(6,557,314)	—	6,557,314	**—**
Closing balance as at March 31, 2017	**321,762,975**	**41,860,605**	**490,959,003**	**18,516,973**	**—**	**873,099,556**

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, 15 May, 2017

For and on behalf of the Board of Directors

Reinier Hietink
Prabal Basu
S. K. Menon
D. Sothi Selvam
Kannan Ananthakrishnan
Jozef Casparie
Manjusha Bhatnagar
– *Directors*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Mumbai, 12 May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

		Year Ended March 31, 2017 Rupees	Year Ended March 31, 2016 Rupees
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit before tax as per Statement of Profit and Loss	**127,518,032**	119,395,856
	Adjusted for:		
	Depreciation and amortization expense	**63,682,674**	55,326,302
	(Profit)/ Loss on sale of tangible assets (net)	**(36,723)**	(1,123,487)
	Interest income	**(6,448,228)**	(4,728,894)
	Dividend Income on Investment in Subsidiary	**—**	(38,500,000)
	Finance costs	**50,260,032**	43,280,573
	Bad debts/ Advances written off	**—**	1,616,699
	Provision for Doubtful Debts	**—**	2,168,621
	Provision for indirect taxes	**(5,372,434)**	3,438,936
	Liabilities no longer required written back	**(6,368,666)**	(8,075,953)
	Actuarial gain / (loss) recognised in other comprehensive income	**(9,796,247)**	(605,069)
	Deferred grant income	**(229,299)**	(229,299)
	Notional rent expense	**137,787**	79,275
	Unrealised foreign exchange loss/(gain)	**(3,608,900)**	(780,717)
		82,219,996	51,866,987
	Operating profit before working capital changes	**209,738,028**	171,262,843
	Changes in working capital:		
	Increase / (Decrease) in provisions, trade payables and other liabilities	**21,865,504**	125,041,039
	(Increase) / Decrease in trade receivables	**(38,700,522)**	(41,484,738)
	(Increase) / Decrease in inventories	**(62,278,896)**	(21,601,129)
	(Increase) / Decrease in loans and other assets	**23,638,021**	(40,123,334)
	Operating profit after working capital changes	**154,262,135**	**193,094,681**
	Direct taxes paid (net of refund)	**(39,683,912)**	(27,546,901)
	Net cash generated from operating activities	**114,578,223**	**165,547,780**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment (including capital work-in-progress)	**(133,246,974)**	(149,700,752)
	Sale of property, plant and equipment	**1,752,236**	2,496,251
	Fixed deposits matured/ (placed)	**3,980,812**	(782,525)
	Interest received	**6,318,369**	4,660,324
	Dividend income received on investment in subsidiary	**—**	38,500,000
	Net cash used in investing activities	**(121,195,557)**	**(104,826,702)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Dividend paid (including dividend distribution tax thereon)	**(64,819,865)**	(35,904,028)
	Repayment of non-current borrowings	**(23,056,199)**	(22,119,869)
	Proceeds from non-current borrowings	**63,400,000**	20,000,000
	Finance costs paid	**(49,856,696)**	(40,776,664)
	Proceeds from current borrowings (net)	**110,297,181**	9,113,984
	Net cash generated from / (used in) financing activities	**35,964,421**	**(69,686,577)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**29,347,087**	**(8,965,499)**
	Opening balance of cash and cash equivalents	**14,911,366**	23,876,865
	Closing balance of cash and cash equivalents	**44,258,453**	**14,911,366**
	Components of cash and cash equivalents:		
	Balances with banks in current accounts	**33,809,827**	11,031,407
	Cheques on hand	**10,260,865**	3,742,239
	Cash on hand	**187,761**	137,720
	Cash and cash equivalents as per financial statements	**44,258,453**	**14,911,366**

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, 15 May, 2017

For and on behalf of the Board of Directors

Reinier Hietink
Prabal Basu
S. K. Menon
D. Sothi Selvam
Kannan Ananthakrishnan
Jozef Casparie
Manjusha Bhatnagar
– *Directors*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Mumbai, 12 May, 2017

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

1: Summary of Significant Accounting Policies

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.

The financial statements up to and for the year ended March 31, 2016 were prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006, as amended and the relevant provisions of the Act (Indian GAAP/Previous GAAP).

These are the first Ind AS financial statements of the Company prepared in accordance with Ind AS. Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. Refer note 44 for an explanation of how the transition from Indian GAAP to Ind AS has effected the Company's financial position, financial performance and cash flows.

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.

(b) Investments in subsidiary and joint venture

Investments in subsidiary and joint venture are accounted at cost in accordance with Ind AS 27 – Separate Financial Statements. Refer Note 38 for the list of significant investments.

(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, 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.

(d) Intangible assets

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

(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 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.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

(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 groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to their recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and 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.
- 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.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

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) Derivatives and embedded derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

Derivatives embedded in a host contracts that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(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.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

(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 or net realisable value, whichever is lower. The cost of finished goods and work in progress comprises raw materials cost, packing materials cost, direct labour, other direct costs and related production overheads, as applicable. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(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

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

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

(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 by the balance sheet date. Management and marketing fees are recognised on the basis of rendering of services.

(n) Employee Benefits

Defined Contribution Plan

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

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

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

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

(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.

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

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

(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 expenditures 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.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

(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.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

2 : PROPERTY, PLANT AND EQUIPMENT

(Amount in Rupees)

Gross block	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Office equipment	Enabling assets	Total
Balance as at April 01, 2015	**41,030,824**	**126,876,927**	**103,781,593**	**303,011,470**	**4,664,086**	**2,442,670**	**1,924,421**	**3,550,646**	**—**	**587,282,637**
Additions/Adjustments	—	—	15,940,037	118,287,607	1,160,609	1,531,087	1,883,226	1,330,777	—	140,133,343
Deletions/Adjustments	—	—	—	(1,322,273)	—	(373,714)	(30)	—	—	(1,696,017)
Balance as at March 31, 2016	**41,030,824**	**126,876,927**	**119,721,630**	**419,976,804**	**5,824,695**	**3,600,043**	**3,807,617**	**4,881,423**	**—**	**725,719,963**
Additions/Adjustments	—	—	4,514,559	73,150,608	490,942	1,964,148	566,626	257,479	16,076,039	97,020,401
Deletions/Adjustments	—	—	—	(1,047,240)	(98,939)	(1,805,253)	(1,970)	(12,675)	—	(2,966,077)
Balance as at March 31, 2017	**41,030,824**	**126,876,927**	**124,236,189**	**492,080,172**	**6,216,698**	**3,758,938**	**4,372,273**	**5,126,227**	**16,076,039**	**819,774,287**
Accumulated depreciation										
Balance as at April 01, 2015	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Depreciation charge	—	1,846,910	8,112,750	41,086,878	1,126,631	698,425	1,567,682	878,106	—	55,317,382
Deletions/Adjustments	—	—	—	(122,889)	—	(200,364)	—	—	—	(323,253)
Balance as at March 31, 2016	**—**	**1,846,910**	**8,112,750**	**40,963,989**	**1,126,631**	**498,061**	**1,567,682**	**878,106**	**—**	**54,994,129**
Depreciation charge	—	1,841,860	8,435,880	47,896,962	1,131,711	1,005,878	1,205,912	927,061	66,070	62,511,334
Deletions/Adjustments	—	—	—	(725,129)	(61,593)	(449,228)	(1,955)	(12,659)	—	(1,250,564)
Balance as at March 31, 2017	**—**	**3,688,770**	**16,548,630**	**88,135,822**	**2,196,749**	**1,054,711**	**2,771,639**	**1,792,508**	**66,070**	**116,254,899**
Net block										
Balance as at April 1, 2015	**41,030,824**	**126,876,927**	**103,781,593**	**303,011,470**	**4,664,086**	**2,442,670**	**1,924,421**	**3,550,646**	**—**	**587,282,637**
Balance as at March 31, 2016	41,030,824	125,030,017	111,608,880	379,012,815	4,698,064	3,101,982	2,239,935	4,003,317	—	670,725,834
Balance as at March 31, 2017	**41,030,824**	**123,188,157**	**107,687,559**	**403,944,350**	**4,019,949**	**2,704,227**	**1,600,634**	**3,333,719**	**16,009,969**	**703,519,388**

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 : INTANGIBLE ASSETS

(Amount in Rupees)

Gross block	Computer Software	Total
Balance as at April 01, 2015	**50**	**50**
Additions/Adjustments	440,441	440,441
Deletions/Adjustments	—	—
Balance as at March 31, 2016	**440,491**	**440,491**
Additions/Adjustments	5,255,790	5,255,790
Deletions/Adjustments	—	—
Balance as at March 31, 2017	**5,696,281**	**5,696,281**
Accumulated depreciation		
Balance as at April 01, 2015	**—**	**—**
Amortisation charge	8,920	8,920
Deletions/Adjustments	—	—
Balance as at March 31, 2016	**8,920**	**8,920**
Amortisation charge	1,171,340	1,171,340
Deletions/Adjustments	—	—
Balance as at March 31, 2017	**1,180,260**	**1,180,260**
Net block		
Balance as at April 1, 2015	50	50
Balance as at March 31, 2016	431,571	431,571
Balance as at March 31, 2017	**4,516,021**	**4,516,021**

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

4 : NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Trade Investments in Equity Instruments – Unquoted, at Cost			
Investment in Subsidiary:	**262,499,853**	262,499,853	262,499,853
2,200 Equity Shares in Proseal Closures Limited of Rs. 1,000 each, fully paid up			
Investment in Joint Venture:	**181,791,984**	181,791,984	181,791,984
11,361,999 Equity Shares in Transafe Services Limited of Rs. 10 each, fully paid up (Refer Note 49)			
	444,291,837	444,291,837	444,291,837
Aggregate amount of quoted investments and market value thereof	**—**	—	—
Aggregate amount of unquoted investments	**444,291,837**	444,291,837	444,291,837

5 : NON-CURRENT FINANCIAL ASSETS - LOANS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Security Deposits			
Considered Good	**18,667,207**	17,079,595	15,001,839
Considered Doubtful	**681,671**	681,671	674,421
Less: Provision for Doubtful Deposits	**(681,671)**	(681,671)	(674,421)
	18,667,207	17,079,595	15,001,839
Other Loans			
Others – Considered Good	**790,810**	903,148	3,175,345
Others – Considered Doubtful	**—**	—	1,368,325
Less: Provision for Doubtful Loans	**—**	—	(1,368,325)
	19,458,017	17,982,743	18,177,184

6: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Bank Deposit with maturity more than 12 months	**10,000**	300,561	10,000
	10,000	300,561	10,000

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

7: OTHER NON-CURRENT ASSETS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, considered good (unless otherwise stated)]			
Capital advances	**9,660,053**	16,622,509	12,595,264
Prepaid expenses	**428,321**	887,942	970,114
Balances with government authorities	**8,538,041**	8,295,768	7,662,072
Less: Provision for doubtful deposits with government authorities	**—**	—	(7,250)
	18,626,415	25,806,219	21,220,200

8: INVENTORIES

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Raw materials			
Goods-in-transit	**15,929,288**	32,851,233	—
Others	**174,203,715**	133,946,518	141,013,228
	190,133,003	166,797,751	141,013,228
Work-in-progress	**65,215,015**	50,103,880	57,480,151
Finished goods	**88,117,857**	66,701,693	68,750,476
Stock-in-trade	**3,680,398**	—	—
Stores and spares	**57,006,284**	58,310,503	52,966,079
Packing materials	**2,653,176**	2,613,010	2,715,774
	406,805,733	344,526,837	322,925,708

9: TRADE RECEIVABLES (UNSECURED)

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Considered good	**480,266,283**	442,975,066	406,377,823
Considered Doubtful	**1,249,136**	5,490,834	3,322,213
Less: Provision for Doubtful Debts	**(1,249,136)**	(5,490,834)	(3,322,213)
	480,266,283	442,975,066	406,377,823

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

10: CASH AND BANK BALANCES

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Cash and Cash Equivalents			
Balances with banks in current accounts	**33,809,827**	11,031,407	14,443,151
Cheques on Hand	**10,260,865**	3,742,239	9,299,542
Cash on hand	**187,761**	137,720	134,172
	44,258,453	14,911,366	23,876,865
Other Bank Balances			
Unpaid Dividend Accounts	**2,384,341**	1,671,385	1,332,130
Deposits with maturity of more than three months but less than twelve months	**738,082**	4,428,333	4,112,517
Balance with Bank held as Margin Money	**—**	—	78,615
	3,122,423	6,099,718	5,523,262
	47,380,876	21,011,084	29,400,127

11: CURRENT FINANCIAL ASSETS – LOANS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Security deposits	**5,360,138**	4,530,230	7,006,968
Recoverable from related parties	**104,982**	1,196,792	9,584,672
Loan to subsidiary	**—**	35,000,000	—
Others - considered good	**2,298,551**	2,038,338	4,995,544
Others - considered doubtful	**1,368,325**	1,368,325	—
Less: Provision for doubtful loans	**(1,368,325)**	(1,368,325)	—
	7,763,671	42,765,360	21,587,184

12: OTHER CURRENT FINANCIAL ASSETS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Duty drawback	**—**	755,355	2,620,026
Duty entitlement pass book (DEPB) licenses on hand	**—**	—	914,255
Receivable under Merchandise Exports from India Scheme (MEIS)	**8,620,808**	8,205,622	—
	8,620,808	8,960,977	3,534,281

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

13: OTHER CURRENT ASSETS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Advances other than capital advances			
Advance to suppliers	**6,922,748**	13,405,903	8,955,261
Advance against salary / wages	**72,000**	300,500	—
Balances with government authorities	**117,168,862**	99,936,780	91,296,489
Prepaid expenses	**3,684,398**	3,766,842	3,760,090
	127,848,008	117,410,025	104,011,840

14: EQUITY SHARE CAPITAL

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Authorised:			
18,500,000 (Previous Year: 18,500,000) Equity Shares of Rs. 10 each	**185,000,000**	185,000,000	185,000,000
Issued:			
17,974,814 (Previous Year: 17,974,814) Equity Shares of Rs. 10 each	**179,748,140**	179,748,140	179,748,140
Subscribed and Paid-Up:			
17,952,014 (Previous Year: 17,952,014) Equity Shares of Rs. 10 each fully paid up	**179,520,140**	179,520,140	179,520,140
Add: Forfeited Equity Shares [22,800 (Previous Year: 22,800) Equity Shares of Rs. 10 each (amount originally paid up Rs. 5 each)]	**114,000**	114,000	114,000
	179,634,140	179,634,140	179,634,140

(a) Reconciliation of Share Capital:

	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	**Amount**	No. of Shares	Amount
Balance as at the beginning of the year	**17,974,814**	**179,634,140**	17,974,814	179,634,140
Add: Shares issued during the year	**—**	**—**	—	—
Balance as at the end of the year	**17,974,814**	**179,634,140**	17,974,814	179,634,140

(b) Rights, preferences and restrictions:

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

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

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

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

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	**% of Holding**	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares:						
Balmer Lawrie and Company Limited	**8,601,277**	**47.91%**	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%	8,601,282	47.91%

15: OTHER EQUITY

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Reserves and surplus			
Securities premium *	**321,762,975**	321,762,975	321,762,975
General reserve **	**41,860,605**	41,860,605	33,560,605
Retained earnings ***	**490,959,003**	477,275,282	429,951,234
	854,582,583	840,898,862	785,274,814
Other equity			
Deemed equity contribution on loan from shareholder	**18,516,973**	18,516,973	3,237,559
Other comprehensive Income	**—**	—	—
	18,516,973	18,516,973	3,237,559
Total	**873,099,556**	859,415,835	788,512,373

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees
*** Securities premium reserve**		
Balance as at the beginning of the year	**321,762,975**	321,762,975
Add : Additions made during the year	**—**	—
Balance as at the end of the year	**321,762,975**	321,762,975
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.		
**** General reserve**		
Balance as at the beginning of the year	**41,860,605**	33,560,605
Transaction during the year		
Add : Transfer from Surplus in the Statement of Profit and Loss	**—**	8,300,000
Balance as at the end of the year	**41,860,605**	41,860,605

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees
*** **Retained earnings**		
Balance as at the beginning of the year	**477,275,282**	429,951,234
Transaction during the year	—	—
Net profit for the year	**85,060,900**	91,923,743
Dividend	**(53,856,042)**	(35,904,028)
Tax on dividends	**(10,963,823)**	—
Transfer to general reserve	—	(8,300,000)
Transfer from other comprehensive income	**(6,557,314)**	(395,667)
Balance as at the end of the year	**490,959,003**	477,275,282
Deemed equity contribution on loan from shareholder		
Balance as at the beginning of the year	**18,516,973**	3,237,559
Transaction during the year	—	—
Write back of amortised balance of loan	—	23,365,876
Current tax on write back of loan	—	(9,084,600)
Deferred tax reversed on loan written back	—	998,138
Balance as at the end of the year	**18,516,973**	18,516,973
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 by the shareholder.		
Other comprehensive income		
Balance as at the beginning of the year	—	—
Transaction during the year	—	—
Actuarial gain or loss	**(9,796,247)**	(605,069)
Deferred tax on actuarial gain or loss	**3,238,933**	209,402
Transferred to retained earnings	**6,557,314**	395,667
Balance as at the end of the year	—	—

16: NON-CURRENT FINANCIAL LIABILITIES – BORROWINGS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Secured			
Term loan from banks			
HSBC Bank	**17,142,858**	31,428,572	22,857,144
Kotak Mahindra Bank	**32,291,667**	—	4,666,667
Vehicle loans from bank / financial institution	**1,233,319**	2,078,835	911,161
Loan from Balmer Lawrie and Company Limited	**181,791,984**	181,791,984	181,791,984
Unsecured			
Loan from Greif International Holding B.V.	—	—	21,298,998
	232,459,828	215,299,391	231,525,954

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

Nature of security and terms of repayment for secured borrowings	
(i) Term Loans from HSBC Bank are secured by first charge over movable plant and equipment of the Steel Drum Closures Division for Rs.45,000,000 and equitable mortgage of leasehold land (95 years lease), Mumbai along with immovable plant and equipment.	(a) Loan of Rs. 20,000,000 with outstanding amount of Rs. 8,571,428 repayable in 3 equal half yearly installments of Rs. 2,857,153 from the reporting date carrying interest of 11.75% per annum. (b) Loan of Rs. 10,000,000 with outstanding amount of Rs.5,714,287 repayable in 4 equal half yearly installments of Rs. 1,428,574 from the reporting date carrying interest of 11.75% per annum. (c) Loan of Rs. 20,000,000 with outstanding amount of Rs. 17,142,857.repayable in 6 equal half yearly installments of Rs. 2,857,153 from the reporting date carrying interest of 11.25% per annum.
(ii) Term Loan from Kotak Mahindra Bank is secured by first and exclusive hypothecation charge on all existing and future movable fixed assets including Plant and Equipment of the Company, located at survey no-237/1, 238 & 264/2 in Janakipuram Village, Madhuranthakam Taluk Village, Kanchipuram district, Chennai. First and exclusive equitable mortgage charge on immovable properties being property located at survey no-237/1, 238 & 264/2 in Janakipuram Village, Madhuranthakam Taluk Village, Kanchipuram district, Chennai.	(a) Loan of Rs. 25,000,000 with outstanding amount of Rs. 19,791,666 repayable in 19 equal monthly instalments of Rs. 1,041,667 from the reporting date carrying interest of 11.25% per annum. (b) Loan of Rs. 23,000,000 with outstanding amount of Rs.23,000,000 repayable in 12 equal quarterly instalments of Rs. 1,916,667 from the reporting date carrying interest of 10.65% per annum. (c) Loan of Rs. 14,500,000 with outstanding amount of Rs. 14,500,000 repayable in 12 equal quarterly instalments of Rs. 1,208,333 from the reporting date carrying interest of 10.50% per annum.
(iii) Loan from Balmer Lawrie and Company Limited is secured by pledge on all the shares held by the Company in Transafe Services Limited.	Repayable within 108 months from the date of disbursement of first installment (August, 2009) of the loan. Interest to be paid annually at 9% or the prevailing bank rate, whichever is higher. The Company has not accrued interest expense for the current financial year aggregating Rs. 16,361,279 (Previous year Rs. 16,361,279). (Refer Note 49)
(iv) Vehicle Loans from bank and financial institution are secured by hypothecation of vehicles purchased against the loan.	Repayable in installments ranging between 48 and 60 months from the date of respective loan. Interest to be paid monthly at the rate ranging from 9.48% to 10.15% per annum

17: OTHER NON-CURRENT LIABILITIES

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Deferred grant income	**2,235,669**	2,464,968	2,694,268
	2,235,669	2,464,968	2,694,268

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

18: NON-CURRENT PROVISIONS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Provision for employee benefits			
Provision for compensated absences	**21,376,531**	18,889,776	15,923,622
Others			
Provision for indirect taxes (Refer note 51)	**14,409,538**	19,781,972	16,343,036
	35,786,069	38,671,748	32,266,658

19: DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Deferred tax liabilities			
Depreciation	**56,301,650**	50,948,696	41,110,282
Interest free borrowing from shareholder	**—**	—	1,713,443
Deferred tax assets			
Provision for doubtful debts, advances and deposits	**1,090,792**	2,609,730	1,743,013
Provision for indirect taxes	**4,764,226**	6,846,145	5,302,498
Deferred tax on forward contracts payable	**120,951**	260,627	118,990
Provision for employee benefits	**16,575,980**	14,300,692	7,776,895
	33,749,701	26,931,502	27,882,329

20: CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Secured			
Cash credit / packing credit	**447,816,959**	288,542,672	238,986,986
Term loan from Bank	**—**	—	30,000,000
Unsecured			
Overdraft facility with Bank	**—**	48,977,106	59,435,937
	447,816,959	337,519,778	328,422,923

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

(b) Previous year's Term Loan of Rs. 30,000,000 from Indusind Bank was secured by extension of charge on assets of Dehradun plant financed, including immovable property of the plant.

