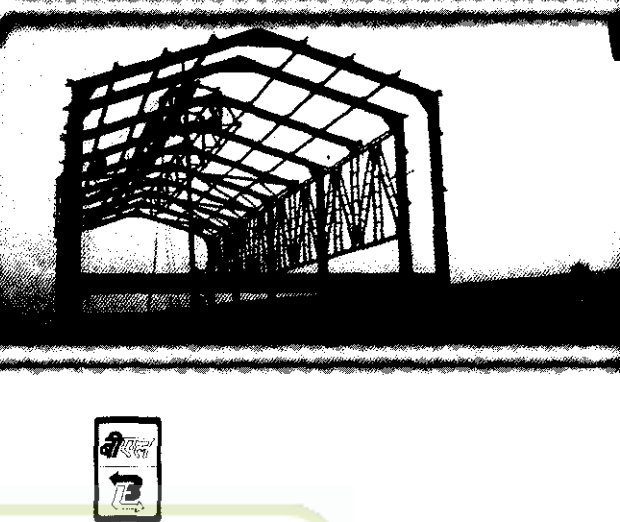
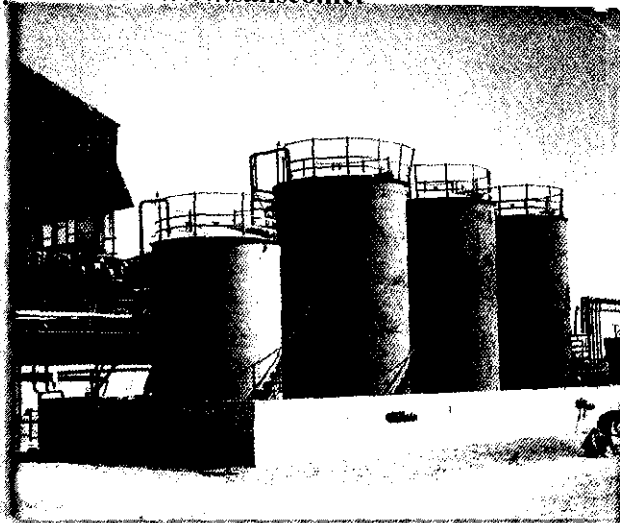
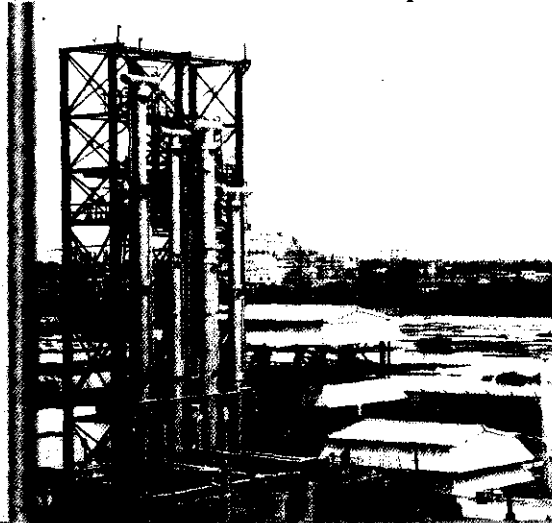
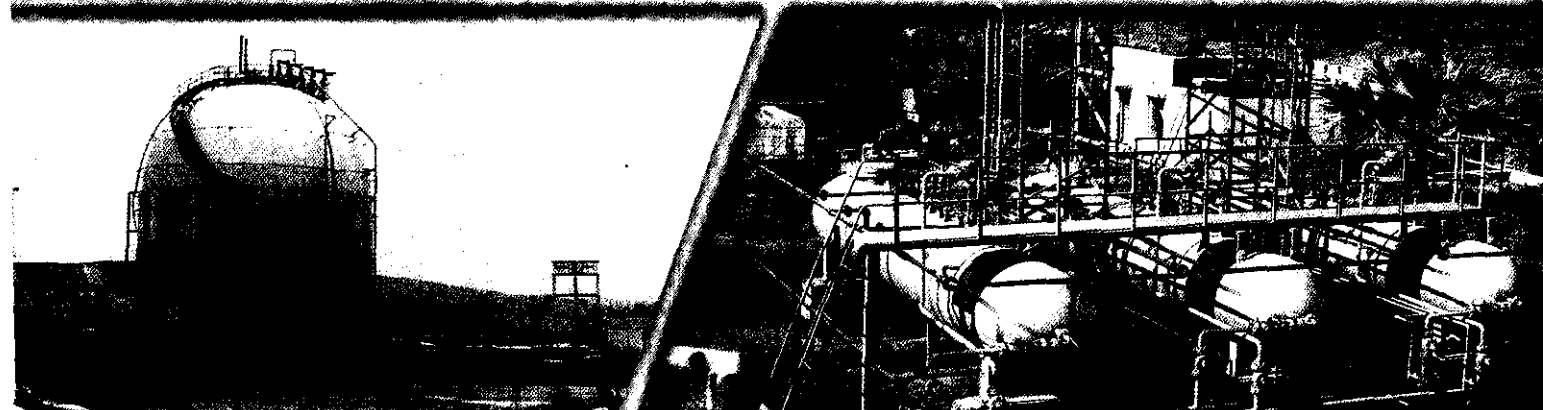
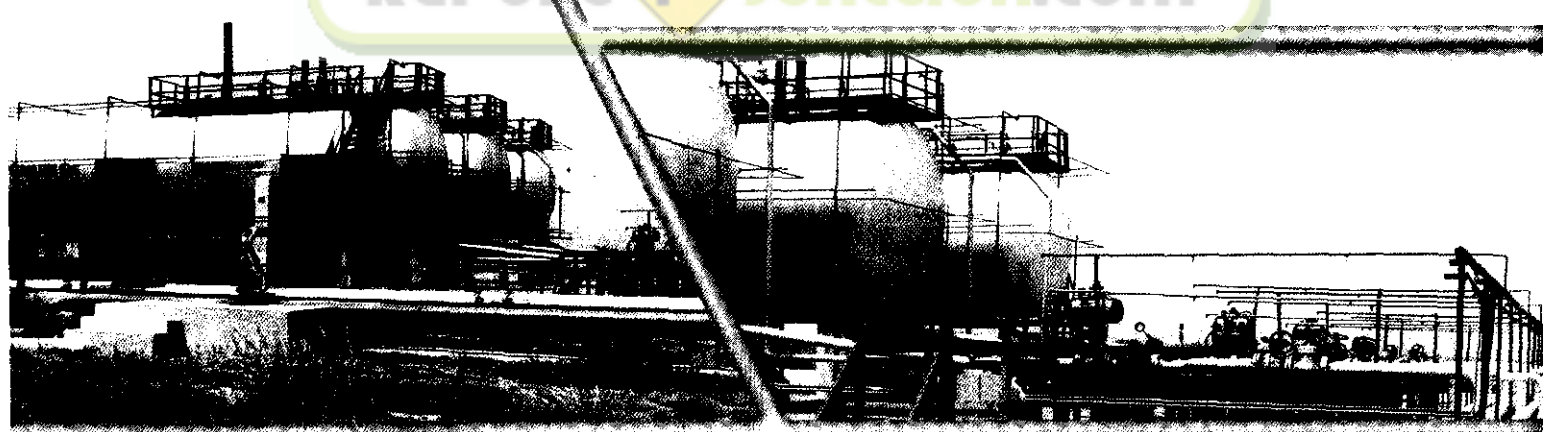


