Balmer Lawrie

ANNUAL REPORT 2010-11


Balmer Lawrie - UAE


Balmer Lawrie - Van Leer


Transafe Services


AVI - OIL


PT Balmer Lawrie Indonesia

बामर लॉरी एण्ड कं. लिमिटेड
(भारत सरकार का एक प्रतिष्ठान)

SINCE 1867

Balmer Lawrie & Co. Ltd.
(A Government of India Enterprise)

Vision

To be a leading diversified corporate entity having market leadership with global footprints in the chosen business segments, consistently delivering value to all stakeholders, with a high degree of environmental and social responsibility.

Mission

To gain market leadership in all business segments, make them robust through innovative business processes, selective restructuring, efficient / effective use of resources and thereby surpass a turnover of ₹ 3500 crores and profit before tax of ₹ 350 crores by 2015.

In this journey, foster a century old tradition of deep-rooted commitment to business values, employee pride in the organization and inclusive growth.

CONTENTS

Board of Directors	:	Shri S. K. Mukherjee, Chairman & Managing Director Shri VLVSS Subba Rao, Govt. Nominee Director Shri Shri Prakash, Govt. Nominee Director Shhri V. N. Sharma, Director (Manufacturing Businesses) Shri K. Subramanyan, Director (Finance) Shri V. Sinha, Director (Service Businesses) Shri Kashi C Murarka, Independent Director Shri Arun Seth, Independent Director Shri M. P. Bezbaruah, Independent Director Shri P. K. Bora, Independent Director Shri Asish K. Bhattacharyya, Independent Director Smt. Abha Chaturvedi, Independent Director
Company Secretary	:	Shri Amit Ghosh
Registered Office	:	Balmer Lawrie House 21, Netaji Subhas Road Kolkata - 700 001
Bankers	:	Allahabad Bank Bank of Baroda Canara Bank HDFC Bank Limited Indusind Bank Limited Standard Chartered Bank State Bank of India The Hongkong and Shanghai Banking Corporation Limited United Bank of India Vijaya Bank
Statutory Auditors	:	Messrs. J. Gupta & Co. 12, Waterloo Street, 2nd Floor, Room No. 10 Kolkata - 700 069
Branch Auditors	:	Messrs Padmanabhan Prakash & Co. 5, Smith Road, 2nd Floor Northern Wing Chennai - 600 002 Messrs M M Nissim And Co. Barodawala Mansion, B Wing 3rd Floor, 81, Dr. Annie Besand Road, Worli Mumbai - 400 018 Messrs H. S. Rustagi & Co. 4654/21, Daryaganj, II Floor New Delhi - 110 002
Internal Auditors	:	Messrs Haribhakti & Co Geetanjali Apartments Flat No. 7G, 7th FLoor 8B, Middleton Street Kolkata - 700 071
Registrar & Share Transfer Agent	:	Link Intime India Pvt. Ltd. 59C, Chowringhee Road, 3rd Floor Kolkata - 700 020

MANAGEMENT TEAM

Sl. No.	Name	Qualification	Designation	Date of Birth	Date of Joining the Company	Total No. of completed years of experience [as on 31.05.2011]
1	SHRI SWAPAN KR MUKHERJEE	B. Com., AICWA	CHAIRMAN & MANAGING DIRECTOR	8/12/1951	15/01/1976	42
2	SHRI V NARAYAN SHARMA	B.Tech. [Chem.] PG Dip. in BM	DIRECTOR [MANUFACTURING BUSINESSES]	4/7/1952	5/5/1975	36
3	SHRI KRISHNAMURTI SUBRAMANYAN	B.Com. ACA	DIRECTOR [FINANCE]	17/11/1952	8/2/1980	33
4	SHRI VIRENDRA SINHA	BA, MBA	DIRECTOR [SERVICE BUSINESSES]	13/07/1955	1/12/2006	33
5	SMT. ARUNDHATY GHOSH	MA in Humanities Diploma in Mail Mgmt.	CHIEF VIGILANCE OFFICER	30/08/1960	14/12/2010	25
6	SHRI PREM PRAKASH SAHOO	BA[Hons], MA[PM&IR] LL.B.	EXECUTIVE DIRECTOR [HUMAN RESOURCE]	7/5/1954	17/07/1987	33
7	SHRI NIRAJ GUPTA	B.Com.[Hons], ACA	EXECUTIVE DIRECTOR [LOGISTICS]	17/07/1955	3/3/1980	31
8	SHRI ANAND DAYAL	BA Dip in Mktg. Mgt.	EXECUTIVE DIRECTOR [INDUSTRIAL PACKAGING]	13/12/1954	1/1/2008	34
9	SHRI K GOPINATHAN	B.Sc.(Engg.) Mech.	EXECUTIVE DIRECTOR [LUBES AND CHEMICALS]	1/12/1952	3/7/1980	35
10	SHRI S RAVIKUMAR	B.Tech. [Chem.] ME(Chem.)	GENERAL MANAGER [CHEMICALS AND R&D]	1/5/1954	18/11/1983	32
11	SHRI H K BHOKLAY	B.Sc.(Hons) Agri. PG Dip in Mgmt	GENERAL MANAGER [STRATEGIC PLANNING & JV CO-ORDNTN]	4/2/1955	2/5/1978	33
12	SHRI ANANDA SENGUPTA	BME, PGDBM PGDHRM	GENERAL MANAGER [OPERATIONS]	26/02/1956	16/07/2001	31
13	SHRI A K KHULLER*	BA	GENERAL MANAGER [TRAVEL & TOURS]	1/8/1951	15/11/1979	39