(c) Overdraft from Bank is supported by Corporate Guarantee issued by Greif Inc.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

21: TRADE PAYABLES

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Dues to Micro and Small Enterprises (Refer note below)	**19,811,105**	14,894,011	15,155,796
Dues to others	**308,177,673**	303,115,529	242,534,862
	327,988,778	318,009,540	257,690,658

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, 2017 Rupees**	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Principal amount due to suppliers under MSMED Act (Including Payable for Fixed Assets)	**19,811,105**	15,139,084	15,155,796
Interest accrued and due to suppliers under MSMED Act on the above unpaid amount	**752,763**	—	26,455
Payment made to suppliers (other than interest) beyond the appointed day during the year	**143,013,521**	123,605,230	116,696,957
Interest paid to suppliers under MSMED Act (Other than Section 16)	**—**	—	—
Interest paid to suppliers under MSMED Act (Section 16)	**—**	—	—
Interest due and payable to suppliers under MSMED Act for payment already made	**—**	—	725,113
Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act	**1,354,774**	2,537,376	2,537,376

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

22: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Current maturities of long-term debt	**39,973,948**	16,790,584	23,982,888
Interest accrued but not due on borrowings	**1,705,279**	1,301,943	847,783
Unpaid dividends	**2,384,341**	1,671,385	1,332,130
Deposits received	**12,756,780**	11,964,159	10,112,635
Employee benefits payable	**26,746,364**	33,730,431	15,637,087
Payable for property, plant and equipment	**4,079,739**	2,955,392	15,561,162
Derivative financial liability	**2,537,592**	4,326,064	557,518
Outstanding expenses	**58,432,736**	54,953,508	41,820,466
	148,616,779	127,693,466	109,851,669

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

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

23: CURRENT PROVISIONS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Provision for employee benefits			
Provision for gratuity (Refer note 42)	**15,036,538**	10,598,512	6,905,112
Provision for compensated absences	**2,657,171**	3,298,417	1,140,737
	17,693,709	13,896,929	8,045,849

24: CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Provision for tax [net of advance tax)	**13,627,523**	20,911,435	12,158,336
	13,627,523	20,911,435	12,158,336

25: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Advances from customers	**10,165,814**	11,773,352	5,152,701
Statutory dues	**23,733,582**	21,184,494	18,705,524
Deferred grant income	**229,299**	229,299	229,299
Others	—	2,225,000	2,225,000
	34,128,695	35,412,145	26,312,524

26: REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Sale of products (including excise duty)	**3,157,003,646**	2,903,870,129
Recovery towards freight outward	**69,702,960**	64,618,508
Other Operating Revenue		
Scrap sales (including excise duty)	**72,087,333**	53,639,101
Income from duty drawback / MEIS	**16,830,791**	13,571,612
	3,315,624,730	3,035,699,350

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

27: OTHER INCOME

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Interest income		
From fixed deposits with banks	**173,273**	372,255
From loan given to subsidiary	**4,875,065**	2,427,945
From others	**1,270,031**	1,860,124
Finance income on security deposit	**129,859**	68,570
Dividend income on investment in subsidiary	**—**	38,500,000
Profit on sale of property, plant and equipment (Net)	**36,723**	1,123,487
Gain on foreign exchange (Net)	**2,141,450**	—
Liabilities no longer required written back	**6,368,666**	8,075,953
Deferred grant income	**229,299**	229,299
Miscellaneous Income	**4,277,682**	1,146,577
	19,502,048	53,804,210

28: COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Raw material consumed		
Opening inventory	**166,797,751**	141,013,228
Add: Purchases	**1,968,115,091**	1,794,983,119
Less: Closing inventory	**190,133,003**	166,797,751
	1,944,779,839	1,769,198,596
Packing material consumed		
Opening inventory	**2,613,010**	2,715,774
Add: Purchases	**26,374,137**	21,798,207
Less: Closing inventory	**2,653,176**	2,613,010
	26,333,971	21,900,971
	1,971,113,810	1,791,099,567

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

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

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
At the end of the year		
Work-in-progress	**65,215,015**	50,103,880
Finished goods	**88,117,857**	66,701,693
Stock-in-trade	**3,680,398**	—
	157,013,270	116,805,573
At the beginning of the year		
Work-in-progress	**50,103,880**	57,480,151
Finished goods	**66,701,693**	68,750,476
Stock-in-trade	**—**	—
	116,805,573	126,230,627
	(40,207,697)	9,425,054

30: EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Salaries, wages and bonus	**212,690,594**	202,413,474
Contribution to provident and other funds (Refer note 42 (a) and (b))	**19,554,324**	20,735,086
Staff welfare expenses	**20,197,583**	18,468,907
	252,442,501	241,617,467

31: FINANCE COSTS

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Interest on borrowings:		
- From banks	**47,505,581**	40,639,198
- From others	**1,641,691**	2,200,021
Other borrowing costs	**1,112,760**	441,354
	50,260,032	43,280,573

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

32: OTHER EXPENSES

Particulars	**Year ended March 31, 2017 Rupees**	Year ended March 31, 2016 Rupees
Consumption of stores and spare parts	**101,798,555**	88,079,218
Excise duty (Refer note 47)	**2,532,627**	24,433
Power, fuel and water charges	**190,063,149**	162,612,745
Screen printing charges	**23,116,209**	20,182,304
Repairs and maintenance:		
Plant and equipment	**21,664,215**	16,235,915
Buildings	**9,744,702**	5,138,475
Others	**1,891,314**	857,256
Rent	**1,373,223**	1,501,617
Rates and taxes	**2,707,872**	11,780,637
Bank charges	**4,241,761**	2,865,602
Insurance	**2,547,783**	2,482,352
Communication charges	**2,394,284**	1,851,698
Printing and stationery	**1,914,377**	1,605,597
System and software expenses	**1,883,846**	2,530,930
Travelling, conveyance and car expenses	**23,501,819**	22,564,150
Security and safety expenses	**7,307,256**	6,631,475
Legal, professional and secretarial expenses (Refer note 46)	**21,845,637**	22,405,028
Corporate social responsibility expenses (Refer note 48)	**1,961,035**	1,535,000
Freight and transportation expenses	**142,263,722**	128,127,670
Commission on sales	**16,593,024**	16,000,324
Loss on foreign exchange (net)	**—**	10,087,422
Provision for doubtful debts	**—**	2,168,621
Bad debts/ advances written off	**—**	1,616,699
Miscellaneous expenses	**13,512,471**	15,683,218
	594,858,881	544,568,386

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

33: TAX EXPENSE

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Current tax expense		
Current tax for the year	**32,400,000**	27,215,400
Deferred tax expenses		
(Increase) / Decrease in deferred tax assets	**4,704,178**	(8,866,396)
Increase / (Decrease) in deferred tax liabilities	**5,352,954**	9,123,109
	10,057,132	256,713
	42,457,132	27,472,113
Tax reconciliation		
Profit before tax	**127,518,032**	119,395,856
Tax at the rate of 33.063% (Previous year : 34.608%)	**42,161,286**	41,320,518
Tax effect of amounts which are not deductible / taxable		
Depreciation	**(1,420,786)**	3,839,093
Interest on MSMED	**248,886**	—
Provision for doubtful debts	**96,093**	(116,201)
Provision for employee benefits	**752,268**	(2,984,684)
Disallowance of expenditure u/s 14A read with rule 8D	**433,952**	431,518
Donations	**21,822**	173,767
Corporate social responsibility expenses	**648,377**	531,233
Provision for indirect taxes	**305,631**	(353,500)
Profit on sale of asset	**(12,142)**	(388,626)
Dividend income	**—**	(13,324,080)
Deferred grant income	**(75,813)**	(79,356)
Actuarial gains / losses recognised in OCI	**—**	(209,402)
	998,288	(12,480,238)
Other tax deductions		
Donation u/s 80G	**648,377**	618,116
Donation u/s 80 IC or 80 IE	**—**	1,261,509
	648,377	1,879,625
Interest on delayed payment of taxes	**—**	402,853
Others	**(54,065)**	(108,605)
Income tax expense	**42,457,132**	27,472,113

34: OTHER COMPREHENSIVE INCOME

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Items that will not be reclassified to profit or loss		
Actuarial loss on defined benefit obligations	**(9,796,247)**	(605,069)
Deferred taxes on above	**3,238,933**	209,402
	(6,557,314)	(395,667)

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

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 judgements 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. Instruments in the level 2 category for the Company include forward exchange contract derivatives.

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:

(In Rupees)

Fair value for assets measured at amortised cost	March 31, 2017				March 31, 2016				April 1, 2015			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
Financial liabilities												
Borrowings (other than current borrowings)	—	272,381,077	—	274,139,055	—	231,653,335	—	233,391,918	—	243,550,126	—	256,356,625

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, current borrowings, 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, 2017.

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, 2017

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)	**26,601,200**	**25,317,666**	**34,656,605**	**19,132,728**	**105,708,199**
Vehicle loans from bank / financial institution	**425,446**	**425,446**	**690,235**	**710,309**	**2,251,436**
Loan from Balmer Lawrie and Company Limited	**—**	**—**	**181,791,984**	**—**	**181,791,984**
Current financial liabilities – Borrowings	**447,816,959**	**—**	**—**	**—**	**447,816,959**
Trade payables	**327,988,778**	**—**	**—**	**—**	**327,988,778**
Other current financial liabilities	**95,873,261**	**11,064,291**	**—**	**—**	**106,937,552**
Total	**898,705,644**	**36,807,403**	**217,138,824**	**19,843,037**	**1,172,494,908**

As at March 31, 2016

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)	6,680,313	9,158,924	17,071,586	18,609,971	51,520,794
Vehicle loans from bank / financial institution	455,682	1,382,615	581,324	771,545	3,191,166
Loan from Balmer Lawrie and Company Limited	—	—	181,791,984	—	181,791,984
Current financial liabilities – Borrowings	337,519,778	—	—	—	337,519,778
Trade payables	318,009,540	—	—	—	318,009,540
Other current financial liabilities	101,171,879	8,429,060	—	—	109,600,939
Total	763,837,192	18,970,599	199,444,894	19,381,516	1,001,634,201

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

As at April 1, 2015

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)	7,450,304	8,573,349	15,970,416	16,047,525	48,041,594
Vehicle loans from bank / financial institution	202,942	202,942	405,884	651,112	1,462,880
Loan from Balmer Lawrie and Company Limited	—	—	—	181,791,984	181,791,984
Loan from Greif International Holding B.V.	—	—	21,298,998	—	21,298,998
Current financial liabilities - Borrowings	328,422,923	—	—	—	328,422,923
Trade payables	257,690,658	—	—	—	257,690,658
Other current financial liabilities	77,289,761	7,731,237	—	—	85,020,998
Total	671,056,588	16,507,528	37,675,298	198,490,621	923,730,035

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 INR. Some sales and purchase are denominated in USD, AUD, SGD and EURO.

Foreign currency risk management

The Company imports certain raw materials which are denominated in USD, which exposes it to foreign currency risk. To minimise the risk of imports, the Company enters into forward contracts where the exposure is significant. Also, some of the 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

(Amount in Rupees)

	March 31, 2017				March 31, 2016			April 1, 2015		
Particulars	USD	AUD	SGD	Euro	USD	SGD	Euro	USD	SGD	Euro
Financial assets										
Trade receivables (net of forward contract derivatives)	47,770,275	—	648,361	—	116,439,486	2,052,860	59,663,697	81,534,171	979,306	1,739,612
Financial liabilities										
Secured loan	—	—	—	—	—	—	—	12,283,713	—	—
Trade payables (net of forward contract derivatives)	133,283,657	3,453,235	—	314,424	80,074,753	—	17,598,014	101,568,046	—	7,711,406

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

Sensitivity to foreign currency risk

(Amount in Rs.)

Particulars	Impact on statement of profit and loss for the year ended	
	March 31, 2017	March 31, 2016
USD sensitivity		
INR / USD		
Increase by 5%	**(4,275,669)**	1,818,237
Decrease by 5%	**4,275,669**	(1,818,237)
SGD sensitivity		
INR / SGD		
Increase by 5%	**32,418**	102,643
Decrease by 5%	**(32,418)**	(102,643)
Euro sensitivity		
INR / Euro		
Increase by 5%	**(15,721)**	2,103,284
Decrease by 5%	**15,721**	(2,103,284)
AUD sensitivity		
INR / AUD		
Increase by 5%	**(172,662)**	—
Decrease by 5%	**172,662**	—

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, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
The capital composition is as follows:			
Net debt#	**677,697,561**	556,000,330	560,902,683
Total equity	**1,052,733,696**	1,039,049,975	968,146,513
Net debt to equity ratio	**64%**	54%	58%

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

Debt covenants

As per the agreement letter of major borrowing facilities sanctioned, the Company is required to comply with various financial covenants viz. Gearing ratio 1.5x; Debt service coverage ratio 2.0x; External debts/ EBIDT 2.5 x; Fixed Asset Cover 10x and Tangible net worth of Rs. 95.00 Lacs. The Company has complied with these covenants during the reporting period.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

37.2 Dividends

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Equity dividend Final dividend for the year ended March 31, 2016 of Rs. 3 (March 31, 2015 - Rs. 2) per fully paid share	**53,856,042**	35,904,028

38: INVESTMENTS IN SUBSIDIARY AND JOINT VENTURE:

Sr. No.	Subsidiary / joint venture	Name of the Subsidiary / joint venture	Principal place of business and country of incorporation	Proportion of ownership interest	Method of accounting
1.	Subsidiary	Proseal Closures Limited	India	100%	Cost
2.	Joint venture	Transafe Services Limited	India	50%	Cost

39: 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) Subsidiary

Proseal Closures Limited

(iii) Joint Venture

Transafe Services Limited

(iv) Parties under the common control

Balmer Lawrie (UAE) LLC

Greif Singapore Pte Ltd

Greif Egypt LLC

Greif Nederland B.V.

Greif France SAS

Greif Eastern Packaging Pte Limited

American Flange and Manufacturing Co. Inc.

Greif Embalagenes Ind do Brasil Ltda

Greif Italia SpA

Greif Plastics Italy S.R.L.

Trisure Closures Australia Pty Limited

Greif Hua I Taiwan Co Limited

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

(v) Key Management Personnel

(a) Mohan Menon - Managing Director till March 31, 2016 & Chief Executive Officer from April 1, 2016 to July 6, 2016)

(b) Girish Pundlik - Chief Executive Officer (from July 7, 2016)

(c) Sanjay Datta - Chief Financial Officer

(d) Rajesh Juthani - Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

Related Party Disclosures

(II) Transactions during the year with related parties:

(In Rupees)

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above		Parties referred to in (iv) above	
	2016-2017	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016
Purchase of Raw Materials and Stores (Inclusive of Levies and taxes)								
Balmer Lawrie and Company Limited	401,975	960,409	—	—	—	—	—	—
Proseal Closures Limited	—	—	43,317,186	16,766,531	—	—	—	—
Greif Embalagenes Ind do Brasil Ltda	—	—	—	—	—	—	5,213,309	2,553,175
Greif France SAS	—	—	—	—	—	—	4,550,449	4,198,337
Greif Plastics Italy S.R.L	—	—	—	—	—	—	—	2,575,779
Greif Nederland B.V.	—	—	—	—	—	—	7,776	1,890,457
Tri—Sure Closures Australia Pty Limited	—	—	—	—	—	—	13,716,245	7,619,361
	401,975	960,409	**43,317,186**	16,766,531	**—**	—	**23,487,779**	18,837,109
Sale of Finished Goods (Exclusive of Levies and taxes)								
Balmer Lawrie and Company Limited	105,560,814	93,036,252	—	—	—	—	—	—
Balmer Lawrie (UAE) LLC	—	—	—	—	—	—	49,386,924	35,927,751
Greif Singapore Pte Ltd	—	—	—	—	—	—	162,770,917	191,019,382
American Flange and Manufacturing Co. Inc.	—	—	—	—	—	—	86,267,294	20,504,130
Proseal Closures Limited	—	—	5,416,675	551,800	—	—	—	—
Greif Egypt LLC	—	—	—	—	—	—	14,794,219	12,733,693
Greif Italia SpA	—	—	—	—	—	—	—	2,624,805
Greif Eastern Packaging Pte Limited	—	—	—	—	—	—	38,835,577	32,736,089
Tri—Sure Closures Systems (Zhenjiang) Co. Ltd.	—	—	—	—	—	—	12,716,700	—
Tri—Sure Closures Australia Pty Limited	—	—	—	—	—	—	384	—
	105,560,814	93,036,252	**5,416,675**	551,800	**—**	—	**364,772,015**	295,545,850
Lease Rent Expenses								
Balmer Lawrie and Company Limited	103,426	110,595	—	—	—	—	—	—
Transafe Services Limited	—	—	—	—	—	—	—	—
	103,426	110,595	**—**	—	**—**	—	**—**	—
Dividend Income								
Proseal Closures Limited	—	—	—	38,500,000	—	—	—	—
	—	—	**—**	38,500,000	**—**	—	**—**	—
Purchase of Services								
Balmer Lawrie and Company Limited	47,134,991	47,077,653	—	—	—	—	—	—
Greif Nederland B.V.	—	—	—	—	—	—	—	22,723,630
Transafe Services Limited	—	—	—	—	106,532	310,892	—	—
	47,134,991	47,077,653	**—**	—	**106,532**	310,892	**—**	22,723,630
Commission Expense								
Greif Nederland B.V.	—	—	—	—	—	—	15,415,940	14,883,175
	—	—	**—**	—	**—**	—	**15,415,940**	14,883,175

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

Related Party Disclosures

(II) Transactions during the year with related parties:

(In Rupees)