# ANNUAL REPORT 1999-2000



**Balmer Lawrie & Co. Ltd.**





**Balmer Lawrie & Co. Ltd.**

### **Mission**

*"To maintain market leadership in the chosen fields of activities viz. Lubricants, Chemicals, Packaging, Containerisation and Services through continuous growth in domestic and export operations."*

### **Beliefs**

*"Preserve and foster our century old tradition of deep-rooted commitment to business values, employee pride in the organisation and company's concern for well being, professional & career advancement of employees at all levels as also advancement of social benefits."*

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## Balmer Lawrie & Co. Ltd.

### Board of Directors

S. N. Mathur  
*Chairman*  
Dr. C. V. Chandrasekharan  
*Managing Director*  
A. K. Srivastava  
R. Singhal  
N. P. Singh  
P. K. Bishnoi

### Company Secretary

R. Mukherjee

### Executive Directors

S. B. Chakravarty  
A. K. Ghosh  
M. Haque  
P. Radhakrishnan

### Bankers

ABN AMRO Bank NV  
Allahabad Bank  
ANZ Grindlays Bank Limited  
Bank of Baroda  
Canara Bank  
Citibank NA  
HDFC Bank Limited  
State Bank of India  
The Hongkong and Shanghai Banking Corporation Limited  
United Bank of India