** Retired from the services of the Company on 31st July, 2011. Smt. P. Sabharwal has been appointed in his place effective 1st August, 2011.*

Sl. No.	Name	Qualification	Designation	Date of Birth	Date of Joining in Balmer Lawrie	Total No. of completed years of experience [as on 31.05.2011]
14	SHRI ASHOKE KR PAUL	BE[Chem], ME(Chem), PG Dip in Fuel Efficiency	GENERAL MANAGER [TECHNICAL]	7/1/1953	3/11/1986	33
15	SHRI MURTHY RAMKRISHNA	B.Sc.(Hons); MA in Social Sc Dip. PM&IR, LL.B.	GENERAL MANAGER (OPERATIONS)	10/10/1954	9/6/1980	33
16	SHRI PRABAL BASU	B.Com.[Hons], ACA AICWA, ACS	GENERAL MANAGER (FINANCE)	18/10/1963	4/4/1988	24
17	SHRI K C SURENDRAN	B.Sc., PG Dip in Matls. Mgmt	GENERAL MANAGER (OPERATIONS]	11/6/1953	2/5/1979	36
18	SHRI G N MATTOO	B.Sc., PG Dip in SW PG Dip Banking Admn MBA	GENERAL MANAGER [HR SERVICES]	25/02/1954	3/6/1988	32
19	SHRI PULAK BEHARI PAL	BE(Hons) FIE, PGDBM	GENERAL MANAGER [ENGINEERING & PROJECTS]	10/4/1953	16/09/1985	35
20	SHRI PRANAB KR GHOSH	B.Sc. AICWA	GENERAL MANAGER [NEW INITIATIVES]	1/6/1953	1/4/1981	37
21	SHRI MANASH MUKHOPADHYAY	B.Sc.(Hons), M.Stat. Dip. in Comp. Sc.	GENERAL MANAGER [IT]	6/1/1955	1/6/1993	33
22	SHRI BISWARUP CHAKRABORTI	BE(Metallurgical) PGD in SQC Dip. In Mgmt	GENERAL MANAGER [OPERATIONS]	14/02/1957	4/5/1985	30
23	SHRI VRS PILLAI	BA, MBA[HRM] Dip. in T&D	GENERAL MANAGER [HRD]	20/05/1952	5/11/1997	38
24	SHRI AMIT GHOSH	B.Com.[Hons] ACA, ACS, LL.B	COMPANY SECRETARY	21/10/1954	13/8/2007 [on deputation]	30

Notice of 94th Annual General Meeting to the Members

NOTICE is hereby given that the 94th Annual General Meeting of the Members of Balmer Lawrie & Co. Ltd. will be held at Ghanshyam Das Birla Sabhagar, 29, Ashutosh Choudhury Avenue, Kolkata – 700 019, on Friday, 23 September, 2011, at 10:30 a.m. to transact the following:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as on 31 March 2011 and the Profit and Loss Account for the financial year ended 31 March 2011 and the reports of the Auditors and the Directors thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri VLVSS Subba Rao, who retires by rotation and being eligible, offers himself for reappointment
4. To appoint a Director in place of Shri K C Murarka, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Shri Arun Seth, who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint a Director in place of Shri M P Bezbaruah, who retires by rotation and being eligible, offers himself for reappointment.
7. To fix remuneration of the Auditors for the financial year 2011-12 and to pass, with or without modification(s), the following Resolution:

As an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 619, read with Section 224(8)(aa) of the Companies Act, 1956 ("the Act"), the Board of Directors be and is hereby authorized to determine the amount of remuneration payable to the Auditors appointed under Section 619 of the Act, by the Comptroller and Auditor General of India including the cost of reimbursement of out-of-pocket expenses incurred in connection with the audit of accounts of the Company for the financial year 2011-12 by the said Auditors."