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above		Parties referred to in (iv) above	
	2016-2017	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016	**2016-2017**	2015-2016
Loan Received								
Balmer Lawrie and Company Limited	55,000,000	—	—	—	—	—	—	—
	55,000,000	—	**—**	—	**—**	—	**—**	—
Repayment of Loan Taken								
Balmer Lawrie and Company Limited	55,000,000	—	—	—	—	—	—	—
	55,000,000	—	**—**	—	**—**	—	**—**	—
Waiver of Loan Taken								
Greif International Holding B.V.	—	26,250,000	—	—	—	—	—	—
	—	26,250,000	**—**	—	**—**	—	**—**	—
Loan Given								
Proseal Closures Limited	—	—	35,000,000	35,000,000	—	—	—	—
	—	—	**35,000,000**	35,000,000	**—**	—	**—**	—
Repayment of Loan Given								
Proseal Closures Limited	—	—	70,000,000	—	—	—	—	—
	—	—	**70,000,000**	—	**—**	—	**—**	—
Expenses Reimbursed by other Companies								
Balmer Lawrie and Company Limited	—	28,479	—	—	—	—	—	—
Proseal Closures Limited	—	—	3,998,851	2,732,848	—	—	—	—
Transafe Services Limited	—	—	—	—	189,405	216,405	—	—
Greif Singapore Pte Ltd	—	—	—	—	—	—	—	2,328,156
Tri—Sure Closures Australia Pty Limited	—	—	—	—	—	—	—	256,711
	—	28,479	**3,998,851**	2,732,848	**189,405**	216,405	**—**	2,584,867
Amount Reimbursed to other Companies								
Balmer Lawrie and Company Limited	1,932,740	937,221	—	—	—	—	—	—
Proseal Closures Limited	—	—	514,504	—	—	—	—	—
Greif Nederland B.V.	—	—	—	—	—	—	—	5,217,090
Greif Singapore Pte Ltd	—	—	—	—	—	—	—	6,425,692
	1,932,740	937,221	**514,504**	—	**—**	—	**—**	11,642,782
Interest Expense								
Greif International Holding B.V.	—	—	—	—	—	—	—	—
Balmer Lawrie and Company Limited	1,508,548	—	—	—	—	—	—	—
	1,508,548	—	**—**	—	**—**	—	**—**	—
Interest Income								
Proseal Closures Limited	—	—	4,875,065	2,427,945	—	—	—	—
	—	—	**4,875,065**	2,427,945	**—**	—	**—**	—
Dividend Paid								
Balmer Lawrie and Company Limited	25,803,831	17,202,544	—	—	—	—	—	—
Greif International Holding B.V.	25,803,846	17,202,564	—	—	—	—	—	—
	51,607,677	34,405,108	**—**	—	**—**	—	**—**	—

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

Related Party Disclosures

(III) Amount Due to / from related parties:

(In Rupees)

Nature of Transaction	Parties referred to in (i) above			Parties referred to in (ii) above			Parties referred to in (iii) above			Parties referred to in (iv) above		
	31-03- 2017	31-03- 2016	01-04- 2015	**31-03- 2017**	31-03- 2016	01-04- 2015	**31-03- 2017**	31-03- 2016	01-04- 2015	**31-03- 2017**	31-03- 2016	01-04- 2015
Outstanding Receivable (Net of Payable)												
Balmer Lawrie and Company Limited	13,379,724	13,231,747	17,717,013	—	—	—	—	—	—	—	—	—
Proseal Closures Limited	—	—	—	2,707,715	2,183,694	8,478,399	—	—	—	—	—	—
Transafe Services Limited	—	—	—	—	—	—	286,926	105,697	—	—	—	—
Greif Singapore Pte Ltd	—	—	—	—	—	—	—	—	—	18,400,623	30,669,465	34,273,685
Greif Egypt LLC	—	—	—	—	—	—	—	—	—	7,076,741	3,337,809	3,480,695
Greif Eastern Packaging Pte Limited	—	—	—	—	—	—	—	—	—	648,361	7,331,689	979,306
American Flange and Manufacturing Co. Inc.	—	—	—	—	—	—	—	—	—	20,574,085	13,596,331	—
Balmer Lawrie (UAE) LLC	—	—	—	—	—	—	—	—	—	956,098	4,611,310	5,814,457
Greif Italia SpA	—	—	—	—	—	—	—	—	—	—	—	2,513,025
Tri—Sure Closures Australia Pty Limited	—	—	—	—	—	—	—	—	—	—	256,711	23,920
	13,379,724	13,231,747	17,717,013	**2,707,715**	2,183,694	8,478,399	**286,926**	105,697	—	**47,655,908**	59,803,315	47,085,088
Outstanding Payable (Net of Receivable)												
Greif Embalagenes Ind do Brasil Ltda	—	—	—	—	—	—	—	—	—	—	111,821	1,815,449
Transafe Services Limited	—	—	—	—	—	—	—	—	496,719	—	—	—
Greif France SAS	—	—	—	—	—	—	—	—	—	—	939,122	—
Greif Nederland B.V.	—	—	—	—	—	—	—	—	—	15,415,940	15,372,368	12,707,707
Tri—Sure Closures Australia Pty. Ltd.	—	—	—	—	—	—	—	—	—	3,453,235	—	—
	—	—	—	**—**	—	—	**—**	—	496,719	**18,869,175**	16,423,311	14,523,156
Outstanding Loan Payable (Including Interest)												
Greif International Holding B.V.	—	—	21,298,998	—	—	—	—	—	—	—	—	—
Balmer Lawrie and Company Limited	181,791,984	181,791,984	181,791,984	—	—	—	—	—	—	—	—	—
	181,791,984	181,791,984	203,090,982	**—**	—	—	**—**	—	—	**—**	—	—
Outstanding Loan Receivable												
Proseal Closures Limited	—	—	—	—	35,000,000	35,000,000	—	—	—	—	—	—
	—	—	—	**—**	35,000,000	35,000,000	**—**	—	—	**—**	—	—

Transactions with Key Management Personnel (KMP):

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Remuneration to Mohan Menon *	6,441,899	6,487,744	3,907,464
Remuneration to Girish Pundlik	1,737,182	—	—
Remuneration to Sanjay Datta	2,144,789	2,775,393	1,777,734
Remuneration to Rajesh Juthani	2,641,356	2,773,990	2,041,563

* includes payment towards gratuity and compensated absences related to periods, prior to his appointment as KMP.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

40: CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
(A) **Contingent Liabilities**			
(a) Sales Tax Liability that may arise in respect of matters in appeal	**6,833,794**	6,833,794	6,067,869
(b) Income Tax Liability that may arise in respect of matters in appeal	**7,102,330**	32,288,020	2,976,890
(c) Outstanding guarantees to various banks, in respect of the guarantees given by those banks in favour of various government authorities and others	**3,097,862**	6,660,053	5,902,675
Notes:			
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) and (b) above, pending resolution/ completion of the appellate proceedings/other proceedings, as applicable.			
(B) **Commitments**			
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	**23,008,639**	37,768,604	31,903,704

41: EVENTS OCCURRING AFTER THE REPORTING DATE

Refer to Note 53 for the dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

42: 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, 2017 Rupees**	Year ended March 31, 2016 Rupees
Employer's Contribution to Provident fund	**11,410,962**	10,459,017
Employer's Contribution to ESIC	**247,541**	209,134
Employer's Contribution to Superannuation	**4,192,927**	3,799,465

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

(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, 2017 Rupees	Year ended March 31, 2016 Rupees
Mortality Table	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
Discount rate	**7.30%**	7.80%
Salary growth rate	**7.00%**	7.25%
Withdrawal rate	**2.90%**	2.38%
Changes in the Fair value of Plan Assets		
Present Value of Plan Assets at the beginning of the year	**38,354,204**	36,456,787
Investment Income	**2,989,502**	2,904,497
Employer's Contribution #	**10,944,744**	587,791
Employee's Contribution	**—**	—
Benefits Paid	**(3,991,261)**	(1,731,873)
Return on plan assets, excluding amount recognised in net interest expense	**69,966**	137,002
Fair Value of Plan Assets at the end of the year	**48,367,155**	38,354,204
# includes amount of Rs.10,474,034 transferred to LIC Fund on March 31, 2017 by the Company and which was not reflected in the LIC fund statements as of March 31, 2017.		
Changes in the Present Value of Obligation		
Present Value of Obligation at the beginning of the year	**48,952,716**	43,361,899
Current Service Cost	**3,869,408**	3,152,234
Interest Expenses or Cost	**3,815,599**	3,454,624
Re-measurement (or Actuarial) (gain) / loss arising from:		
– change in the demographic assumptions	**125,767**	(163,239)
– change in the financial assumptions	**1,511,522**	610,567
– experience variance (i.e. Actual experience v/s assumptions)	**8,228,924**	294,743
Past Service Cost	**—**	—
Curtailment Cost/ (Credit)	**—**	—
Settlement Cost/ (Credit)	**—**	—
Benefits Paid	**(3,100,243)**	(1,758,112)
Present Value of Obligation at the end of the year	**63,403,693**	48,952,716

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Amount recognised in the Balance Sheet			
Present Value of Obligation at the end of the year	**63,403,693**	48,952,716	43,361,899
Fair Value of Plan Assets at the end of the year	**(48,367,155)**	(38,354,204)	(36,456,787)
Net Liability recognised at the end of the year	**15,036,538**	10,598,512	6,905,112

Percentage of each category of plan assets to total fair value of plan assets as at year end:

Administered by Life Insurance Corporation of India	**100.00%**	100.00%	100.00%

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	**3,869,408**	3,152,234
Past Service Cost	**—**	—
Loss/ (Gain) on settlement	**—**	—
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	**826,097**	550,127
Total expenses recognised in the Statement of Profit and Loss	**4,695,505**	3,702,361
Actuarial (gains) / losses		
– change in demographic assumptions	**125,767**	(163,239)
– change in financial assumptions	**1,511,522**	610,567
– experience variance (i.e. Actual experience vs assumptions)	**8,228,924**	294,743
– others	**—**	—
Return on plan assets, excluding amount recognised in net interest expense	**(69,966)**	(137,002)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	**—**	—
Actuarial (Gain)/ Loss recognised in Other Comprehensive Income	**9,796,247**	605,069
Maturity Profile of Defined Benefit Obligation		
Weighted average duration (based on discounted cash flows)	**9 years**	9 years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	**4,698,067**	4,160,582
2 to 5 years	**21,293,467**	15,233,774
6 to 10 years	**32,175,298**	23,731,553
More than 10 years	**75,775,317**	70,166,353

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) **63,403,693** 48,952,716

Particulars	**March 31, 2017**		March 31, 2016	
	Decrease	**Increase**	Decrease	Increase
Discount Rate (-/+ 1%)	**69,183,173**	**58,337,724**	53,610,332	44,883,645
(% change compared to base due to sensitivity)	**9.1%**	**-8.0%**	9.5%	-8.3%
Salary Growth Rate (-/+ 1%)	**58,760,318**	**68,431,338**	45,009,917	53,316,368
(% change compared to base due to sensitivity)	**-7.3%**	**7.9%**	-8.1%	8.9%
Attrition Rate (-/+ 50%)	**63,036,985**	**63,723,681**	48,715,653	49,163,309
(% change compared to base due to sensitivity)	**-0.6%**	**0.5%**	-0.5%	0.4%
Mortality Rate (-/+ 10%)	**63,389,376**	**63,417,942**	48,942,894	48,962,496
(% 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 charge to the Statement of Profit and Loss for the year is Rs. 4,646,937 (Previous Year: Rs. 5,399,152).

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

43: 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 enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets/ Liabilities". Inter-segment transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods.

(Rupees)

Particulars	2016-2017			2015-2016			01-April-2015		
	Steel Drum Closures	Plastic Containers	Total	Steel Drum Closures	Plastic Containers	Total	Steel Drum Closures	Plastic Containers	Total
Revenue									
External Segment Revenue	774,455,361	2,541,169,369	3,315,624,730	659,795,462	2,375,903,888	3,035,699,350			
Inter-Segment Revenue	—	—	—	—	—	—			
Total Revenue	**774,455,361**	**2,541,169,369**	**3,315,624,730**	**659,795,462**	**2,375,903,888**	**3,035,699,350**			
Result									
Segment Result	56,896,162	204,936,518	261,832,680	39,783,282	165,556,202	205,339,484			
Add: Unallocable Income			6,318,369			43,160,324			
Less: Interest Expense			50,260,032			43,280,573			
Less: Unallocable Expenses			90,372,985			85,823,379			
Profit Before Taxation			**127,518,032**			**119,395,856**			
Less: Tax Expenses			42,457,132			27,472,113			
Profit After Taxation			**85,060,900**			**91,923,743**			
Other Information									
Segment Assets	590,453,014	1,093,720,153	1,684,173,167	564,795,444	964,738,546	1,529,533,990	529,152,696	861,072,302	1,390,224,998
Unallocable Assets			662,664,239			646,326,887			614,772,683
Total Assets			**2,346,837,406**			**2,175,860,877**			**2,004,997,681**
Segment Liabilities	90,074,112	352,249,237	442,323,349	113,117,539	326,056,119	439,173,658	98,905,349	246,062,347	344,967,696
Unallocable Liabilities			851,780,361			697,637,244			691,883,472
Total Liabilities			**1,294,103,710**			**1,136,810,902**			**1,036,851,168**
Depreciation and amortisation									
Segment	23,290,526	34,896,629	58,187,155	21,187,520	29,719,311	50,906,831			
Unallocable			5,495,519			4,419,471			
Total Depreciation and amortisation			**63,682,674**			**55,326,302**			
Non-cash expenses other than depreciation and amortisation									
Segment	2,168,621	137,787	2,306,408	914,255	781,719	1,695,974			
Unallocable			—			5,505,814			
Total			**2,306,408**			**7,201,788**			
Information about geographical segment *									
Revenue									
India			2,942,379,608			2,717,325,726			
Outside India			373,245,122			318,373,624			
			3,315,624,730			**3,035,699,350**			
Non Current Assets (Other than financial instrument, deferred tax and employee benefits)									
India			804,392,172			735,636,387			654,681,697
Outside India			—			—			—
			804,392,172			**735,636,387**			**654,681,697**

* 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.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

44: FIRST TIME ADOPTION OF IND AS

First Ind AS Financial statements

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet as at April 1, 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006, as amended and the relevant provisions of the Act (Indian GAAP/Previous GAAP)

An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes:

A Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exemptions applied in the transition from Previous GAAP to Ind AS.

(i) Ind AS optional exemption

Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to transition date.

The Company elected to apply Ind AS prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for restatement of investment in joint venture.

Deemed cost

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

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value on the date of transition.

(ii) Ind AS mandatory exception

Estimates

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

The estimates as at 1 April 2015 and 31 March 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect differences if any, in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:

(i) Impairment of financial assets based on the expected credit loss model; and

(ii) Investments in debt instruments carried as FVPL.

The estimates used by the Company to present the amounts in accordance with Ind AS reflect conditions that existed at the date of transition to Ind AS.

De-recognition of financial assets and liabilities

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

The Company has applied the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

B First time adoption reconciliations

Reconciliation of equity from Previous GAAP to Ind AS

Particulars	**Note**	**Equity as at March 31, 2016**	Equity as at April 1, 2015
Equity as per Indian GAAP		977,121,986	
GAAP adjustments:			
Impact on account of reversal of proposed dividend (including tax)	B.1	65,125,419	43,416,946
Impact of fair valuation of Interest free loan from shareholder at initial recognition and subsequently at amortised cost	B.2	—	4,951,002
Impact of accounting for derivatives at Fair value through profit and loss	B.3	(753,083)	(343,821)
Impact of accounting for Government Grants	B.4	(2,694,269)	(2,923,567)
Impact of fair valuation of Security deposit at initial recognition and subsequently at amortised cost	B.6	(10,705)	—
Impact of deferred taxes on the above adjustments	B.8	260,627	(1,594,453)
Total - GAAP adjustments		61,927,989	43,506,107
Equity as per Ind AS		1,039,049,975	968,146,513

Reconciliation of profit and loss for the year 2015-16

Particulars	**Note**	**March 31, 2016**
Net Profit for the period as per Indian GAAP		**110,094,081**
GAAP adjustments:		
Impact of fair valuation of Interest free loan from shareholder at initial recognition and subsequently at amortised cost	B.2	(28,316,878)
Impact of accounting for derivatives at Fair value through profit and loss	B.3	(409,263)
Impact of accounting for Government Grants	B.4	229,299
Impact of recognising actuarial gains / losses in OCI	B.5	605,069
Impact of fair valuation of Security deposit at initial recognition and subsequently at amortised cost	B.6	(10,705)
Recognition of tax in equity in respect of items recognised in equity	B.7	9,084,600
Impact of deferred taxes on the above adjustments	B.8	647,540
Total - GAAP adjustments		(18,170,338)
Profit / Loss as per Ind AS		91,923,743

Explanations to reconciliations

B.1 **Impact on account of reversal of proposed dividend (including tax)**

Previous GAAP – Proposed dividends were recognised as a liability, basis adjusting event occurring after the balance sheet date.

Ind AS – Dividends are non-adjusting events post balance sheet date and hence recognised as and when approved by the shareholders.

Consequent to the change, dividends proposed (incl. tax thereon) as at March 31, 2016 of Rs. 65,125,419 (April 1, 2015 of Rs. 43,416,946) have been reversed in equity. Effect of dividends approved during the year 2015-16 (incl. tax) of Rs. 43,416,946 has been recognised in equity.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

B.2 **Impact of fair valuation of Interest free loan from shareholder at initial recognition and subsequently at amortised cost**

Previous GAAP - Interest free loans were recognised at the transaction price and subsequently reduced for repayments made. Waiver of the loan is recognised as write back in the statement of profit and loss as other income.

Ind AS - Interest free loans comprising of a contractual obligation to settle in cash are classified as a financial liability. The liability is initially recognised at fair value. Since the loan is from shareholder, the difference between the fair value and transaction price is recognised as deemed equity contribution by the shareholder. Subsequently, the liability is measured at amortized cost using the effective interest rate. The impact on this account has been recognised in the reserves on the transition date and the subsequent impacts are recognised in the statement of profit and loss and equity as applicable. Waiver of the loan is recognised in other equity as a transaction with owners in the capacity of an owner.

Consequent to the change, deemed equity contribution of Rs. 4,951,002 has been recognised out of the loan on the transition date. Subsequently, finance costs of Rs. 2,066,878 has been recognised in the statement of profit and loss as per the amortised cost method. The carrying amount of the loan on the date of waive off of Rs. 23,365,876 has been recognised in equity as a transaction with shareholder.

B.3 **Impact of accounting for derivatives at Fair value through profit and loss**

Previous GAAP - For derivatives, forward premium (i.e. difference between spot rate on the date of contract and the contractual forward rate) is amortised over the life of the forward contract. Exchange differences on the reporting date are recognised in profit and loss.

Ind AS - Forward contracts (derivatives) are recognised at fair value on initial recognition and subsequently at fair value through profit and loss. The gain or loss on settlement of forward contracts recognised under previous GAAP has been restated under Ind AS.

Consequent to the change, the impact on equity at the transition date is loss of Rs. 343,821 and the loss impact in statement of profit or loss for the year 2015-16 is Rs. 409,263.

B.4 **Impact of accounting for Government Grants**

Indian GAAP - The Company had received a capital subsidy in relation to the set up of plant and machinery at Uttarakhand. The amount of grant received of Rs. 30,00,000 was recognised as capital reserve.

Ind AS - Government grants related to depreciable capital assets are recognised in the balance sheet as deferred income. The grant set up as deferred income is recognised in statement of profit and loss on a systematic basis over the useful life of the asset.

Consequent to the change, capital subsidy recognised in the past has been recognised as deferred grant income on the transition date. The impact on this account of Rs. 29,23,567 (net of amortisation of grant revenue upto the date of transition) has been recognised as a reduction from equity.

B.5 **Impact of recognising actuarial gains / losses on defined benefit obligations in other comprehensive income**

Indian GAAP - Actuarial gains / losses on defined benefit obligations is recognised in statement of profit and loss.

Ind AS - Actuarial gains / losses on defined benefit obligations is recognised in other comprehensive income (OCI). Consequently, actuarial losses of Rs. 605,069 has been recognised in OCI

B.6 **Impact of fair valuation of Interest free rent deposits at initial recognition and subsequently at amortised cost**

Indian GAAP – Interest free rent deposits were recognised at the transaction price and reduced for repayments/ adjustments made.

Ind AS – Interest free rent deposits are financial assets and are initially recognised at fair value. The difference between the fair value and transaction price is recognised as prepaid rent and amortised over the lease term. Deposit asset is subsequently measured at amortised cost resulting into finance income in the statement of profit and loss.