### Auditors

S. K. Basu & Co.

### Branch Auditors

R. M. Khandelwal & Co.  
Kalyanasundaram & Co.  
B. Jain & Associates  
Samar Bose & Co.

### Registrar & Share Transfer Agents

MCS Limited

## KEY MANAGEMENT PERSONNEL

Name	Qualification	Designation	Age (in completed Years)	Total No. of years of experience
Dr. C. V. Chandrasekharan	B.Sc., MBA, Ph. D, F.I.C.	Managing Director	59	37
N. P. Singh	B. Sc. (Engg.)	Director (Bombay)	55	31
R. Singhal	B. Sc. Engg. (Mech.), PGDBM (IIM-A)	Director (Calcutta)	53	31
P. K. Bishnoi	B. Sc. (H) - Petroleum Engg., PGDM (IIM-A)	Director (Finance)	49	26
S. B. Chakravarty	B. Tech. (Hons.), IITB, PGDBM- (IIM-C)	Executive Director (Technical)	51	27
Dr. M. Haque	B. Sc., MBBS, TDD	Executive Director (Medical Services)	58	31
P. Radhakrishnan	B. A., DSW	Executive Director (Human Resource)	50	26
A. K. Ghosh	B. Com., ACA	Executive Director (Logistics Management)	49	24
R. Kannan	B. Tech. (Chem. Engg.)	General Manager (Grease and Oleochemical Specialities, Bombay)	55	34
P. B. Anand Rao	B. E. (Mech.), MIE	General Manager (Mfg. Industrial Packaging)	53	31
K. V. Rajan	B. A.	General Manager (Tours and Travel)	52	31
S. K. Mukherji	B. Com., AICWA	General Manager (Finance)	48	31
V. N. Sharma	B. Tech. (Chem. Engg.), MBA	General Manager (Grease & Lubricants)	47	24
P. P. Sahoo	B. A. (H), M.A. (PM and IR), LL.B	General Manager (Tea)	45	22
A. Dayal *	B.A., D.M.M.	General Manager (Marketing)	45	24
G. Roy	B. Tech. (Hons.) in Mechanical Engineering	General Manager (Madras)	50	29
B. K. Sen	B. E. (Cal), C. Engg. (I) FICA, FIV.	General Manager (Projects), Calcutta	55	34
R. Mukherjee	B. Com., LL.B., FCS, FICWA	Company Secretary	44	19

\* On secondment from Balmer Lawrie - Van Leer Ltd.



**Balmer Lawrie & Co. Ltd.****NOTICE TO THE MEMBERS**

NOTICE is hereby given that the 83rd Annual General Meeting of the Members of Balmer Lawrie & Co. Ltd., will be held at Ghanashyam Das Birla Sabhagar, 29, Ashutosh Choudhury Avenue, Calcutta-700 019 on Monday, 25 September, 2000 at 10.30 a.m. to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Balance Sheet as at 31 March, 2000 and the Profit and Loss Account for the financial year ended 31 March, 2000 and the Reports of the Auditors and Directors thereon.
2. To declare dividends.
3. To appoint Directors in place of Shri S. N. Mathur and Dr. C. V. Chandrasekharan who retire by rotation and being eligible, offer themselves for re-appointment.

**SPECIAL BUSINESS :**

To consider and, if thought fit, to pass with or without modification(s), the following resolutions :

4. **As an Ordinary Resolution :**

"RESOLVED THAT Shri A. K. Srivastava be and is hereby appointed a Director of the Company whose office will be subject to determination by retirement of Directors by rotation."

5. **As an Ordinary Resolution :**

"RESOLVED THAT the existing Capital Clause (No. 5) of the Memorandum of Association of the Company be substituted with the following amendments, pursuant to Section 16 of the Companies Act, 1956 :

5 – The Authorised Share Capital of the Company is Rs. 30,00,00,000 (Rupees thirty crores only) divided into such number of Equity and Preference Shares of the face value of Rs. 10 each as would not exceed the total capital amount of Rs. 30,00,00,000 (Rupees thirty crores only) with such rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being with power to increase and reduce the capital of the Company and to attach thereto such preferential rights, privileges or conditions as may be deemed fit by the Members of the Company in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulation of the Company."

6. **As a Special Resolution :**

"RESOLVED THAT subject to approval of the members and pursuant to Section 31 of the Companies Act, 1956, the following amendment be incorporated in Clause 3 of the Articles of Association of the Company, viz :

3 – The Authorised Share Capital of the Company is Rs. 30,00,00,000 (Rupees thirty crores only) divided into such number of Equity and Preference Shares of face value of Rs. 10 each as would not exceed the total capital amount as stated above. In case of redeemable preference shares, the terms of redemption shall be determined by the Board of Directors at the time of issue or before the redemption date of such shares."