Consequently, the net impact on this account of Rs.10,705 is recognised in the statement of profit and loss for the year ended March 31, 2016.

B.7 **Recognition of tax in equity in respect of items recognised in equity**

Indian GAAP - Tax expense i.e. current tax and deferred tax is recognised in statement of profit and loss.

Ind AS - Current tax and deferred tax that relate to items that are recognised, in the same or a different period in (a) other comprehensive income, shall be recognised in other comprehensive income (b) directly in equity, shall be recognised directly in equity.

B.8 **Impact on account of deferred taxes**

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred tax has impacted the reserves on date of transition, with consequential impacts to the statement of profit and loss for the subsequent periods.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

45: EARNINGS PER SHARE

Particulars	**Year Ended March 31, 2017 Rupees**	Year Ended March 31, 2016 Rupees
I. Profit Computation for both Basic and Diluted Earnings per share:		
Net Profit attributable to equity share holders (in Rs.)	**85,060,900**	91,923,743
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.)	**4.73**	5.11
Diluted (in Rs.)	**4.73**	5.11

46: AUDITORS' REMUNERATION (EXCLUDING SERVICE TAX)

Particulars	**Year Ended March 31, 2017 Rupees**	Year Ended March 31, 2016 Rupees
Audit Fees	**2,200,000**	1,900,000
Other Services	**1,325,000**	610,000
Out of Pocket Expenses	**45,000**	38,000
	3,570,000	2,548,000

47: The excise duty related to the difference between the closing inventory and opening inventory is recognised separately in Other expenses (Refer Note 32) in the Statement of Profit and Loss.

Particulars	**Year Ended March 31, 2017 Rupees**	Year Ended March 31, 2016 Rupees
Excise Duty on Opening Inventory	9,323,051	9,298,618
Excise Duty on Closing Inventory	11,855,678	9,323,051
(Increase)/Decrease in Excise Duty, recognised in the Statement of Profit and Loss	(2,532,627)	(24,433)

48: CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

Particulars	**Amount in Rs.**	Amount in Rs.
Average net profit of the Company for last three financial years (As per previous GAAP)	96,801,975	75,807,853
Prescribed CSR expenditure (2% of the average net profit as computed above)	1,936,040	1,516,157
Details of CSR expenditure during the financial year:		
Total amount to be spent for the financial year	1,936,040	1,516,157
Amount spent	1,961,035	1,535,000
Amount unspent	—	—

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

49: The Company had purchased 11,361,999 Equity Shares of Rs. 10 each of Transafe Services Limited ("TSL"), an unlisted Company, from ICICI Venture Funds Management Company Limited @ Rs. 16 per share during the year ended March 31, 2010 at the total consideration of Rs. 181,791,984. The investment was made by availing a 100% loan from Balmer Lawrie and Company Limited ("BL") under the loan agreement with BL dated July 31, 2009. As per the said loan agreement, the Company is liable to pay interest on the outstanding principal amount @ 9% per annum or the prevailing bank rate, whichever is higher, annually by September 30 each year.

Post investment, TSL has been reporting continuous losses. Consequent to the losses and erosion in the net worth (negative net worth as at March 31, 2017 of Rs. 737,197,345), the fair value of investment held by the Company has come down. The Company has made no provision in the accounts for such notional diminution in the value of the investment by virtue of the provision in clause 1.3 of the aforesaid loan agreement executed with BL.

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

In the event, the Company desires to sell all or part of the TSL shares within the aforesaid period of 108 months, the same can be done by obtaining prior approval from BL and there shall be an obligation on the Company to repay the loan to BL from the proceeds of such sale of TSL shares and also execute a satisfactory interim security as mutually agreed. Also, in the event of termination of the agreement, the Company shall be liable to repay the entire loan amount along with the interest due thereon to BL.

During the year ended March 31, 2013, the Company had expressed its inability to BL to pay accrued interest amounting to Rs. 29,450,302 (net of TDS) for the financial years ended March 31, 2011 and March 31, 2012. As the Company had never earned any income from this investment and the interest expense 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. 29,450,302 and has not accrued the annual interest expense of Rs. 16,361,279 for the financial years ended March 31, 2013 to March 31, 2017 based on the written communication to BL.

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

51: PROVISIONS

Particulars	Year Ended March 31, 2017 Rupees	Year Ended March 31, 2016 Rupees
Balance at the beginning of the year	**19,781,972**	16,343,036
Additions (net of reversal)	**(5,372,434)**	3,438,936
Amount used	**—**	—
Balance at the end of the year	**14,409,538**	19,781,972

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.

52: The Company has entered into cancellable leasing arrangements mainly for residential flats, office premises, warehouse, vehicles etc. The Lease rent of Rs. 1,373,223 (Previous Year: Rs. 1,501,617) has been included under the head 'Other Expenses - Rent' under Note 32 to the Financial Statements.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017.

53: PROPOSED DIVIDEND

Particulars	**Year Ended March 31, 2017 Rupees**	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
The final dividend proposed for the year is as follows:			
On equity shares of Rs. 10 each:			
Amount of dividend proposed	**62,832,049**	53,856,042	35,904,028
Dividend per equity share	**Rs. 3.50**	Rs. 3.00	Rs. 2.00

54: DIVIDEND REMITTED IN FOREIGN CURRENCY

Particulars	**Year Ended March 31, 2017 Rupees**	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
Dividend paid during the year	25,803,846	17,202,564	10,321,538
Number of non-resident shareholders	1	1	1
Number of Equity Shares held by such non-resident shareholders	8,601,282	8,601,282	8,601,282
Year to which the dividends relate	2015-16	2014-15	2013-14

55: During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 and the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

	SBNs*	**Other denomination notes**	**Total**
Closing cash in hand as at November 08, 2016	**95,000**	**8,937**	**103,937**
(+) Permitted receipts**	86,000	—	86,000
(-) Permitted payments	—	(8,937)	(8,937)
(-) Amount deposited in Banks	(181,000)	—	(181,000)
(+) Amount withdrawn from Bank	—	107,363	107,363
Closing cash on hand as at December 30, 2016	**—**	**107,363**	**107,363**

* The term 'Specified Bank Notes' shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 08, 2016.

** Amount received from employees which represents Imprest and Advance.

56: National Company Law Tribunal (NCLT) had sanctioned the scheme of amalgamation of Proseal Closures Limited with the Company at the hearing held on March 16, 2017. The Company is still awaiting certified copy of the NCLT order.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, 15 May, 2017

For and on behalf of the Board of Directors

Reinier Hietink
Prabal Basu
S. K. Menon
D. Sothi Selvam
Kannan Ananthakrishnan
Jozef Casparie
Manjusha Bhatnagar
– *Directors*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Mumbai, 12 May, 2017

Consolidated Financial Statements
for the year ended March 31, 2017

Independent Auditor's Report

To the Members of Balmer Lawrie – Van Leer Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited the accompanying consolidated financial statements of Balmer Lawrie – Van Leer Limited (the 'Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as the 'Group') and joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the 'Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The respective Board of Directors of the company included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and joint venture 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

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

BASIS FOR QUALIFIED OPINION

8. As stated in Note 45 (a) to the consolidated financial statements, the Company has not accrued interest aggregating Rs. 16,361,279 (Previous year Rs. 16,361,279) on a loan in accordance with terms of such loan agreement. Had the Company provided for interest in accordance with the terms of the aforesaid agreement, net profit for the year ended 31 March 2017 would have been lower by Rs. 10,951,749 (Previous year: Rs. 10,698,967), other financial liabilities as at 31 March 2017 would have been higher by Rs. 111,256,696 (Previous year: Rs. 94,895,417) and the reserves and surplus as at that date would have been lower by Rs. 109,119,422 (Previous year: Rs. 92,505,361). Our audit opinion on the consolidated financial statements for the year ended 31 March 2016 was also qualified in respect of this matter.

QUALIFIED OPINION

9. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements and on the other financial information of the subsidiary and joint venture, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group and joint ventures as at 31 March 2017, and their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

EMPHASIS OF MATTER

10. The Independent Auditors of the Company's joint venture, Transafe Services Limited (TSL), in their audit report on financial statements of TSL for the year ended 31 March 2017, have drawn attention to the matter stated in Note 45 (b) to the consolidated financial statements which indicates that TSL's accumulated losses have exceeded its net worth and management's plan for revival of TSL is being formulated.. These conditions indicate the existence of material uncertainty that

may cast significant doubt about TSL's ability to continue as a going concern. However, the financial statements of TSL have been prepared on a going concern basis for the reasons stated in the said Note. Our opinion is not qualified in respect of this matter.

OTHER MATTER

11. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of Nil for the year ended 31 March 2017, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements has not been audited by us. These financial statements has been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture, is based solely on the report of the other auditor.

    Our opinion above on the consolidated financial statements, and our reporton other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the report of the other auditor and the financial statements certified by the management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary and joint venture, we report, to the extent applicable, that:

    (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the effects of the matter described in paragraph 8 of the Basis for Qualified Opinion paragraph with respect to the financial statements of the Holding Company,

    (c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    (d) except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

    (e) matter described in paragraph 8 under the Basis for Qualified Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;

    (f) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the report of the other statutory auditor of joint venture company covered under the Act, none of thedirectors of the Group companies and joint venture company covered under the Act, are disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act.

    (g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;

    (h) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company and joint venture company covered under the Act and the operating effectiveness of such controls, refer to our separate report in Annexure;

    (i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the joint venture:

        (i) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and joint venture as detailed in Note 39 and Note 43 to the consolidated financial statements.

        (ii) the Group and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

        (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and joint venture company covered under the Act during the year ended 31 March 2017;

        (iv) These consolidated financial statements have made requisite disclosures as to holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 by the Holding Company and its subsidiary company and joint venture company covered under the Act. Based on the audit procedures performed and taking into consideration the information and explanations given to us and on consideration of the report of the other auditor on separate financial statements and other financial information, in our opinion, these disclosures are in accordance with the books of account maintained by the respective companies.

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

per Bharat Shetty
Partner
Membership No.: 106815

Place: Mumbai
Date: 7 July 2017

Annexure to the Independent Auditor's Report of even date to the members of Balmer Lawrie – Van Leer Limited, on the consolidated financial statements for the year ended 31 March 2017

ANNEXURE

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

1. In conjunction with our audit of the consolidated financial statements of Balmer Lawrie - Van Leer Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group"), and joint venture as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary company and joint venture, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companyand joint ventureas aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note"), issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

BASIS FOR QUALIFIED OPINION

7. According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at 31 March 2017:

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

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

QUALIFIED OPINION

8. In our opinion, except for the possible effects of the material weakness described above on the achievement of objectives of the control environment, the Holding Company, its subsidiary company and joint venture, which are the companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note.

OTHER MATTER

9. We did not audit the IFCoFR in so far as it relates to ajoint venture, which is a company incorporated in India. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary companyand joint venture, which are companies incorporated in India, under Section 143(3)(i) of the Act in so far as it relates to the aforesaid joint venture,is solely based on the corresponding report of the auditor of such company. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

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

per Bharat Shetty
Partner
Membership No.: 106815

Place: Mumbai
Date: 7 July, 2017

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

	Note	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
ASSETS				
Non-current assets:				
Property, plant and equipment	2	**1,040,814,558**	1,001,843,979	868,259,568
Capital work-in-progress		**84,540,382**	46,945,030	65,245,007
Goodwill		**101,560,900**	101,560,900	101,560,900
Other intangible assets	3	**5,296,382**	479,682	244,008
Financial assets				
Investment in joint venture	43	**—**	—	—
Loans	4	**23,830,589**	24,391,554	23,881,154
Other non-current financial assets	5	**9,482,449**	8,007,012	5,866,717
Other non-current assets	6	**83,182,803**	78,855,335	68,868,237
		1,348,708,063	1,262,083,492	1,133,925,591
Current assets				
Inventories	7	**587,405,291**	486,915,370	451,728,261
Financial assets				
Trade receivables	8	**659,730,799**	592,812,759	546,019,439
Cash and bank balances	9	**51,539,246**	26,371,296	42,263,959
Loans	10	**12,377,458**	7,410,266	22,927,075
Other current financial assets	11	**18,817,233**	11,281,140	6,557,528
Other current assets	12	**158,990,878**	140,809,213	141,408,058
		1,488,860,905	1,265,600,044	1,210,904,320
		2,837,568,968	2,527,683,536	2,344,829,911
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	**179,634,140**	179,634,140	179,634,140
Other equity	14	**917,088,420**	806,810,965	708,470,968
		1,096,722,560	986,445,105	888,105,108
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	15	**248,046,823**	244,646,158	248,465,668
Other non-current liabilities	16	**2,474,154**	3,000,814	2,967,936
Non-current provisions	17	**39,683,414**	42,484,992	35,652,108
Deferred tax liabilities (net)	18	**63,310,730**	53,423,502	53,327,628
		353,515,121	343,555,466	340,413,340
Current liabilities				
Financial liabilities				
Borrowings	19	**627,181,331**	524,484,476	527,383,237
Trade payables	20	**435,181,679**	388,720,170	333,555,291
Other current financial liabilities	21	**212,739,997**	182,908,085	149,889,138
Current provisions	22	**28,998,753**	22,997,477	14,600,032
Current tax liabilities (net)	23	**41,448,749**	38,843,385	42,643,520
Other current liabilities	24	**41,780,778**	39,729,372	48,240,245
		1,387,331,287	1,197,682,965	1,116,311,463
TOTAL		**2,837,568,968**	2,527,683,536	2,344,829,911
Significant accounting policies and other explanatory information	**1 to 48**			

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, July 7, 2017

For and on behalf of the Board of Directors

D. Sothi Selvam – *Director*
Kannan Ananthakrishnan – *Director*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Kolkata, July 6, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

		Note	Year Ended March 31, 2017 Rupees	Year Ended March 31, 2016 Rupees
I.	Revenue from operations	25	4,203,465,590	3,813,889,839
II.	Other income	26	16,336,596	14,184,404
III.	**Total Revenue (I + II)**		4,219,802,186	3,828,074,243
IV.	**Expenses:**			
	Cost of materials consumed	27	2,325,088,087	2,120,551,090
	Purchases of stock-in-trade		4,148,756	—
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(55,258,874)	(2,985,834)
	Excise duty expense		342,813,572	312,907,734
	Employee benefits expense	29	396,571,469	371,201,292
	Finance costs	30	72,207,948	68,334,448
	Depreciation and amortization expense	2 and 3	94,068,756	83,164,008
	Other expenses	31	755,478,193	678,261,798
	Total expenses		3,935,117,907	3,631,434,536
V.	**Profit before tax (III-IV)**		284,684,279	196,639,707
VI.	Tax expense:	32		
	(i) Current tax		85,290,000	65,323,400
	(ii) Deferred tax expense		14,722,796	2,277,602
			100,012,796	67,601,002
VII.	**Net profit after tax (V-VI)**		184,671,483	129,038,705
VIII.	**Other comprehensive income**	33		
A.	(i) Items that will not be reclassified to profit or loss		(14,409,730)	(3,419,990)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		4,835,567	1,183,590
			(9,574,163)	(2,236,400)
IX.	**Total comprehensive income for the period (VII+VIII)**		175,097,320	126,802,305
X.	Earnings per equity share:	44		
	Basic and diluted (in Rs.)		10.27	7.18
	Face value per share (in Rs.)		10.00	10.00

Significant accounting policies and other explanatory information — 1-48

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, July 7, 2017

For and on behalf of the Board of Directors

D. Sothi Selvam – *Director*
Kannan Ananthakrishnan – *Director*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Kolkata, July 6, 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

Equity share capital (including forfeited equity shares)

(Amount in Rs.)

	Number of shares	Amount
As at April 01, 2015	17,974,814	179,634,140
Changes during the year	—	—
As at March 31, 2016	17,974,814	179,634,140
Changes during the year	—	—
As at March 31, 2017	17,974,814	179,634,140

Other equity

(Amount in Rs.)

	Securities premium reserve	General reserve	Retained earnings	Deemed equity contribution on loan from shareholder	Other comprehensive income (OCI) – other items	Total
Opening balance as at April 01, 2015	321,762,975	71,316,808	312,153,626	3,237,559	—	**708,470,968**
Transactions during the year						
Total comprehensive income for the year						
Profit / (loss) for the year	—	—	129,038,705	—	(2,236,400)	**126,802,305**
Transfer from retained earnings to general reserve	—	8,300,000	(8,300,000)	—	—	**—**
Dividend	—	—	(35,904,028)	—	—	**(35,904,028)**
Tax on dividends	—	—	(7,837,694)	—	—	**(7,837,694)**
Write back of amortised balance of loan	—	—	—	23,365,876	—	**23,365,876**
Current tax on loan written back	—	—	—	(9,084,600)	—	**(9,084,600)**
Deferred tax reversed on loan written back	—	—	—	998,138	—	**998,138**
Transfer from OCI to retained earnings	—	—	(2,236,400)	—	2,236,400	**—**
Closing balance as at March 31, 2016	**321,762,975**	**79,616,808**	**386,914,209**	**18,516,973**	**—**	**806,810,965**
Transactions during the year						
Total comprehensive income for the year						
Profit / (loss) for the year	—	—	184,671,483	—	(9,574,163)	**175,097,320**
Dividend	—	—	(53,856,042)	—	—	**(53,856,042)**
Tax on dividends	—	—	(10,963,823)	—	—	**(10,963,823)**
Transfer from OCI to retained earnings	—	—	(9,574,163)	—	9,574,163	**—**
Closing balance as at March 31, 2017	**321,762,975**	**79,616,808**	**497,191,664**	**18,516,973**	**—**	**917,088,420**

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, July 7, 2017

For and on behalf of the Board of Directors

D. Sothi Selvam – *Director*
Kannan Ananthakrishnan – *Director*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Kolkata, July 6, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

		Year Ended March 31, 2017 Rupees	Year Ended March 31, 2016 Rupees
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit before tax as per Statement of Profit and Loss	**284,684,279**	196,639,707
	Adjustments for:		
	Depreciation and amortization expense	**94,068,756**	83,164,008
	(Profit)/ loss on sale of tangible assets (net)	**822,937**	(1,001,829)
	Interest income	**(2,504,588)**	(3,379,201)
	Finance costs	**69,977,755**	67,248,790
	Bad debts/ advances written off	**—**	1,616,699
	Provision for doubtful debts	**1,401,327**	3,081,579
	Provision for indirect taxes	**(5,372,434)**	3,438,936
	Liabilities no longer required written back	**(6,368,666)**	(8,075,953)
	Actuarial gain / (loss) recognised in other comprehensive income	**(14,409,730)**	(3,419,990)
	Deferred grant income	**(229,299)**	(308,842)
	Notional rent expense	**137,787**	79,275
	Unrealised foreign exchange loss/(gain)	**(3,608,900)**	(780,717)
		133,914,945	141,662,755
	Operating profit before working capital changes	**418,599,224**	338,302,462
	Changes in working capital:		
	Increase / (Decrease) in provisions, trade payables and other liabilities	**73,464,910**	113,138,932
	(Increase) / Decrease in trade receivables	**(69,728,672)**	(51,491,598)
	(Increase) / Decrease in inventories	**(100,489,921)**	(35,187,109)
	(Increase) / Decrease in loans and other assets	**(39,787,720)**	(3,447,520)
	Operating profit after working capital changes	**282,057,821**	361,315,167
	Direct taxes paid (net of refund)	**(82,684,636)**	(78,208,135)
	Net cash generated from operating activities	**199,373,185**	283,107,032
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment (including capital work-in-progress)	**(172,007,197)**	(209,235,863)
	Sale of property, plant and equipment	**2,055,700**	3,210,595
	Fixed deposits matured/ (placed)	**3,231,349**	4,713,214
	Interest received	**2,504,588**	3,379,201
	Net cash used in investing activities	**(164,215,560)**	(197,932,853)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Dividend paid (including dividend distribution tax thereon)	**(64,819,865)**	(43,741,722)
	Repayment of non-current borrowings	**(37,528,744)**	(46,870,164)
	Proceeds from non-current borrowings	**63,400,000**	65,572,144
	Finance costs paid	**(69,744,091)**	(66,614,085)
	Proceeds from / (repayment of) current borrowings (net)	**102,696,855**	(2,898,761)
	Net cash used in financing activities	**(5,995,845)**	(94,552,588)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**29,161,780**	(9,378,409)
	Opening balance of cash and cash equivalents	**15,306,350**	24,684,759
	Closing balance of cash and cash equivalents	**44,468,130**	15,306,350
	Components of cash and cash equivalents:		
	Balances with banks in current accounts	**33,955,069**	11,335,832
	Balances with banks in EEFC accounts	**—**	32,384
	Cheques on hand	**10,260,865**	3,742,239
	Cash on hand	**252,196**	195,895
	Cash and cash equivalents as per financial statements	**44,468,130**	15,306,350

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, July 7, 2017

For and on behalf of the Board of Directors

D. Sothi Selvam – *Director*
Kannan Ananthakrishnan – *Director*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Kolkata, July 6, 2017

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

1: Summary of Significant Accounting Policies

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 consolidated financial Statements

These consolidated 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.

The consolidated financial statements up to and for the year ended March 31, 2016 were prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006, as amended and the relevant provisions of the Act (Indian GAAP/Previous GAAP).

These are the first Ind AS consolidated financial statements of the Group prepared in accordance with Ind AS. Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. Refer note 42 for an explanation of how the transition from Indian GAAP to Ind AS has effected the Group's financial position, financial performance and cash flows.

These consolidated 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.

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

(b) Principles of consolidation and equity accounting

Subsidiary

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

The acquisition method of accounting is used to account for business combinations by the Company.

The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary has been changed for the purpose of consolidation where necessary to ensure consistency with the policies adopted by the Group.

Joint Arrangements

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

Joint venture

Interest in joint venture is accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in consolidated statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint venture is recognised as a reduction in the carrying amount of the investment.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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

Unrealised gains on transactions between the Group and its joint venture is eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investee has been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investment is tested for impairment in accordance with the policy for impairment described below.

(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, 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 consolidated financial statements. Any expected loss is recognised immediately in the Consolidated Statement of Profit and Loss.

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

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

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

(f) Impairment of non-financial assets

Assessment is done at each Consolidated 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 groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to their recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and 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 Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through consolidated 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 consolidated 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 Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group 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 consolidated 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 Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group 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 consolidated 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 consolidated 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 consolidated statement of profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.
- 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 consolidated 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 Group may make an irrevocable election to present the subsequent fair value changes in Other Comprehensive Income (OCI). The Group 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 consolidated statement of 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 consolidated statement of profit or loss.

Impairment of financial assets

The Group 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 Group applies the simplified approach permitted by Ind AS 109, Financial

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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 Group 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 Group 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 Group has not retained control of the financial asset. Where the Group 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 Group 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) Derivatives and embedded derivatives

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

Derivatives embedded in a host contracts that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(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 consolidated 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 consolidated 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 or net realisable value, whichever is lower. The cost of finished goods and work in progress comprises raw materials cost, packing materials cost, direct labour, other direct costs and related production overheads, as applicable. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(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 Consolidated 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 Consolidated Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

Functional and presentation currency

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

The functional currencies of the group entities have been identified to be the same as the group functional and presentation currency.

(l) Revenue Recognition

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

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

(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 by the consolidated balance sheet date. Management and marketing fees are recognised on the basis of rendering of services.

(n) Employee Benefits

Defined Contribution Plan

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

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

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

Defined Benefit Plan - Gratuity

The Group 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 Consolidated Balance Sheet date and shortfall/ excess, if any, has been provided for/ considered as prepaid.

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

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions 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 Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Consolidated Statement of Profit and Loss in the year in which they arise.

Termination Benefits

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

(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.

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

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

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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 Group 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 Group will pay normal income tax during the specified period.

(p) Leases

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

(q) Provisions and Contingent Liabilities

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Group 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 Group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Group 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 expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Group.

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

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(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 Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the consolidated 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 consolidated 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.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

2 : PROPERTY, PLANT AND EQUIPMENT

(In Rupees)

Gross block	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Office equipment	Enabling assets	Total
Balance as at April 01, 2015	**47,695,566**	**126,876,927**	**176,661,443**	**497,307,387**	**7,553,310**	**6,285,136**	**2,329,153**	**3,550,646**	**—**	**868,259,568**
Additions/Adjustments	—	—	31,462,146	180,183,172	1,238,732	2,494,265	2,043,326	1,330,777	—	218,752,418
Deletions/Adjustments	—	—	—	(1,828,229)	—	(799,758)	(30)	—	—	(2,628,017)
Balance as at March 31, 2016	**47,695,566**	**126,876,927**	**208,123,589**	**675,662,330**	**8,792,042**	**7,979,643**	**4,372,449**	**4,881,423**	**—**	**1,084,383,969**
Additions/Adjustments	—	—	6,527,358	107,682,067	1,171,256	1,964,148	901,335	257,479	16,076,039	134,579,682
Deletions/Adjustments	—	—	(352,053)	(1,689,438)	(657,193)	(1,932,998)	(12,533)	(12,675)	—	(4,656,890)
Balance as at March 31, 2017	**47,695,566**	**126,876,927**	**214,298,894**	**781,654,959**	**9,306,105**	**8,010,793**	**5,261,251**	**5,126,227**	**16,076,039**	**1,214,306,761**
Accumulated depreciation										
Balance as at April 01, 2015	—	—	—	—	—	—	—	—	—	—
Depreciation charge	—	1,846,910	11,174,064	64,126,977	1,580,136	1,426,802	1,926,246	878,106	—	82,959,241
Deletions/Adjustments	—	—	—	(137,342)	—	(281,909)	—	—	—	(419,251)
Balance as at March 31, 2016	**—**	**1,846,910**	**11,174,064**	**63,989,635**	**1,580,136**	**1,144,893**	**1,926,246**	**878,106**	**—**	**82,539,990**
Depreciation charge	—	1,841,860	11,943,773	73,475,668	1,577,376	1,558,071	1,370,028	927,061	66,070	92,759,907
Deletions/Adjustments	—	—	(21,127)	(924,277)	(276,681)	(560,417)	(12,533)	(12,659)	—	(1,807,694)
Balance as at March 31, 2017	**—**	**3,688,770**	**23,096,710**	**136,541,026**	**2,880,831**	**2,142,547**	**3,283,741**	**1,792,508**	**66,070**	**173,492,203**
Net block										
Balance as at March 31, 2015	**47,695,566**	**126,876,927**	**176,661,443**	**497,307,387**	**7,553,310**	**6,285,136**	**2,329,153**	**3,550,646**	**—**	**868,259,568**
Balance as at March 31, 2016	**47,695,566**	**125,030,017**	**196,949,525**	**611,672,695**	**7,211,906**	**6,834,750**	**2,446,203**	**4,003,317**	**—**	**1,001,843,979**
Balance as at March 31, 2017	**47,695,566**	**123,188,157**	**191,202,184**	**645,113,933**	**6,425,274**	**5,868,246**	**1,977,510**	**3,333,719**	**16,009,969**	**1,040,814,558**

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 : INTANGIBLE ASSETS

(In Rupees)

Gross block	Computer Software	Total
Balance as at April 1, 2015	**244,008**	**244,008**
Additions/Adjustments	440,441	440,441
Deletions/Adjustments	—	—
Balance as at March 31, 2016	**684,449**	**684,449**
Additions/Adjustments	6,154,990	6,154,990
Deletions/Adjustments	(136,039)	(136,039)
Balance as at March 31, 2017	**6,703,400**	**6,703,400**
Accumulated amortisation		
Balance as at April 1, 2015	—	—
Amortisation charge	204,767	204,767
Deletions/Adjustments	—	—
Balance as at March 31, 2016	**204,767**	**204,767**
Amortisation charge	1,308,849	1,308,849
Deletions/Adjustments	(106,598)	(106,598)
Balance as at March 31, 2017	**1,407,018**	**1,407,018**
Net block		
Balance as at March 31, 2015	**244,008**	**244,008**
Balance as at March 31, 2016	**479,682**	**479,682**
Balance as at March 31, 2017	**5,296,382**	**5,296,382**

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

4 : NON-CURRENT FINANCIAL ASSETS - LOANS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Security Deposits:			
Considered good	**23,039,779**	23,488,406	20,705,809
Considered doubtful	**681,671**	681,671	674,421
Less: Provision for doubtful deposits	**(681,671)**	(681,671)	(674,421)
	23,039,779	23,488,406	20,705,809
Other Loans:			
Others - considered good	**790,810**	903,148	3,175,345
Others - considered doubtful	**—**	—	1,368,325
Less: Provision for doubtful loans	**—**	—	(1,368,325)
	23,830,589	24,391,554	23,881,154

5: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Balance with bank held as margin money	**—**	—	2,025,000
Bank deposits with maturity more than 12 months	**9,482,449**	8,007,012	3,841,717
	9,482,449	8,007,012	5,866,717

6: OTHER NON-CURRENT ASSETS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Capital advances	**14,807,238**	20,005,718	24,268,507
Prepaid expenses	**428,321**	1,057,066	1,340,972
Balances with government authorities	**67,947,244**	57,792,551	43,266,008
Less: Provision for doubtful deposits with government authorities	**—**	—	(7,250)
	83,182,803	78,855,335	68,868,237

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

7: INVENTORIES

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Raw materials			
Goods-in-transit	**15,929,288**	32,851,233	—
Others	**269,088,180**	205,209,809	210,629,193
	285,017,468	238,061,042	210,629,193
Work-in-progress	**99,053,041**	73,784,534	78,076,515
Finished goods	**128,178,344**	101,868,375	94,590,560
Stock-in-trade	**3,680,398**	—	—
Stores and spares	**67,416,261**	69,167,930	64,622,954
Packing materials	**4,059,779**	4,033,489	3,809,039
	587,405,291	486,915,370	451,728,261

8: TRADE RECEIVABLES (UNSECURED)

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Considered good	**659,730,799**	592,812,759	546,019,439
Considered doubtful	**2,650,463**	6,403,792	3,322,213
Less: Provision for doubtful debts	**(2,650,463)**	(6,403,792)	(3,322,213)
	659,730,799	592,812,759	546,019,439

9: CASH AND BANK BALANCES

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Cash and Cash Equivalents			
Balances with banks in current accounts	**33,955,069**	11,335,832	14,734,795
Balances with banks in EEFC accounts	**—**	32,384	442,853
Cheques on hand	**10,260,865**	3,742,239	9,299,542
Cash on hand	**252,196**	195,895	207,569
	44,468,130	15,306,350	24,684,759
Other bank balances			
Unpaid dividend accounts	**2,384,341**	1,671,385	1,332,130
Deposits with maturity of more than three months but less than twelve months	**4,686,775**	9,288,174	16,168,455
Balance with bank held as margin money	**—**	105,387	78,615
	7,071,116	11,064,946	17,579,200
	51,539,246	26,371,296	42,263,959

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

10: CURRENT FINANCIAL ASSETS - LOANS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Security deposits	**7,786,062**	4,530,230	7,006,968
Loans and advances to employees	**2,187,864**	736,716	1,339,891
Recoverable from related parties	**104,982**	104,982	9,584,672
Others - considered good	**2,298,550**	2,038,338	4,995,544
Others - considered doubtful	**1,368,325**	1,368,325	—
Less: Provision for doubtful loans	**(1,368,325)**	(1,368,325)	—
	12,377,458	7,410,266	22,927,075

11: OTHER CURRENT FINANCIAL ASSETS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Duty drawback	**3,377,883**	3,075,518	5,538,273
Derivative financial assets	**—**	—	105,000
Duty entitlement pass book (DEPB) licenses on hand	**—**	—	914,255
Receivable under Merchandise Exports from India Scheme (MEIS)	**15,439,350**	8,205,622	—
	18,817,233	11,281,140	6,557,528

12: OTHER CURRENT ASSETS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
[Unsecured, Considered Good (unless otherwise stated)]			
Advances other than capital advances			
Advance to suppliers	**9,823,647**	15,151,680	11,154,059
Advance against salary / wages	**72,000**	300,500	—
Balances with government authorities	**141,202,009**	119,269,488	124,595,726
Prepaid expenses	**7,893,222**	6,087,545	5,658,273
	158,990,878	140,809,213	141,408,058

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

13 : EQUITY SHARE CAPITAL

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Authorised			
18,500,000 (Previous Year: 18,500,000) Equity Shares of Rs. 10 each	**185,000,000**	185,000,000	185,000,000
Issued			
17,974,814 (Previous Year: 17,974,814) Equity Shares of Rs. 10 each	**179,748,140**	179,748,140	179,748,140
Subscribed and Paid-Up:			
17,952,014 (Previous Year: 17,952,014) Equity Shares of Rs. 10 each fully paid up	**179,520,140**	179,520,140	179,520,140
Add: Forfeited Equity Shares	**114,000**	114,000	114,000
[22,800 (Previous Year: 22,800) Equity Shares of Rs. 10 each (amount originally paid up Rs. 5 each)]			
	179,634,140	179,634,140	179,634,140

(a) Reconciliation of Share Capital

	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	**Amount**	No. of Shares	Amount
Balance as at the beginning of the year	**17,974,814**	**179,634,140**	17,974,814	179,634,140
Add: Shares issued during the year	**—**	**—**	—	—
Balance as at the end of the year	**17,974,814**	**179,634,140**	17,974,814	179,634,140

(b) Rights, preferences and restrictions

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

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

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

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	**% of Holding**	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares:						
Balmer Lawrie & Co. Limited	8,601,277	47.91%	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%	8,601,282	47.91%

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

14: OTHER EQUITY

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Reserves and surplus			
Securities premium *	**321,762,975**	321,762,975	321,762,975
General reserve **	**79,616,808**	79,616,808	71,316,808
Retained earnings ***	**497,191,664**	386,914,209	312,153,626
	898,571,447	788,293,992	705,233,409
Other equity			
Deemed equity contribution on loan from shareholder	**18,516,973**	18,516,973	3,237,559
Other comprehensive Income	**—**	—	—
	18,516,973	18,516,973	3,237,559
Total	**917,088,420**	806,810,965	708,470,968

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees
*** Securities premium reserve**		
Balance as at the beginning of the year	**321,762,975**	321,762,975
Add : Additions made during the year	**—**	—
Balance as at the end of the year	**321,762,975**	321,762,975
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.		
**** General reserve**		
Balance as at the beginning of the year	**79,616,808**	71,316,808
Transaction during the year		
Add : Transfer from Surplus in the Statement of Profit and Loss	**—**	8,300,000
Balance as at the end of the year	**79,616,808**	79,616,808

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees
***** Retained earnings**		
Balance as at the beginning of the year	**386,914,209**	312,153,626
Transaction during the year		
Net profit for the year	**184,671,483**	129,038,705
Dividend	**(53,856,042)**	(35,904,028)
Tax on dividends	**(10,963,823)**	(7,837,694)
Transfer to general reserve	**—**	(8,300,000)
Transfer from other comprehensive income	**(9,574,163)**	(2,236,400)
Balance as at the end of the year	**497,191,664**	386,914,209
Deemed equity contribution on loan from shareholder		
Balance as at the beginning of the year	**18,516,973**	3,237,559
Transaction during the year -		
Write back of amortised balance of loan	**—**	23,365,876
Current tax on write back of loan	**—**	(9,084,600)
Deferred tax reversed on loan written back	**—**	998,138
Balance as at the end of the year	**18,516,973**	18,516,973
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 by the shareholder.		
Other comprehensive income		
Balance as at the beginning of the year	**—**	—
Transaction during the year -		
Actuarial gain or loss	**(14,409,730)**	(3,419,990)
Deferred tax on actuarial gain or loss	**4,835,567**	1,183,590
Transferred to retained earnings	**9,574,163**	2,236,400
Balance as at the end of the year	**—**	—

15: NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Secured			
Term loan from banks	**65,021,520**	60,745,915	43,835,261
Vehicle loans from bank / financial institution	**1,233,319**	2,108,259	1,539,425
Loan from Balmer Lawrie and Company Limited	**181,791,984**	181,791,984	181,791,984
Unsecured			
Loan from Greif International Holding B.V.	**—**	—	21,298,998
	248,046,823	244,646,158	248,465,668

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Nature of security and terms of repayment for secured borrowings

(i) Term Loans from HSBC Bank are secured by first charge over movable plant and equipment of the Steel Drum Closures Division for Rs.45,000,000 and equitable mortgage of leasehold land (95 years lease), Mumbai along with immovable plant and equipment.	(a) Loan of Rs. 20,000,000 with outstanding amount of Rs. 8,571,428 repayable in 3 equal half yearly installments of Rs. 2,857,153 from the reporting date carrying interest of 11.75% per annum. (b) Loan of Rs. 10,000,000 with outstanding amount of Rs.5,714,287 repayable in 4 equal half yearly installments of Rs. 1,428,574 from the reporting date carrying interest of 11.75% per annum. (c) Loan of Rs. 20,000,000 with outstanding amount of Rs. 17,142,857.repayable in 6 equal half yearly installments of Rs. 2,857,153 from the reporting date carrying interest of 11.25% per annum.
(ii) Term Loan from Kotak Mahindra Bank is secured by first and exclusive hypothecation charge on all existing and future movable fixed assets including Plant and Equipment of the Company, located at survey no-237/1, 238 & 264/2 in Janakipuram Village, Madhuranthakam Taluk Village, Kanchipuram district, Chennai. First and exclusive equitable mortgage charge on immovable properties being property located at survey no-237/1, 238 & 264/2 in Janakipuram Village, Madhuranthakam Taluk Village, Kanchipuram district, Chennai.	(a) Loan of Rs. 25,000,000 with outstanding amount of Rs. 19,791,666 repayable in 19 equal monthly instalments of Rs. 1,041,667 from the reporting date carrying interest of 11.25% per annum. (b) Loan of Rs. 23,000,000 with outstanding amount of Rs.23,000,000 repayable in 12 equal quarterly instalments of Rs. 1,916,667 from the reporting date carrying interest of 10.65% per annum. (c) Loan of Rs. 14,500,000 with outstanding amount of Rs. 14,500,000 repayable in 12 equal quarterly instalments of Rs. 1,208,333 from the reporting date carrying interest of 10.50% per annum.
(iii) Loan from Balmer Lawrie and Company Limited is secured by pledge on all the shares held by the Company in Transafe Services Limited.	Repayable within 108 months from the date of disbursement of first installment (August, 2009) of the loan. Interest to be paid annually at 9% or the prevailing bank rate, whichever is higher. The Company has not accrued interest expense for the current financial year aggregating Rs. 16,361,279 (Previous year Rs. 16,361,279). (Refer Note 45).
(iv) Term loans from Corporation bank are secured by exclusive mortgage / first charge on factory land and building and hypothecation / first charge on plant and equipment and other moveable fixed assets	(a) Loan of Rs. 18,498,000 is repayable in 11 equal monthly installments amounting to Rs. 15,50,000 and last installment amounting to Rs. 14,48,000 from the reporting date. Interest to be paid monthly at the rate of 13.40%. (b) Loan of Rs. 29,362,995 is repayable in 25 equal monthly installments amounting to Rs. 11,48,000 and last installment amounting to Rs. 662,995. Interest to be paid monthly at the rate of 13.40%.
(v) Vehicle Loans from bank and financial institution are secured by hypothecation of vehicles purchased against the loan.	Repayable in installments ranging between 48 and 60 months from the date of respective loan. Interest to be paid monthly at the rate ranging from 9.48% to 12.25% per annum

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

16: OTHER NON-CURRENT LIABILITIES

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Retention money	**138,485**	385,846	123,668
Security deposits	**100,000**	150,000	150,000
Deferred grant income	**2,235,669**	2,464,968	2,694,268
	2,474,154	3,000,814	2,967,936

17: NON-CURRENT PROVISIONS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Provision for employee benefits			
Provision for compensated absences	**25,273,876**	22,703,020	19,309,072
Others			
Provision for indirect taxes	**14,409,538**	19,781,972	16,343,036
	39,683,414	42,484,992	35,652,108

18: DEFERRED TAX LIABILITIES (NET)

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Deferred tax liabilities			
Depreciation	**94,013,186**	83,315,996	70,100,282
Derivative financial assets	**—**	—	36,339
Interest free borrowing from shareholder	**—**	—	1,713,443
Deferred tax assets			
Provision for doubtful debts, advances and deposits	**1,090,792**	2,609,730	1,743,013
Provision for indirect taxes	**4,764,226**	6,846,145	5,302,498
Deferred tax on forward contracts payable	**120,951**	260,627	118,990
Provision for employee benefits	**23,864,902**	19,860,035	11,216,803
Others	**861,585**	315,957	141,132
	63,310,730	53,423,502	53,327,628

As at March 31, 2017, there was no recognised deferred tax liability [March 31, 2016 and April 1, 2015 - INR Nil] for taxes that would be payable on the unremitted earnings of subsidiaries or joint venture. The Group has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future. Furthermore, the Group's joint venture will not distribute its profits until it obtains the consent from all venture partner. The temporary differences associated with investments in subsidiary and joint venture, for which a deferred tax liability has not been recognised, aggregate to Rs.384,519,800. [March 31, 2016: Rs. 287,926,067, April 1, 2015: Rs.260,489,532].