7. **As a Special Resolution :**

"RESOLVED THAT pursuant to Sections 80 and 81(1A) of the Companies Act, 1956 (hereinafter stated as "the Act") and subject to all necessary approvals, consents and conditions that may be prescribed and to such modifications as any appropriate authority may direct while giving such consent or approval which the Directors be and are hereby authorised to accept if they consider fit and proper so to do, for the purpose of issue of not more than 1,20,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each, amounting to not more than Rs. 12,00,00,000 (Rupees twelve crores only) be issued at times, as appropriate, to be fixed by the Board of Directors hereafter, at par upon the following terms and conditions and subject to the following rights :

(a) The said Cumulative Redeemable Preference Shares shall carry a fixed Cumulative Preferential Dividend per annum at such percentage on the face value of such shares as may be fixed by the Board of Directors for issuance of such shares from time to time and shall be redeemable not later than ten years from the date of allotment.

**Balmer Lawrie & Co.Ltd.**

- (b) The said shares shall rank for dividend in priority to the issued Equity Shares for the time being, of the Company.
- (c) The said shares shall in winding up entitled to rank, as regards repayment of Capital and arrears of dividend, whether declared or not, up to the commencement of winding up, in priority to issued Equity Shares but shall not be entitled to any further participation in profits or assets.
- (d) The voting rights of the persons holding the said shares be in accordance with the provisions of Section 87 of the Act.
- (e) The Company shall not create and/or issue in future Preference Shares ranking in priority to the said shares and in the event of the Company creating and/or issuing Preference Shares in future ranking *pari passu* with the said shares, it would do so only with the consent in writing of the holders of not less than three-fourths of the said shares then outstanding or with the sanction of special resolution passed by the holders of the said shares then outstanding."

"RESOLVED FURTHER THAT notwithstanding anything contained in Section 81(1A) and other applicable provisions (if any) of the Act, the aforesaid Cumulative Redeemable Preference Shares to be issued as aforesaid may be offered by the Board of Directors of the Company to any person or persons (whether or not such person or persons include the person or persons who, at the date of the offer, are holders of the Equity Shares of the Company) in any manner whatsoever."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to make arrangements with any bank, financial institution or any other authorised body or person to underwrite the whole or any part of the issue of the above-mentioned shares if required, subject to the provisions of Section 76 of the Act."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary, usual, proper or expedient to give effect to this Resolution."

Registered Office :  
21, Netaji Subhas Road  
Calcutta 700 001  
25 August, 2000

By Order of the Board  
R. Mukherjee  
Company Secretary

**Notes :**

- **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL IN HIS STEAD, AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- Proxies in order to be effective, must be received at the Registered Office not less than 48 hours before the Meeting.
- The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 (hereinafter referred to as "the Act") is annexed hereto, together with the details of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting.
- Dividend, if any, that may be declared at the Meeting, shall be paid (except dividends which are to be kept under abeyance as per the provisions of Section 206A of the Act) to those members, whose names shall appear in the Register of Members or in the beneficiaries list of the Depositories on 25 September, 2000.
- Members are requested to :
  - (i) intimate MCS Ltd., (the Registrar & Share Transfer Agents, at Sri Venkatesh Mangalam, B-24/26 Hemant Basu Sarani, Calcutta-700 001) immediately about their bank account number, name and address of the bank. The Company wishes to print the aforesaid information on the dividend warrants. Members may kindly fill in the mandate form for availing ECS which is attached with the Proxy and Admission Slip;
  - (ii) intimate MCS Ltd., immediately, if there is any change in their address ( including Pin Code ), mandate, bank account details etc.;
  - (iii) quote the ledger folio or Client ID and DP ID numbers in all communication with the Company;
  - (iv) bring their copies of Annual Report together with Admission Slip and Entry Pass to the venue. Annual Report shall not be distributed at the venue of the Meeting;
  - (v) note that, the Register of Members and Share Transfer Books shall remain closed from 19 September, 2000 to 25 September, 2000 (both days inclusive);
  - (vi) note that unclaimed Dividends upto Interim Dividend, paid in 1995 have been transferred to the General Revenue Account of the Central Government pursuant to Section 205A of the Act. Unclaimed Dividends on and from the Final Dividend of 1995 shall be deposited with the Investor Education and Protection Fund as and when applicable regulation under Section 205A of the Act shall be framed.