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

19: CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Secured			
Cash credit / packing credit	**516,359,319**	354,433,651	299,353,850
Bill discounting	**110,822,012**	76,073,719	80,093,450
Term loan from Bank	**—**	—	30,000,000
Unsecured			
Overdraft facility with Bank	**—**	48,977,106	59,435,937
Working capital demand loan	**—**	45,000,000	58,500,000
	627,181,331	524,484,476	527,383,237

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

(b) Pervious year's Term Loan of Rs. 30,000,000 from Indusind Bank was secured by extension of charge on assets of Dehradun plant financed, including immovable property of the plant.

(c) Bill discounting are secured against the earmarked debtors for the purpose of discounting.

(d) Overdraft from Bank is supported by Corporate Guarantee issued by Greif Inc.

20: TRADE PAYABLES

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Dues to Micro and Small Enterprises	**23,638,833**	16,734,558	16,847,779
Dues to others	**411,542,846**	371,985,612	316,707,512
	435,181,679	388,720,170	333,555,291

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

21: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Current maturities of long-term debt	**72,304,088**	49,833,497	50,677,883
Interest accrued and due on borrowings	**535,330**	705,002	524,457
Interest accrued but not due on borrowings	**1,705,279**	1,301,943	847,783
Unpaid dividends	**2,384,341**	1,671,385	1,332,130
Deposits received	**12,756,780**	11,964,159	10,112,635
Employee benefits payable	**34,737,998**	39,143,155	21,669,543
Payable for property, plant and equipment	**4,079,739**	2,955,392	15,561,162
Derivative financial liability	**2,537,592**	4,326,064	557,518
Outstanding expenses	**81,698,850**	71,007,488	48,606,027
	212,739,997	182,908,085	149,889,138

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

22: CURRENT PROVISIONS

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Provision for employee benefits			
Provision for gratuity	**25,487,230**	18,916,826	12,943,883
Provision for compensated absences	**3,511,523**	4,080,651	1,656,149
	28,998,753	22,997,477	14,600,032

23: CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Provision for tax [net of advance tax)	**41,448,749**	38,843,385	42,643,520
	41,448,749	38,843,385	42,643,520

24: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Advances from customers	**12,427,905**	12,344,766	22,586,186
Statutory dues	**28,937,491**	24,614,671	22,860,759
Lease rent equalisation	**186,083**	315,636	339,001
Deferred grant income	**229,299**	229,299	229,299
Others	**—**	2,225,000	2,225,000
	41,780,778	39,729,372	48,240,245

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

25: REVENUE FROM OPERATIONS

Particulars	**Year ended March 31, 2017 Rupees**	Year ended March 31, 2016 Rupees
Sale of products (including excise duty)	**3,956,832,005**	3,611,424,837
Sale of services	**5,403,149**	4,240,336
Recovery towards freight outward	**83,704,168**	82,040,117
Other Operating Revenue		
Scrap sales (including excise duty)	**115,905,818**	93,259,081
Income from duty drawback / MEIS	**41,620,450**	22,925,468
	4,203,465,590	3,813,889,839

26: OTHER INCOME

Particulars	**Year ended March 31, 2017 Rupees**	Year ended March 31, 2016 Rupees
Interest income		
From fixed deposits with banks	**1,234,557**	1,519,077
From others	**1,270,031**	1,860,124
Finance income on security deposit	**356,022**	272,002
Profit on sale of property, plant and equipment (Net)	**—**	1,001,829
Gain on foreign exchange (Net)	**2,600,339**	—
Liabilities no longer required written back	**6,368,666**	8,075,953
Deferred grant income	**229,299**	308,842
Miscellaneous Income	**4,277,682**	1,146,577
	16,336,596	14,184,404

27: COST OF MATERIALS CONSUMED

Particulars	**Year ended March 31, 2017 Rupees**	Year ended March 31, 2016 Rupees
Raw materials and packing materials consumed		
Opening inventory	**242,094,531**	214,438,232
Add: Purchases	**2,372,070,803**	2,148,207,389
Less: Closing inventory	**289,077,247**	242,094,531
	2,325,088,087	2,120,551,090

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

28: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
At the end of the year		
Work-in-progress	**99,053,041**	73,784,534
Finished goods	**128,178,344**	101,868,375
Stock-in-trade	**3,680,398**	—
	230,911,783	175,652,909
At the beginning of the year		
Work-in-progress	**73,784,534**	78,076,515
Finished goods	**101,868,375**	94,590,560
Stock-in-trade	**—**	—
	175,652,909	172,667,075
	(55,258,874)	(2,985,834)

29: EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Salaries, wages and bonus	**340,433,823**	312,203,620
Contribution to provident and other funds	**23,485,906**	29,960,365
Staff welfare expenses	**32,651,740**	29,037,307
	396,571,469	371,201,292

30: FINANCE COSTS

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Interest on borrowings:		
— From banks	**67,223,304**	64,607,415
— From others	**1,641,691**	2,200,021
Interest on delayed payment of income tax	**2,230,193**	1,085,658
Other borrowing costs	**1,112,760**	441,354
	72,207,948	68,334,448

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

31: OTHER EXPENSES

Particulars	**Year ended March 31, 2017 Rupees**	Year ended March 31, 2016 Rupees
Consumption of stores and spare parts	**122,572,688**	110,299,505
Excise duty	**2,633,406**	1,704,330
Power, fuel and water charges	**229,656,064**	187,117,926
Screen printing charges	**23,116,209**	20,182,304
Repairs and maintenance:		
Plant and equipment	**27,715,360**	21,582,879
Buildings	**14,081,722**	7,839,942
Others	**16,594,455**	13,164,900
Rent	**4,102,144**	4,308,409
Rates and taxes	**11,377,068**	14,117,262
Bank charges	**6,243,651**	4,654,410
Insurance	**3,108,138**	3,110,683
Communication charges	**3,222,229**	2,488,862
Printing and stationery	**2,556,273**	2,111,009
System and software expenses	**1,883,846**	2,530,930
Travelling, conveyance and car expenses	**29,336,127**	32,607,605
Security and safety expenses	**7,307,256**	6,631,475
Legal, professional and secretarial expenses	**30,060,226**	29,749,044
Corporate social responsibility expenses	**4,460,016**	3,772,394
Freight and transportation expenses	**176,163,699**	162,929,232
Commission on sales	**16,593,024**	17,103,084
Export processing charges	**2,462,276**	3,384,692
Loss on fixed assets sold / scrapped / written off	**822,937**	—
Loss on foreign exchange (net)	**—**	368,369
Provision for doubtful debts	**1,401,327**	3,081,579
Bad debts/ advances written off	**—**	1,616,699
Miscellaneous expenses	**18,008,052**	21,804,274
	755,478,193	678,261,798

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

32: TAX EXPENSE

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Current tax expense		
Current tax for the year	**85,290,000**	65,323,400
Deferred tax expenses		
(Increase) / Decrease in deferred tax assets	**4,025,606**	(10,186,468)
Increase / (Decrease) in deferred tax liabilities	**10,697,190**	12,464,070
	14,722,796	2,277,602
	100,012,796	67,601,002
Tax reconciliation		
Profit before tax	**284,684,279**	196,639,707
Tax at the rate of 33.063% (Previous year : 34.608%)	**96,553,380**	81,377,150
Tax effect of amounts which are not deductible / taxable		
Depreciation	**572,056**	2,051,868
Interest on delayed payment of income tax	**771,825**	375,725
Interest on MSMED	**248,886**	-
Provision for doubtful debts	**412,049**	199,756
Provision for employee benefits	**326,864**	(3,689,320)
Provision for bonus/exgratia	**(48,467)**	1,047,773
Disallowance of expenditure u/s 14A read with rule 8D	**433,952**	431,518
Donations	**22,341**	176,017
Corporate social responsibility expenses	**1,513,225**	1,311,543
Provision for indirect taxes	**305,631**	(353,500)
Profit on sale of asset	**285,369**	(346,523)
Liabilities no longer required written back	**(606,060)**	—
Dividend income	**—**	(13,324,080)
Deferred grant income	**(75,813)**	(79,356)
Actuarial gains / losses recognised in OCI	**—**	(209,402)
	4,161,858	(12,407,981)
Other tax deductions		
Donation u/s 80G	**648,377**	618,116
Donation u/s 80 IC or 80 IE	**—**	1,261,509
	648,377	1,879,625
Interest on delayed payment of taxes	**—**	402,853
Others	**(54,065)**	(108,605)
Income tax expense	**100,012,796**	67,601,002

33: OTHER COMPREHENSIVE INCOME

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Items that will not be reclassified to profit or loss		
Actuarial loss on defined benefit obligations	**(14,409,730)**	(3,419,990)
Deferred taxes on above	**4,835,567**	1,183,590
	(9,574,163)	(2,236,400)

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

34: FAIR VALUE MEASUREMENTS

Financial instruments by category:

All financial assets and financial liabilities, except derivatives of the Group 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 judgements 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 Group 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. Instruments in the level 2 category for the Group include forward exchange contract derivatives.

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:

(In Rupees)

Fair value for assets measured at amortised cost	March 31, 2017				March 31, 2016				April 1, 2015			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
Financial liabilities												
Borrowings (other than current borrowings)	—	**320,833,542**	—	**322,056,190**	—	294,748,017	—	295,781,598	—	287,709,292	—	299,991,334
Security deposits	—	**6,798,496**	—	**6,798,496**	—	6,391,426	—	6,408,811	—	5,702,790	—	5,703,970
Fixed deposits with bank	—	**13,347,535**	—	**13,421,142**	—	12,602,565	—	12,671,679	—	17,669,060	—	17,912,655

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

The carrying amounts of security deposits (other than stated above), 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 Group 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, 2017

35: FINANCIAL RISK MANAGEMENT

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

Liquidity risk management

The Group'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 Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of non – derivative financial liabilities

As at March 31, 2017

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)	45,603,667	43,187,498	49,676,661	20,971,214	**159,439,040**
Vehicle loans from bank / financial institution	482,232	425,446	690,235	710,309	**2,308,222**
Loan from Balmer Lawrie and Company Limited	—	—	181,791,984	—	**181,791,984**
Retention money	—	—	—	138,485	**138,485**
Security deposits	—	—	—	100,000	**100,000**
Current financial liabilities – Borrowings	738,003,343	—	—	—	**738,003,343**
Trade payables	435,181,679	—	—	—	**435,181,679**
Other current financial liabilities	127,131,009	11,064,291	—	—	**138,195,300**
Total	**1,346,401,930**	**54,677,235**	**232,158,880**	**21,920,008**	**1,655,158,053**

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

As at March 31, 2016

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)	25,599,776	28,784,033	53,943,885	35,468,514	**143,796,208**
Vehicle loans from bank / financial institution	716,077	1,665,072	638,110	771,545	**3,790,804**
Loan from Balmer Lawrie and Company Limited	—	—	181,791,984	—	**181,791,984**
Retention money	—	—	—	385,846	**385,846**
Security deposits	—	—	—	150,000	**150,000**
Current financial liabilities — Borrowings	600,558,195	—	—	—	**600,558,195**
Trade payables	388,720,170	—	—	—	**388,720,170**
Other current financial liabilities	122,638,583	8,429,060	—	—	**131,067,643**
Total	**1,138,232,801**	**38,878,165**	**236,373,979**	**36,775,905**	**1,450,260,850**

As at April 1, 2015

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)	23,757,750	24,594,507	39,411,244	36,054,205	**123,817,706**
Vehicle loans from bank / financial institution	460,308	460,308	1,069,154	707,898	**2,697,668**
Loan from Balmer Lawrie and Company Limited	—	—	—	181,791,984	**181,791,984**
Loan from Greif International Holding B.V.	—	—	21,298,998	—	**21,298,998**
Retention money	—	—	—	123,668	**123,668**
Security deposits	—	—	—	150,000	**150,000**
Current financial liabilities — Borrowings	607,476,687	—	—	—	**607,476,687**
Trade payables	333,555,291	—	—	—	**333,555,291**
Other current financial liabilities	90,632,235	7,731,237	—	—	**98,363,472**
Total	**1,055,882,271**	**32,786,052**	**61,779,396**	**218,827,755**	**1,369,275,474**

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

C. Market risk

Foreign currency risk

The Group 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 Group. The functional currency of the company is INR. Some sales and purchase are denominated in USD, AUD, SGD and EURO.

Foreign currency risk management

The Group imports certain raw materials which are denominated in USD, which exposes it to foreign currency risk. To minimise the risk of imports, the Group enters into forward contracts where the exposure is significant. Also, some of the 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

(In Rupees)

	March 31, 2017				March 31, 2016			April 1, 2015		
Particulars	USD	AUD	SGD	Euro	USD	SGD	Euro	USD	SGD	Euro
Financial assets										
Trade receivables (net of forward contract derivatives)	126,644,262	3,296,910	1,244,644	73,165,580	173,265,595	2,052,860	119,327,394	116,529,189	979,306	3,479,224
Financial liabilities										
Secured loan	—	—	—	—	—	—	—	12,283,713	—	—
Trade payables (net of forward contract derivatives)	136,180,383	3,453,235	—	1,584,431	80,074,753	—	17,598,014	103,386,236	—	8,138,562

Sensitivity to foreign currency risk

Particulars	Impact on statement of profit and loss for the year ended	
	March 31, 2017 Rupees	March 31, 2016 Rupees
USD sensitivity		
INR / USD		
Increase by 5%	**(476,806)**	4,659,542
Decrease by 5%	**476,806**	(4,659,542)
SGD sensitivity		
INR / SGD		
Increase by 5%	**62,232**	102,643
Decrease by 5%	**(62,232)**	(102,643)
Euro sensitivity		
INR / Euro		
Increase by 5%	**3,579,057**	5,086,469
Decrease by 5%	**(3,579,057)**	(5,086,469)
AUD sensitivity		
INR / AUD		
Increase by 5%	**(7,816)**	—
Decrease by 5%	**7,816**	—

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

36: CAPITAL MANAGEMENT

36.1 Risk management

The Group'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 Group may adjust the amount of dividends paid to shareholders.

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
The capital composition is as follows:			
Net debt#	**905,304,721**	805,664,726	803,214,269
Total equity	**1,096,722,560**	986,445,105	888,105,108
Net debt to equity ratio	**83%**	82%	90%

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

Debt covenants

As per the agreement letter of major borrowing facilities sanctioned, the Company is required to comply with various financial covenants viz. Gearing ratio 1.5x; Debt service coverage ratio 2.0x; External debts/EBIDT 2.5 x; Fixed Asset Cover 10x and Tangible net worth of Rs. 95.00 Lacs. The Company has complied with these covenants during the reporting period.

As per the agreement letter of major borrowing facilities sanctioned, Proseal Closure Limited (PCL) is required to comply with various financial covenants viz. PCL shall not invest any amount for acquisition of fixed assets without any long term arrangement and without maintaining current ratio of 1.10:1. PCL has complied with these covenants during the reporting period.

36.2 Dividends

	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Equity dividend		
Final dividend for the year ended March 31, 2016 of Rs. 3 (March 31, 2015 - Rs. 2) per fully paid share	**53,856,042**	35,904,028

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

37: 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

(iii) Parties under the common control
Balmer Lawrie (UAE) LLC
Greif Singapore Pte Ltd
Greif Egypt LLC
Greif Nederland B.V.
Greif France SAS
Greif Saudi Arabia Ltd
Greif Czech Republic a.s.
Greif Vologda Limited Liability Company Russian
Greif Packaging & Supply Chain Llc
Greif Nigeria PLC
Greif Sweden AB
Greif Mexico, S.A. de C.V.
Pachmas Packaging Ltd
Greif Eastern Packaging Pte Limited
American Flange and Manufacturing Co. Inc.
Greif Embalagenes Ind do Brasil Ltda
Greif Embalajes Industriales S.A
Greif Italia SpA
Greif Plastics Italy S.R.L.
Trisure Closures Australia Pty Limited
Greif Hua I Taiwan Co Limited
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.

(iv) Key Management Personnel
(a) Mohan Menon - Managing Director till March 31, 2016 & Chief Executive Officer from April 1, 2016 to July 6, 2016)
(b) Girish Pundlik - Chief Executive Officer (from July 7, 2016)
(c) Sanjay Datta - Chief Financial Officer
(d) Rajesh Juthani - Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

(II) Transactions during the year with related parties :

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above	
	2016-17	2015-16	**2016-17**	2015-16	**2016-17**	2015-16
Purchase of Raw Materials and Stores (Inclusive of Levies and taxes)						
Balmer Lawrie and Company Limited	**632,483**	1,053,077	—	—	—	—
Greif Embalagenes Ind do Brasil Ltda	—	—	—	—	**5,213,309**	2,553,175
Greif France SAS	—	—	—	—	**5,109,921**	4,198,337
Greif Plastics Italy S.R.L	—	—	—	—	—	2,575,779
Greif Nederland B.V.	—	—	—	—	**957,804**	2,586,283
Tri-Sure Closures Australia Pty Limited	—	—	—	—	**13,716,245**	7,619,36
	632,483	1,053,077	—	—	**24,997,279**	19,532,935
Sale of Finished Goods (Exclusive of Levies and taxes)						
Balmer Lawrie and Company Limited	**185,934,808**	170,501,173	—	—	—	—
Balmer Lawrie (UAE) LLC	—	—	—	—	**49,386,924**	35,927,75
Greif Singapore Pte Ltd	—	—	—	—	**163,390,124**	192,930,01
American Flange and Manufacturing Co. Inc.	—	—	—	—	**297,177,713**	131,075,678
Greif Nederland B.V.	—	—	—	—	**99,952,851**	110,618,200
Greif Saudi Arabia Ltd	—	—	—	—	**21,362,622**	26,420,642
Greif Czech Republic a.s.	—	—	—	—	**5,788,897**	4,495,442
Greif Embalanges Industrian Do Brasil LTDA	—	—	—	—	**7,257,599**	5,841,515
Greif Packaging & Supply Chain Llc	—	—	—	—	—	36,276,213
Greif Vologda Limited Liability Company Russian	—	—	—	—	**2,717,114**	5,287,378
Greif Nigeria PLC	—	—	—	—	**3,191,532**	3,323,320
Greif Sweden AB	—	—	—	—	**3,001,221**	5,589,540
Greif Mexico, S.A. de C.V.	—	—	—	—	**38,379,984**	26,339,789
Greif France SAS	—	—	—	—	**11,998,535**	1,020,577
Greif Embalajes Industriales S.A	—	—	—	—	**5,259,698**	—
Pachmas Packaging Ltd	—	—	—	—	**11,714,419**	6,287,402
Greif Egypt LLC	—	—	—	—	**14,794,219**	12,733,693
Greif Italia SpA	—	—	—	—	—	2,624,805
Greif Eastern Packaging Pte Limited	—	—	—	—	**39,436,987**	32,736,089
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.	—	—	—	—	**58,670,276**	33,896,115
Tri-Sure Closures Australia Pty Limited	—	—	—	—	**11,444,335**	—
	185,934,808	170,501,173	—	—	**844,925,050**	673,424,160
Lease Rent Expenses						
Balmer Lawrie and Company Limited	**103,426**	110,595	—	—	—	—
	103,426	110,595	—	—	—	—
Purchase of Services						
Balmer Lawrie and Company Limited	**47,134,991**	47,077,653	—	—	—	—
Greif Nederland B.V.	—	—	—	—	—	22,723,630
Transafe Services Limited	—	—	**106,532**	310,892	—	—
	47,134,991	47,077,653	**106,532**	310,892	—	22,723,630
Commission Expense						
Greif Nederland B.V.	—	—	—	—	**15,415,940**	14,883,175
	—	—	—	—	**15,415,940**	14,883,175
Loan Received						
Balmer Lawrie and Company Limited	**55,000,000**	—	—	—	—	—
	55,000,000	—	—	—	—	—
Repayment of Loan Taken						
Balmer Lawrie and Company Limited	**55,000,000**	—	—	—	—	—
	55,000,000	—	—	—	—	—
Waiver of Loan Taken						
Greif International Holding B.V.	—	26,250,000	—	—	—	—
	—	26,250,000	—	—	—	—

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above	
	2016-17	2015-16	**2016-17**	2015-16	**2016-17**	2015-16
Expenses Reimbursed by other Companies						
Balmer Lawrie and Company Limited	—	28,479	—	—	—	—
Transafe Services Limited	—	—	**189,405**	216,405	—	—
Greif Singapore Pte Ltd	—	—	—	—	—	2,328,156
Tri-Sure Closures Australia Pty Limited	—	—	—	—	—	256,71
	—	28,479	**189,405**	216,405	—	2,584,867
Amount Reimbursed to other Companies						
Balmer Lawrie and Company Limited	**1,932,740**	937,221	—	—	—	—
Greif Nederland B.V.	—	—	—	—	—	5,217,090
Greif Singapore Pte Ltd	—	—	—	—	—	6,425,692
	1,932,740	937,221	—	—	—	11,642,782
Interest Expense						
Balmer Lawrie and Company Limited	**1,508,548**	—	—	—	—	—
	1,508,548	—	—	—	—	—
Dividend Paid						
Balmer Lawrie and Company Limited	**25,803,831**	17,202,544	—	—	—	—
Greif International Holding B.V.	**25,803,846**	17,202,564	—	—	—	—
	51,607,677	34,405,108	—	—	—	—

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Related Party Disclosures

(III) Amount Due to / from related parties :

(Amount in Rupees)

Nature of Transaction	Parties referred to in (i) above			Parties referred to in (ii) above			Parties referred to in (iii) above		
	March 31, 2017	March 31, 2016	April 1, 2015	**March 31, 2017**	March 31, 2016	April 1, 2015	**March 31, 2017**	March 31, 2016	April 1, 2015
Outstanding Receivable (Net of Payable)									
Balmer Lawrie and Company Limited	**22,321,017**	26,316,905	28,841,362	—	—	—	—	—	—
Transafe Services Limited	—	—	—	**286,926**	105,697	—	—	—	—
Greif Singapore Pte Ltd	—	—	—	—	—	—	**18,577,838**	30,736,465	35,080,696
Greif Egypt LLC	—	—	—	—	—	—	**7,076,741**	3,337,809	3,480,695
Greif Eastern Packaging Pte Limited	—	—	—	—	—	—	**1,244,644**	7,331,689	979,306
American Flange and Manufacturing Co. Inc.	—	—	—	—	—	—	**84,024,801**	13,596,331	7,365,259
Balmer Lawrie (UAE) LLC	—	—	—	—	—	—	**956,098**	4,611,310	5,814,457
Greif Italia SpA	—	—	—	—	—	—	—	—	2,513,025
Greif Czech Republic a.s.	—	—	—	—	—	—	**2,290,605**	1,178,859	1,086,493
Greif Embalanges Industrian Do Brasil LTDA	—	—	—	—	—	—	**3,445,175**	2,613,853	152,393
Greif France SAS	—	—	—	—	—	—	**3,658,556**	1,073,272	—
Greif Mexico, S.A. de C.V.	—	—	—	—	—	—	**5,563,828**	5,339,063	6,578,085
Greif Nederland B.V.	—	—	—	—	—	—	**21,245,697**	22,205,376	25,876,309
Greif Sweden AB	—	—	—	—	—	—	—	2,772,585	2,445,261
Greif Saudi Arabia Ltd	—	—	—	—	—	—	**7,711,766**	12,585,058	1,006,097
Greif Packaging & Supply Chain Llc	—	—	—	—	—	—	—	—	27,380,167
Greif Vologda Limited Liability Company Russian	—	—	—	—	—	—	**2,707,661**	—	2,350,207
Pachmas Packaging Ltd	—	—	—	—	—	—	—	—	2,955,949
Trisure Closures System (Zhenjiang) Co ltd	—	—	—	—	—	—	**16,949,603**	5,943,512	4,445,274
Tri—Sure Closures Australia Pty Limited	—	—	—	—	—	—	**3,296,910**	256,711	5,888,438
	22,321,017	26,316,905	28,841,362	**286,926**	105,697	—	**178,749,923**	113,581,893	135,398,112
Outstanding Payable (Net of Receivable)									
American Flange and Manufacturing Co. Inc.	—	—	—	—	—	—	**1,641,843**	—	1,818,190
Greif Embalagenes Ind do Brasil Ltda	—	—	—	—	—	—	—	111,821	1,815,449
Transafe Services Limited	—	—	—	—	—	496,719	—	—	—
Greif France SAS	—	—	—	—	—	—	—	939,122	—
Greif Nederland B.V.	—	—	—	—	—	—	**15,415,940**	15,372,368	12,707,707
Tri—Sure Closures Australia Pty. Ltd.	—	—	—	—	—	—	**3,453,235**	—	—
	—	—	—	—	—	496,719	**20,511,018**	16,423,311	16,341,346
Outstanding Loan Payable (Including Interest)									
Greif International Holding B.V.	—	—	21,298,998	—	—	—	—	—	—
Balmer Lawrie and Company Limited	**181,791,984**	181,791,984	181,791,984	—	—	—	—	—	—
	181,791,984	181,791,984	203,090,982	—	—	—	—	—	—

Transactions with Key Management Personnel (KMP):

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Remuneration to Mohan Menon *	**6,441,899**	6,487,744	3,907,464
Remuneration to Girish Pundlik	**1,737,182**	—	—
Remuneration to Sanjay Datta	**2,144,789**	2,775,393	1,777,734
Remuneration to Rajesh Juthani	**2,641,356**	2,773,990	2,041,563

* includes payment towards gratuity and compensated absences related to periods, prior to his appointment as KMP.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

38: ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013:

	Net Assets i.e. total assets minus total liabilities		Share in Net profit after tax		Share in other comprehensive income		Share in total Comprehensive income	
	As % of Consolidated Net Assets	INR	As % of total	INR	As % of total	INR	As % of total	INR
Parent:								
Balmer Lawrie Van Leer Limited	55.48	608,441,859	46.06	85,060,900	68.49	(6,557,314)	44.83	78,503,586
Subsidiary:								
Proseal Closures Limited	35.26	386,719,801	53.94	99,610,583	31.51	(3,016,849)	55.17	96,593,734
Share of Transafe Services Limited (Joint Venture)	—	—	—	—	—	—	—	—
Goodwill on consolidation	9.26	101,560,900	—	—	—	—	—	—
Grand Total	**100.00**	**1,096,722,560**	**100.00**	**184,671,483**	**100.00**	**(9,574,163)**	**100.00**	**175,097,320**

39: CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
(A) **Contingent Liabilities**			
(a) Sales Tax Liability that may arise in respect of matters in appeal	**7,563,260**	6,833,794	6,067,869
(b) Income Tax Liability that may arise in respect of matters in appeal	**7,873,850**	38,129,216	3,400,573
(c) Sales tax liability that may arise on account of uncollected 'C' Forms	**6,515,354**	7,002,984	2,735,638
(d) Service tax/excise duty liability that may arise in respect of matters in appeal	**3,930,412**	3,465,386	264,440
(e) Outstanding guarantees to various banks, in respect of the guarantees given by those banks in favour of various government authorities and others	**4,168,862**	6,660,053	5,902,675

Notes:

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

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
(B) **Commitments**			
(a) Estimated value of contracts in capital account remaining to be executed (net of capital advance)	**32,348,925**	44,543,108	65,508,080
(b) Commitment relating to lease arrangements (Refer Note 47)	**2,505,614**	5,194,797	7,406,733

(C) Proseal Closures Limited (PCL) has entered into an arrangement with the workmen under the Industrial Disputes (Karnataka) Rules, 1957, wherein the workmen will be paid wages as stipulated in the arrangement. This arrangement is effective till June 30, 2018.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

40: EMPLOYEE BENEFITS (OF THE COMPANY ONLY)

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, 2017 Rupees	Year ended March 31, 2016 Rupees
Employer's Contribution to Provident fund	**11,410,962**	10,459,017
Employer's Contribution to ESIC	**247,541**	209,134
Employer's Contribution to Superannuation	**4,192,927**	3,799,465

(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:

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Mortality Table	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
Discount rate	**7.30%**	7.80%
Salary growth rate	**7.00%**	7.25%
Withdrawal rate	**2.90%**	2.38%
Changes in the Fair value of Plan Assets		
Present Value of Plan Assets at the beginning of the year	**38,354,204**	36,456,787
Investment Income	**2,989,502**	2,904,497
Employer's Contribution #	**10,944,744**	587,791
Employee's Contribution	**—**	—
Benefits Paid	**(3,991,261)**	(1,731,873)
Return on plan assets, excluding amount recognised in net interest expense	**69,966**	137,002
Fair Value of Plan Assets at the end of the year	**48,367,155**	38,354,204

\# includes amount of Rs.10,474,034 transferred to LIC Fund on March 31, 2017 by the Company and which was not reflected in the LIC fund statements as of March 31, 2017.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
Changes in the Present Value of Obligation		
Present Value of Obligation at the beginning of the year	**48,952,716**	43,361,899
Current Service Cost	**3,869,408**	3,152,234
Interest Expenses or Cost	**3,815,599**	3,454,624
Re-measurement (or Actuarial) (gain) / loss arising from:		
— change in the demographic assumptions	**125,767**	(163,239)
— change in the financial assumptions	**1,511,522**	610,567
— experience variance (i.e. Actual experience v/s assumptions)	**8,228,924**	294,743
Past Service Cost	**—**	—
Settlement Cost/ (Credit)	**—**	—
Benefits Paid	**(3,100,243)**	(1,758,112)
Present Value of Obligation at the end of the year	**63,403,693**	48,952,716

Particulars	As at March 31, 2017 Rupees	As at March 31, 2016 Rupees	As at April 1, 2015 Rupees
Amount recognised in the Balance Sheet			
Present Value of Obligation at the end of the year	**63,403,693**	48,952,716	43,361,899
Fair Value of Plan Assets at the end of the year	**(48,367,155)**	(38,354,204)	(36,456,787)
Net Liability recognised at the end of the year	**15,036,538**	10,598,512	6,905,112

Percentage of each category of plan assets to total fair value of plan assets as at year end:			
Administered by Life Insurance Corporation of India	**100.00%**	100.00%	100.00%

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Particulars	**Year ended March 31, 2017 Rupees**	Year ended March 31, 2016 Rupees
Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	**3,869,408**	3,152,234
Past Service Cost	**—**	—
Loss/ (Gain) on settlement	**—**	—
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	**826,097**	550,127
Total expenses recognised in the Statement of Profit and Loss	**4,695,505**	3,702,361
Actuarial (gains) / losses		
— change in demographic assumptions	**125,767**	(163,239)
— change in financial assumptions	**1,511,522**	610,567
— experience variance (i.e. Actual experience v/s assumptions)	**8,228,924**	294,743
— others	**—**	—
Return on plan assets, excluding amount recognised in net interest expense	**(69,966)**	(137,002)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	**—**	—
Actuarial (Gain) / Loss recognised in Other Comprehensive Income	**9,796,247**	605,069
Maturity Profile of Defined Benefit Obligation		
Weighted average duration (based on discounted cash flows)	**9 years**	9 years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	**4,698,067**	4,160,582
2 to 5 years	**21,293,467**	15,233,774
6 to 10 years	**32,175,298**	23,731,553
More than 10 years	**75,775,317**	70,166,353

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) **63,403,693** 48,952,716

	March 31, 2017		March 31, 2016	
	Decrease	**Increase**	Decrease	Increase
Discount Rate (-/+ 1%)	**69,183,173**	**58,337,724**	53,610,332	44,883,645
(% change compared to base due to sensitivity)	**9.1%**	**-8.0%**	9.5%	-8.3%
Salary Growth Rate (-/+ 1%)	**58,760,318**	**68,431,338**	45,009,917	53,316,368
(% change compared to base due to sensitivity)	**-7.3%**	**7.9%**	-8.1%	8.9%
Attrition Rate (-/+ 50%)	**63,036,985**	**63,723,681**	48,715,653	49,163,309
(% change compared to base due to sensitivity)	**-0.6%**	**0.5%**	-0.5%	0.4%
Mortality Rate (-/+ 10%)	**63,389,376**	**63,417,942**	48,942,894	48,962,496
(% change compared to base due to sensitivity)	**0.0%**	**0.0%**	0.0%	0.0%

(c) **Compensated absences (of the Company only)**

The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the Statement of Profit and Loss for the year is Rs. 4,646,937 (Previous Year: Rs. 5,399,152).

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

41: SEGMENT REPORTING

The Group's chief operating decision maker - Board of Directors examines the Group'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

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

(In Rupees)

Particulars	2016-2017			2015-2016			01-April-2015		
	Steel Drum Closures	Plastic Containers	Total	Steel Drum Closures	Plastic Containers	Total	Steel Drum Closures	Plastic Containers	Total
Revenue									
External Segment Revenue	1,642,073,973	2,561,391,617	4,203,465,590	1,425,601,936	2,388,287,903	3,813,889,839			
Inter-Segment Revenue	—	4,565,129	—	—	6,428,498	—			
Total Revenue	**1,642,073,973**	**2,565,956,746**	**4,203,465,590**	**1,425,601,936**	**2,394,716,401**	**3,813,889,839**			
Result									
Segment Result	253,731,638	198,435,055	452,166,693	194,340,106	159,620,306	353,960,412			
Add: Unallocable Income			2,730,751			3,662,176			
Less: Interest Expense			72,207,948			68,334,448			
Less: Unallocable Expenses			98,005,217			92,648,433			
Profit Before Taxation			**284,684,279**			**196,639,707**			
Less: Tax Expenses			100,012,796			67,601,002			
Profit After Taxation			**184,671,483**			**129,038,705**			
Other Information									
Segment Assets	1,283,589,825	1,127,268,718	2,410,858,543	1,155,684,684	997,143,831	2,152,828,515	1,062,187,028	908,461,990	1,970,649,018
Unallocable Assets			426,710,425			374,855,021			374,180,893
Total Assets			**2,837,568,968**			**2,527,683,536**			**2,344,829,911**
Segment Liabilities	446,107,325	383,346,273	829,453,598	486,264,117	348,270,913	834,535,030	449,140,240	254,225,395	703,365,635
Unallocable Liabilities			911,392,810			706,703,401			753,359,168
Total Liabilities			**1,740,846,408**			**1,541,238,431**			**1,456,724,803**
Depreciation and amortisation									
Segment	48,211,162	36,716,673	84,927,835	44,127,451	31,359,925	75,487,376			
Unallocable			9,140,921			7,676,632			
Total Depreciation and amortisation			**94,068,756**			**83,164,008**			
Non-cash expenses other than depreciation and amortisation									
Segment	4,872,667	339,520	5,212,187	4,783,813	984,005	5,767,818			
Unallocable			—			5,505,814			
Total			**5,212,187**			**11,273,632**			
Information about geographical segment *									
Revenue									
India			3,196,171,581			2,962,925,860			
Outside India			1,007,294,009			850,963,979			
			4,203,465,590			**3,813,889,839**			
Non Current Assets (Other than financial instrument, deferred tax and employee benefits) India			1,648,340,128			1,565,333,446			1,435,893,931
Outside India			—			—			—
			1,648,340,128			**1,565,333,446**			**1,435,893,931**

* 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 Group 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.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

42: FIRST TIME ADOPTION OF IND AS

First Ind AS Financial statements

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet as at April 1, 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006, as amended and the relevant provisions of the Act (Indian GAAP/Previous GAAP)

An explanation of how the transition from Previous GAAP to Ind AS has affected the Group's financial position and financial performance is set out in the following tables and notes:

A Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exemptions applied in the transition from Previous GAAP to Ind AS.

(i) Ind AS optional exemption

Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to transition date.

The Group elected to apply Ind AS prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Group has applied same exemption for restatement of investment in joint venture.

Deemed cost

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

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value on the date of transition.

(ii) Ind AS mandatory exception

Estimates

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

The estimates as at April 1, 2015 and March 31, 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect differences if any, in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:

(i) Impairment of financial assets based on the expected credit loss model; and

(ii) Investments in debt instruments carried as FVPL.

The estimates used by the Group to present the amounts in accordance with Ind AS reflect conditions that existed at the date of transition to Ind AS.

De-recognition of financial assets and liabilities

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

The Group has applied the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

B First time adoption reconciliations

Reconciliation of equity from Previous GAAP to Ind AS

Particulars	Note	Equity as at March 31, 2016	Equity as at April 1, 2015
Equity as per Indian GAAP		**742,987,882**	721,558,884
GAAP adjustments:			
Impact on account of reversal of proposed dividend (including tax)	**B.1**	65,125,419	51,254,640
Impact of fair valuation of Interest free loan from shareholder at initial recognition and subsequently at amortised cost	**B.2**	—	4,951,002
Impact of accounting for derivatives at Fair value through profit and loss	**B.3**	(753,083)	1,387,856
Impact of accounting for Government Grants	**B.4**	(2,694,268)	(2,923,567)
Impact of fair valuation of Security deposit at initial recognition and subsequently at amortised cost	**B.6**	(75,472)	(65,914)
Impact on account of reversal of goodwill amortisation	**B.8**	11,523,074	—
Impact on account of change in consolidation accounting of Transafe Services Limited	**B.9**	170,070,924	114,135,953
Impact of deferred taxes on the above adjustments	**B.10**	260,629	(2,193,746)
Total - GAAP adjustments		243,457,223	166,546,224
Equity as per Ind AS		986,445,105	888,105,108

Reconciliation of profit and loss for the year 2015-16

Particulars	Note	March 31, 2016 Rupees
Net Profit for the period as per Indian GAAP		**79,041,499**
GAAP adjustments:		
Impact of fair valuation of Interest free loan from shareholder at initial recognition and subsequently at amortised cost	**B.2**	(28,316,878)
Impact of accounting for derivatives at Fair value through profit and loss	**B.3**	(2,140,939)
Impact of accounting for Government Grants	**B.4**	229,299
Impact of recognising actuarial gains / losses in OCI	**B.5**	3,419,990
Impact of fair valuation of Security deposit at initial recognition and subsequently at amortised cost	**B.6**	(9,559)
Recognition of tax in equity in respect of items recognised in equity	**B.7**	9,084,600
Impact on account of reversal of goodwill amortisation	**B.8**	11,523,074
Impact on account of change in consolidation accounting of Transafe Services Limited	**B.9**	55,934,968
Impact of deferred taxes on the above adjustments	**B.10**	272,651
Total - GAAP adjustments		49,997,206
Profit / Loss as per Ind AS		129,038,705

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Explanations to reconciliations

B.1 **Impact on account of reversal of proposed dividend (including tax)**

Previous GAAP – Proposed dividends were recognised as a liability, basis adjusting event occurring after the balance sheet date.

Ind AS – Dividends are non-adjusting events after the balance sheet date and hence recognised as and when approved by the shareholders.

Consequent to the change, dividends proposed (incl. tax thereon) as at March 31, 2016 of Rs. 65,125,419 (April 01, 2015 of Rs. 51,254,640) have been reversed in equity. Effect of dividends approved during the year 2015-16 (incl. tax) of Rs. 51,254,640 has been recognised in equity.