**Balmer Lawrie & Co. Ltd.****Details of the Directors seeking Appointment/re-Appointment in the 83rd Annual General Meeting to be held on 25 September, 2000.**

Name of Director	Shri S. N. Mathur	Dr. C. V. Chandrasekharan	Shri A. K. Srivastava
Date of Birth	23 September, 1945	28 November, 1940	23 January, 1960
Date of Appointment	—	—	28 April, 2000
Date of last re-Appointment	24 September, 1998	23 September, 1997	—
Qualification	B. Tech. (Hons.) in Chem. Engg. Graduate IIT, Mumbai	B.Sc., MBA, Ph.D., FIC	BE (Mech. Engg.), (CEI, London), AMIE'B' (Electrical), P.G.D.B.M. (Financial Management) – AIMA.
Expertise in Specific Functional area	Having over 33 years of experience in the Petroleum Industry, and has worked with ESSO, Hindusthan Petroleum Corporation Limited, Ministry of Petroleum & Natural Gas, Oil Co-ordination Committee prior to assuming the current assignment. Has also served as Director of Bongaigaon Refinery Limited, Cochin Refineries Limited, Lubrizol India Limited, Madras Refineries Limited and on several subsidiaries/joint venture companies of Balmer Lawrie & Company Limited, Hindusthan Petroleum Corporation Limited, IBP Company Limited. He also served as Chairman & Managing Director of Madras Refineries Limited. At present Chairman & Managing Director of IBP Company Limited and Chairman of Balmer Lawrie & Company Limited and Biecco Lawrie Limited.	Having over 38 years of experience in Balmer Lawrie & Company Limited, of which 8 years at the Board level and more than 4 years as the Chief Executive Officer of the Company. A well known expert in Lube and Grease manufacturing, varied experience in Research & Development, projects and general management. Concurrently, Chairman of Balmer Lawrie Freight Containers Limited and Indian Container Leasing Company Limited. Nominee Director in AVI-OIL India Limited, Balmer Lawrie (UAE) LLC., Balmer Lawrie-Van Leer Limited, Cochin Refineries Balmer Lawrie Limited, and a Director of Balmer Lawrie (U.K.) Limited a wholly owned subsidiary of Balmer Lawrie & Company Limited. Active in industrial and commercial trade bodies, and have been called to the Board of Kerala State Industrial Development Corporation and elected to the Governing Committee of Bengal Chamber of Commerce and Industries.	An I.A.S. of 1982 batch from Uttar Pradesh Cadre. Served in the State of Uttar Pradesh in various capacities including District Magistrate and Collector in Siddharthnagar, Divisional Commissioner in Azamgarh, Secretary to the Department of Irrigation and Home Secretary (Uttar Pradesh). Currently, Director (Marketing) in the Ministry of Petroleum & Natural Gas.



## Explanatory Statement

Under Section 173(2) of the Companies Act, 1956

### Item No. 4

Shri Avinash K. Srivastava, I.A.S. ('82) Director (Marketing), Ministry of Petroleum & Natural Gas was appointed additional Director on April 28, 2000.

Pursuant to Section 260 of the Companies Act, 1956 (hereinafter referred to as "the Act") and Article 9 of the Articles of Association of the Company, Shri Srivastava shall hold office only upto the date of the forthcoming Annual General Meeting.

The Company has received an appropriate notice from a member under Section 257 of the Act, proposing the appointment of Shri Srivastava as Director of the Company whose office will be subject to determination by retirement of Director by rotation.

The letter dated April 28, 2000 received in this regard for the appointment of Shri Srivastava from the Ministry of Petroleum and Natural Gas, Government of India, and the Articles of Association of the Company, are open for inspection at the Registered Office on all working days (except Saturdays) during 10 a.m. to 12 noon.

Except Shri Srivastava, no other Director is interested or concerned in Resolution number 4.

Your Directors recommend the ordinary resolution for your approval.

### Item Nos. 5, 6 and 7

The Authorised Capital of the Company was increased on 28 September 1993 by an ordinary resolution to Rs. 30,00,00,000 (Rupees thirty crores only) divided into 3,00,00,000 Equity Shares of Rs. 10 each. The Issued Subscribed and Paid up Equity Capital at present is Rs. 16,28,60,810 divided into 1,62,86,081 Equity Shares of Rs. 10 each.