B.2 **Impact of fair valuation of Interest free loan from shareholder at initial recognition and subsequently at amortised cost**

Previous GAAP – Interest free loans were recognised at the transaction price and subsequently reduced for repayments made. Waiver of the loan is recognised as write back in the statement of profit and loss as other income.

Ind AS – Interest free loans comprising of a contractual obligation to settle in cash are classified as a financial liability. The liability is initially recognised at fair value. Since the loan is from shareholder, the difference between the fair value and transaction price is recognised as deemed equity contribution by the shareholder. Subsequently, the liability is measured at amortized cost using the effective interest rate. The impact on this account has been recognised in the reserves on the transition date and the subsequent impacts are recognised in the statement of profit and loss and equity as applicable. Waiver of the loan is recognised in other equity as a transaction with owners in the capacity of an owner.

Consequent to the change, deemed equity contribution of Rs. 4,951,002 has been recognised out of the loan on the transition date. Subsequently, finance costs of Rs. 2,066,878 has been recognised in the statement of profit and loss as per the amortised cost method. The carrying amount of the loan on the date of waive off of Rs. 23,365,876 has been recognised in equity as a transaction with shareholder.

B.3 **Impact of accounting for derivatives at Fair value through profit and loss**

Previous GAAP – For derivatives, forward premium (i.e. difference between spot rate on the date of contract and the contractual forward rate) is amortised over the life of the forward contract. Exchange differences on the reporting date are recognised in statement of profit and loss.

Ind AS – Forward contracts (derivatives) are recognised at fair value on initial recognition and subsequently at fair value through profit and loss. The gain or loss on settlement of forward contracts recognised under previous GAAP has been restated under Ind AS.

Consequent to the change, the impact on equity at the transition date is gain of Rs. 1,387,856 and the loss impact in statement of profit or loss for the year 2015-16 is Rs. 2,140,939.

B.4 **Impact of accounting for Government Grants**

Indian GAAP – The Company had received a capital subsidy in relation to the set up of plant and machinery at Uttarakhand. The amount of grant received of Rs. 3,000,000 was recognised as capital reserve.

Ind AS – Government grants related to depreciable capital assets are recognised in the balance sheet as deferred income. The grant set up as deferred income is recognised in statement of profit and loss on a systematic basis over the useful life of the asset.

Consequent to the change, capital subsidy recognised in the past has been recognised as deferred grant income on the transition date. The impact on this account of Rs. 2,923,567 (net of amortisation of grant revenue upto the date of transition) has been recognised as a reduction from equity.

B.5 **Impact of recognising actuarial gains / losses on defined benefit obligations in other comprehensive income**

Indian GAAP – Actuarial gains / losses on defined benefit obligations is recognised in statement of profit and loss.

Ind AS – Actuarial gains / losses on defined benefit obligations is recognised in other comprehensive income. Consequently, actuarial losses of Rs. 3,419,990 has been recognised in OCI.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

B.6 **Impact of fair valuation of Interest free rent deposits at initial recognition and subsequently at amortised cost**

Indian GAAP – Interest free rent deposits were recognised at the transaction price and reduced for repayments/ adjustments made.

Ind AS – Interest free rent deposits are financial assets and are initially recognised at fair value. The difference between the fair value and transaction price is recognised as prepaid rent and amortised over the lease term. Deposit asset is subsequently measured at amortised cost resulting into finance income in the statement of profit and loss. Consequently, Rs.65,914 was recognised as reduction in equity on the transition date and the loss of Rs. 9,559 is recognised in the statement of profit and loss for the year ended March 31, 2016.

B.7 **Recognition of tax in equity in respect of items recognised in equity**

Indian GAAP – Tax expense i.e. current tax and deferred tax is recognised in statement of profit and loss.

Ind AS – Current tax and deferred tax that relates to items that are recognised, in the same or a different period in (a) other comprehensive income, shall be recognised in other comprehensive income (b) directly in equity, shall be recognised directly in equity. Consequently, Rs.9,084,600 was derecognised in statement of profit and loss and recognised in equity.

B.8 **Impact on account of reversal of goodwill amortisation**

Ind AS – Amortisation of goodwill arising on amalgamation is prohibited. Consequently, amortisation of Rs.11,523,074 was reversed in statement of profit and loss and equity.

B.9 **Impact on account of change in consolidation accounting of Transafe Services Limited**

Indian GAAP – Joint ventures are consolidated line by line as per the proportionate consolidation method.

Ind AS – Investments in joint ventures are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. If an entity's share of losses of a joint venture equals or exceeds its interest in joint venture, the entity discontinues recognising its share of further losses, unless the entity has incurred legal or constructive obligations or made payments on behalf of the joint venture. The interest in a joint venture is the carrying amount of the investment in the joint venture Consequently, the adjustment of Rs.114,135,953 was made at the transition date and Rs.55,934,968 was adjusted in the statement of profit and loss for the year 2015-16.

B.10 **Impact on account of deferred taxes**

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred tax has impacted the reserves on date of transition, with consequential impacts to the statement of profit and loss for the subsequent periods.

First time adoption: Joint venture

Under previous GAAP, Transafe Services Limited was classified as jointly venture and accounted for using the proportionate consolidation method. Under Ind AS, Transafe Services Limited has been classified as a Joint venture and accounted for using the equity method.

For the purposes of applying the equity method, the investment in Transafe Services Limited of Rs. Nil, as at the date of transition, has been measured as the aggregate of the carrying amounts of the assets and liabilities that the Group had previously proportionately consolidated adjusted for the impacts of losses not exceeding the carrying amount of the investment. The group has not recognised a liability for its share in the negative net assets of Rs. 2,77,062,457 since the group does not have any legal or constructive obligation in relation to the negative net assets.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

(i) The following assets and liabilities of Transafe Services Limited were previously proportionately consolidated under previous GAAP:

Particulars	**March 31, 2016 Rupees**	April 01, 2015 Rupees
Non-current assets		
Property, plant and equipment	501,409,197	544,179,956
Other non-current assets	9,983,208	25,023,372
Total non-current assets	**511,392,405**	**569,203,328**
Current assets		
Inventories	24,971,398	31,751,853
Trade receivables	68,285,597	59,703,306
Cash and cash equivalents	1,328,073	2,815,584
Other current assets	15,469,255	16,418,957
Total current assets	**110,054,323**	**110,689,700**
Total assets	**621,446,728**	**679,893,028**
Non-current liabilities		
Borrowings	364,581,367	475,010,541
Employee benefit obligations	784,713	750,905
Other non-current liabilities	8,159,483	9,572,250
Total non-current liabilities	**373,525,563**	**485,333,696**
Current liabilities		
Borrowings	127,476,771	112,394,255
Trade payables	51,371,196	37,126,931
Other current liabilities	239,144,122	159,174,099
Total current liabilities	**417,992,089**	**308,695,285**
Total liabilities		
Preference shares in the nature of a liability	136,348,500	136,348,500
Capital reserve recognised on proportionate consolidation under previous GAAP	26,578,006	26,578,006
Net assets derecognised	**(332,997,430)**	**(277,062,459)**
Share of net assets to be recognised under equity method	(332,997,430)	(277,062,459)
Share of losses in excess of the investment's carrying amount	(332,997,430)	(277,062,459)
Investment amount as per the equity method	—	—

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

(ii) The following items of income and expenditure were previously proportionately consolidated under previous GAAP:

Particulars	March 31, 2016 Rupees
Revenue	337,432,350
Expenses	
Employee benefit expense	25,617,360
Depreciation and amortisation expense	48,327,804
Finance costs	70,926,687
Other expenses	233,735,064
Current tax expense	14,760,406
Profit/(Loss) after tax	**(55,934,971)**
Share of loss	(55,934,971)
Share of losses in excess of the investment's carrying amount	(55,934,971)
Share of loss as per the equity method	—

Impact on account of equity accounting of Transafe Services Limited (Joint Venture) under Ind AS:

Share of profits of joint venture recognised as per equity method	—
Share of other comprehensive income (remeasurements) of joint venture recognised as per equity method	—

43 : INTEREST IN JOINT VENTURE

Set out below is the disclosure pertaining to a Joint venture Company of the Group as at March 31, 2017. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method
Transafe Services Limited	India	50%	Joint Venture	Equity method

Transafe Services Limited started its business of leasing containers for road and rail transportation of goods. Later it forayed into the business of specialty container manufacturing and logistics services.

Commitments and contingent liabilities in respect of Transafe Services Limited (Joint venture)*

Particulars	**March 31, 2017 Rupees**	March 31, 2016 Rupees	April 1, 2015 Rupees
Claims against the company not acknowledged as debt relating to:			
Excise duty	**7,903,500**	8,699,500	4,443,500
Sales tax	**33,649,000**	33,422,000	33,422,000
Service tax	**196,012,000**	184,022,000	153,238,500
Erstwhile employee and suppliers (pending legal cases)	**6,090,000**	4,788,000	3,483,500
Total commitments and contingent liabilities	**243,654,500**	230,931,500	194,587,500

* In addition to above cases six cases are such where amount is unascertainable at this stage.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Summarised financial information for Transafe Services Limited (Joint venture)

The tables below provide summarised financial information for the Transafe Services Limited (Joint venture). The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture and not Balmer Lawrie Van Leer Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Particulars	**March 31, 2017 Rupees**	March 31, 2016 Rupees	April 1, 2015 Rupees
Non-current assets			
Property, plant and equipment	**897,760,268**	989,817,861	1,074,936,632
Capital work-in-progress	**7,860,241**	7,860,241	8,225,875
Other non current assets	**5,026,078**	5,083,186	5,140,294
Deferred tax assets (net)	**135,655,144**	87,662,105	54,487,449
Total non-current assets	**1,046,301,731**	**1,090,423,393**	**1,142,790,250**
Current assets			
Inventories	**62,413,945**	49,942,797	63,503,706
Financial assets	**157,826,075**	154,977,810	144,209,991
Current tax assets	**71,199,167**	79,377,941	79,937,461
Other current assets	**19,278,438**	15,380,493	14,745,890
Total current assets	**310,717,625**	**299,679,041**	**302,397,048**
Total assets	**1,357,019,356**	**1,390,102,434**	**1,445,187,298**
Non-current liabilities			
Financial liabilities	**920,932,057**	1,135,140,392	1,332,819,495
Provisions	**1,634,146**	1,434,065	1,501,810
Other non-current liabilities	**8,239,242**	7,847,332	8,720,387
Total non-current liabilities	**930,805,445**	**1,144,421,789**	**1,343,041,692**
Current liabilities			
Financial liabilities	**1,055,762,729**	833,446,967	623,418,750
Provisions	**106,780**	135,361	—
Other current liabilities	**77,204,043**	11,114,543	5,389,369
Current tax liabilities	**30,337,703**	30,337,703	30,337,703
Total current liabilities	**1,163,411,255**	**875,034,574**	**659,145,822**
Total liabilities	**2,094,216,700**	**2,019,456,363**	**2,002,187,514**
Net assets	**(737,197,344)**	**(629,353,929)**	**(557,000,216)**

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

Reconciliation to carrying amounts

Particulars	**March 31, 2017 Rupees**	March 31, 2016 Rupees
Opening net assets	**(629,353,929)**	(557,000,216)
Loss for the year	**(107,849,994)**	(72,492,873)
Other comprehensive income	**6,579**	139,160
Closing net assets	**(737,197,344)**	(629,353,929)

Summarised statement of profit and loss

Particulars	**March 31, 2017 Rupees**	March 31, 2016 Rupees
Revenue	**548,166,206**	636,245,665
Interest income	**2,450,650**	1,828,565
Other income	**17,605,384**	151,504,855
Cost of materials consumed	**103,542,198**	115,107,096
Purchase of stock-in-trade	**6,316,552**	325,000
Changes in inventories of work-in-progress, stock-in-trade and finished goods	**(6,328,829)**	7,890,208
Excise duty	**17,178,941**	20,199,687
Employee benefit expense	**54,529,682**	51,373,880
Depreciation and amortisation expense	**94,125,093**	96,598,500
Finance costs	**163,435,504**	165,032,619
Other expenses	**291,266,133**	438,719,626
Income tax expenses	**(47,993,040)**	(33,174,658)
Loss for the year	**(107,849,994)**	(72,492,873)
Other comprehensive income	**6,579**	139,160
Total comprehensive income	**(107,843,415)**	(72,353,713)
Share of loss as per the equity method	**(53,921,708)**	(36,176,857)
Share of loss over the investment value	**53,921,708**	36,176,857
Loss recognised in statement of profit and loss	**—**	—

44: EARNINGS PER SHARE

Particulars	**Year ended March 31, 2017 Rupees**	Year ended March 31, 2016 Rupees
I. Profit Computation for both Basic and Diluted Earnings per share:		
Net Profit attributable to equity share holders (in Rs.)	**184,671,483**	129,038,705
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.)	**10.27**	7.18
Diluted (in Rs.)	**10.27**	7.18

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

45:

(a) The Company had purchased 11,361,999 Equity Shares of Rs. 10 each of Transafe Services Limited ("TSL"), an unlisted Company, from ICICI Venture Funds Management Company Limited @ Rs. 16 per share during the year ended March 31, 2010 at the total consideration of Rs. 181,791,984. The investment was made by availing a 100% loan from Balmer Lawrie and Company Limited ("BL") under the loan agreement with BL dated July 31, 2009. As per the said loan agreement, the Company is liable to pay interest on the outstanding principal amount @ 9% per annum or the prevailing bank rate, whichever is higher, annually by September 30 each year.

Post investment, TSL has been reporting continuous losses. Consequent to the losses and erosion in the net worth (negative net worth as at March 31, 2017 of Rs. 737,197,344), the fair value of investment held by the Company has come down. The Company has made no provision in the accounts for such notional diminution in the value of the investment by virtue of the provision in clause 1.3 of the aforesaid loan agreement executed with BL.

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

In the event, the Company desires to sell all or part of the TSL shares within the aforesaid period of 108 months, the same can be done by obtaining prior approval from BL and there shall be an obligation on the Company to repay the loan to BL from the proceeds of such sale of TSL shares and also execute a satisfactory interim security as mutually agreed. Also, in the event of termination of the agreement, the Company shall be liable to repay the entire loan amount along with the interest due thereon to BL.

During the year ended March 31, 2013, the Company had expressed its inability to BL to pay accrued interest amounting to Rs. 29,450,302 (net of TDS) for the financial years ended March 31, 2011 and March 31, 2012. As the Company had never earned any income from this investment and the interest expense 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. 29,450,302 and has not accrued the annual interest expense of Rs. 16,361,279 for the financial years ended March 31, 2013 to March 31, 2017 based on the written communication to BL.

(b) Continuous losses incurred by Transafe Services Limited (TSL) over the last few years have resulted in negative net worth of Rs. 737,197,344 as at March 31, 2017. Based on negative net worth as at March 31, 2013, a reference application was made to Board for Industrial and Financial Reconstruction (BIFR) under Section 15 of The Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) on July 22, 2013. TSL's reference was pending with BIFR. The Ministry of Finance vide its notification Nos. S.O.3568 (E) and 3699 (E) has repealed SICA, 1985 and dissolved the BIFR. Consequently, all pending references / appeals before BIFR stands abated.

The management of TSL in order to revive TSL has approached all the five consortium bankers for One Time Settlement (OTS) and waiver of 50% existing term loans, working capital, preference share capital with the sole objective of reducing the finance charges which has been strangulating TSL. Through such restructuring, TSL will revive through reduction of finance charges and easing out funds for working capital for its day to day business operation. The proposed OTS is expected to bring out TSL from a negative net worth to a positive zone.

The management is hopeful of revival of TSL on the following grounds:

(i) For Manufacturing Business:

a. Orders in hand and the ones in pipeline show better prospects;

b. Business with ONGC and ISRO is expected to reach new heights;

c. Improvement in production facilities in the area of shot blasting and painting;

d. Signed MOU with Powerica, Bangalore for supply of Genset Containers;

e. Expected MOU with BHEL, Bhopal for supply of Solar Panel Containers under PM's Make in India scheme; and

f. Tapping huge business of Koiltainers.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

(ii) For Logistics Business:

a. Increase in corporate client base with better margin;

b. Widening the customer base to cater to varying logistics needs;

c. Focusing on tender business on e-portals;

d. Thrust on reduction of turnaround time;

e. Better asset utilisation; and

f. More penetration into transport activities of promoter company.

(iii) For Leasing Business:

a. Reducing idle / off leased stock of containers;

b. Increase in customer base;

c. Better product mixes, i.e. leaving customers with lower rates for higher per container per day (PCPD) rate customers; and

d. Thrust on collection for repairs against off leased containers.

46:

National Company Law Tribunal (NCLT) had sanctioned the scheme of amalgamation of Proseal Closures Limited with the Company at the hearing held on March 16, 2017. The Company has received certified copy of the order issued by NCLT on June 23, 2017. The Company is yet to file the aforesaid order with Registrar of Companies (ROC). Scheme of amalgamation shall be effective once the order is filed with the ROC.

47:

The Company has entered into cancellable leasing arrangements mainly for residential flats, office premises, warehouse, vehicles etc. The Lease rent of Rs. 4,102,144 (Previous Year: Rs. 4,308,409) has been included under the head 'Other Expenses - Rent' in Note 31 to the Consolidated Financial Statements.

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

Particulars	**As at March 31, 2017 Rupees**	As at March 31, 2016 Rupees
Not later than 1 year	**2,505,614**	2,656,737
Later than 1 year but not later than 5 years	**—**	2,538,060
Later than 5 years	**—**	—
Total	**2,505,614**	5,194,797

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2017

48:

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 and the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

	SBNs*	**Other denomination notes**	**Total**
Closing cash in hand as at November 08, 2016	**105,500**	**17,122**	**122,622**
(+) Permitted receipts**	86,000	171,000	**257,000**
(-) Permitted payments	—	(147,264)	**(147,264)**
(-) Amount deposited in Banks	(191,500)	—	**(191,500)**
(+) Amount withdrawn from Bank	—	107,363	**107,363**
Closing cash on hand as at December 30, 2016	**—**	**148,221**	**148,221**

* The term 'Specified Bank Notes' shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 08, 2016.

** Amount received from employees which represents Imprest and Advance.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

Bharat Shetty
Partner

Mumbai, July 7, 2017

For and on behalf of the Board of Directors

D. Sothi Selvam – *Director*
Kannan Ananthakrishnan – *Director*

Girish Pundlik – *Chief Executive Officer*

Sanjay Datta – *Chief Financial Officer*

Rajesh Juthani – *Company Secretary*

Kolkata, July 6, 2017

Balmer Lawrie-Van Leer Limited

CIN: U99999MH1962PLC012424
Registered Office:
D-195/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai-400 705
Tel: +91 22 67396400; Fax: +91 22 6739 6436; Email: compliance_officer@blvlindia.com:
Website: www.blvlindia.com

PROXY FORM

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

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

Registered Address: ....

E-mail Id: ....

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

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

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

Address: ....

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

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

Address: ....

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

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

Address: ....

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

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 57th Annual General Meeting of the Company to be held on Thursday, the 21st September, 2017 at 11.00 A.M. at the Registered office of the Company at D-195/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai-400 705 and at any adjournment thereof in respect of resolutions indicated below:

Ordinary Business
Adoption of Audited Financial Statements for the year ended on 31st March, 2017 together with the Report of the Directors and Auditors thereon.
Declaration of Dividend on Equity Shares
Re-appointment of Mr. Kannan Ananthakrishnan (DIN: 05281184) as Director liable to retire by rotation
Re-appointment of Mr. D. Sothi Selvam (DIN: 07038156) as Director liable to retire by rotation
Appointment of M/s. Walker Chandiok & Co. LLP (Formerly Walker Chandiok & Co.) Chartered Accountants (Registration No. 001076N/N500013) as Statutory Auditors of the Company and fixing their remuneration.

Affix Revenue Stamp of Re. 1

Signed this .... day of 2017

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

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

If not delivered, please return to :

Balmer Lawrie-Van Leer Limited

D-195/2, TTC Industrial Area,

MIDC Turbhe, Navi Mumbai-400 705

Designed and Printed by
neilgrafix@gmail.com