In order to raise financial resources and/or reduce the cost of finance, it may be considered expedient to include a provision in the Capital Clause of the Memorandum and Articles of Association, which shall enable the Board of Directors to issue Cumulative Redeemable Preference Shares of not more than Rs. 12 crores, with appropriate rate of dividend and terms of redemption as may be determined at the time of making such issue. This proposal does not require any increase in the Authorised Capital and it is possible to make such issue out of the un-issued portion of the existing Authorised Capital.

The above proposal however requires an amendment in the Capital Clause of the Memorandum and Articles of Association which have been stipulated in resolution number 5 and 6 respectively in the Notice convening the Annual General Meeting. To enable the company to make such issue, an appropriate resolution under Clause 7 of the said notice has also been stated.

Resolution number 5 is an ordinary resolution, whereas 6 and 7 are special resolutions. The Members may approve these resolutions.

A copy of the Articles of Association shall be available for inspection by the Members between 10 a.m. and 12 noon on any working day (except Saturdays) at the Registered Office pursuant to Article 169 of the Articles of Association.

The following Directors of the Company hold equity shares as stated below and they may be concerned in the proposed resolutions to the extent of their respective holding.

Names of the Directors	Number of Equity Shares held
Dr. C. V. Chandrasekharan	6,750
Shri R. Singhal	223
Shri N. P. Singh	255
Shri P. K. Bishnoi	68

**Balmer Lawrie & Co. Ltd.****Report on Corporate Governance****Philosophy**

**A stakeholder caring, transparent Company with high ethical standards.**

**Board of Directors****Shri S N Mathur**

*Chairman*

Shri Mathur was appointed as non-executive Chairman on 9 December 1995. The Company maintains an office at the Registered Office for the Chairman.

Shri Mathur also holds Directorship in the following Companies

Balmer Lawrie (UAE) LLC.	Director
Biecco Lawrie Ltd.	Chairman
IBP Co. Ltd.	Chairman & Managing Director
India Oil Tanking Ltd.	Director
Numaligarh Refinery Ltd.	Director

**Dr. C V Chandrasekharan**

*Managing Director*

Dr. Chandrasekharan became a Wholetime Director on 15 September 1992. He was appointed Managing Director on 9 January 1996 for a term of 5 years or till the date of superannuation, whichever is earlier.

Dr. Chandrasekharan also holds Directorship in the following Companies

Avi-Oil India Ltd.	Director
Balmer Lawrie Freight Containers Ltd.	Chairman
Balmer Lawrie (UAE) LLC.	Vice Chairman
Balmer Lawrie (UK) Ltd.	Chairman
Balmer Lawrie – Van Leer Ltd.	Chairman
Bengal Chamber of Commerce & Industries	Director
Cochin Refineries – Balmer Lawrie Ltd.	Director
Indian Container Leasing Company	Chairman
Kerala State Industrial Development Corporation Ltd.	Director

**Shri A K Srivastava**

*Director*

Shri Srivastava has been nominated by the Ministry of Petroleum & Natural Gas to act as a Director and accordingly, he has been inducted on the Board as an Additional Director on 28 April 2000. An ordinary resolution for his re-appointment has been included in the Special Business of the Notice convening the Annual General Meeting.

Shri Srivastava also holds Directorship in the following Company

Biecco Lawrie Ltd.	Director
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**Shri R Singhal**

*Director (Calcutta)*

Shri Singhal was appointed a Wholetime Director on 30 January 1997. He was re-appointed by the Shareholders on 23 September 1997, at the 80th Annual General Meeting.

Shri Singhal also holds Directorship in the following Company :

Cochin Refineries – Balmer Lawrie Ltd.	Director
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**Shri N P Singh**

*Director (Bombay)*

Shri Singh was appointed Wholetime Director on 30 January 1997. He was re-appointed by the Shareholders on 23 September 1997, at the 80th Annual General Meeting.

Shri Singh also holds Directorship in the following Company :

Balmer Lawrie – Van Leer Ltd.	Director
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**Shri P K Bishnoi**

*Director (Finance)*

Shri Bishnoi was appointed Wholetime Director on 22 January 1998. Thereafter he was re-appointed by the Shareholders on 24 September 1998, at the 81st Annual General Meeting:

Shri Bishnoi also holds Directorship in the following Companies:

Balmer Lawrie (UK) Ltd.	Director
Cochin Refineries – Balmer Lawrie Ltd.	Director