Registered Office:
Balmer Lawrie House
21, Netaji Subhas Road
Kolkata 700 001
11 August 2011.

By Order of the Board
Balmer Lawrie & Co. Ltd
Amit Ghosh
Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO 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.**
2. Proxies, in order to be effective, must be received at the Registered Office, not less than 48 hours before the Meeting.
3. Dividend on equity shares as recommended by the Board of Directors for the financial year ended 31 March 2011, when declared at the meeting, will be paid to those Members, whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company / Registrar & Share Transfer Agent, on or before the close of business hours on 12 September 2011 and in respect of shares held in electronic form, to those 'Deemed Members', whose names appear in the statement of Beneficial Ownership to be furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as at the end of business hours on 12 September 2011. Such payment would be made on or before 22 October 2011.
4. The Company will be providing National Electronic Clearing Services (NECS) facility to the Shareholders whereby they will be able to receive their dividend by direct electronic credit to their bank account(s). In the absence of availing of the NECS option by the Shareholders, the Company would send the dividend warrants by post in the normal manner.

   Shareholders holding shares in physical form, who have earlier not furnished their Bank details or have changed their Bank account, are requested to fill in the "NECS Mandate Form" provided along with this Annual Report and send it to the Company's Registrars and Share Transfer Agents. Shareholders holding shares in dematerialized form are required to furnish such details to their respective Depository Participants, if not furnished earlier.
5. Members who hold shares in the certificate form and wish to make any nomination / change nomination made earlier in respect of their shareholding in the Company as permitted under Section 109A of the Companies Act, 1956, may submit to the Registrar &

Share Transfer Agent of the Company the prescribed Form 2B. The Form can be downloaded from the website of the Company www.balmerlawrie.com under the section 'Investor Relations' or may be obtained from the Registrar & Share Transfer Agent on request. If they hold the shares in dematerialized form, they may contact their respective Depository Participant for such nomination.

6. Additional information relating to the Directors retiring by rotation and seeking re-appointment at this Meeting, as required under Clause 49 of the Listing Agreement with the Stock Exchanges, is annexed to this Notice.

7. An Abstract of Variation of the terms of appointment and memoranda of interest dated 1 June 2010 had been circulated to the shareholders informing them of the extension of tenure of directorship of Shri S K Mukherjee as Managing Director till 31 December 2011 being the date of his superannuation from the services of the Company or until further orders, whichever event occurs earlier.

   Members would be aware that at the 93rd Annual General Meeting of the Company held on 24 September 2010, the Company had amended Article 45 of its Articles of Association so as to incorporate clear provision in the said Article enabling the President of India, in exercise of his power under Article 7A to appoint a Chairman, or a Chairman & Managing Director, a Managing Director or one or more Managing Director(s) of the Company as also to re-designate any Managing Director as the Chairman & Managing Director of the Company so long as the Company remains a Government Company.

   The Company has now received a letter No. C-3102465/2009-CA dated 29 July 2011 from Ministry of Petroleum & Natural Gas, Government of India, being the Administrative Ministry intimating that the Competent Authority has concurred with the proposal for re-designation of the post of Managing Director of the Company as Chairman & Managing Director. In terms of the said letter and as per resolution passed by the Board, Shri S K Mukherjee, Managing Director has, accordingly, been re-designated as Chairman & Managing Director of the Company with effect from 29 July 2011 with all other terms & conditions of his appointment remaining unchanged. Save and except Shri S K Mukherjee, no other Director of the Company is concerned or interested in the variation in the terms of appointment of Shri S K Mukherjee. A copy of the said letter is open for inspection by the Members on any working day till the date of the 94th Annual General Meeting at the Registered Office of the Company. This information note is in compliance with the provisions of Section 302 of the Companies Act, 1956.

8. Members are requested to:

   I. Intimate on or before 12 September 2011, to the Registrar & Share Transfer Agent of the Company viz.,

      Link Intime India Pvt. Ltd.
      59C, Chowringhee Road, 3rd floor,
      Kolkata- 700 020,
      (Telefax no. 033-2289 0539,
      e-mail: kolkata@linkintime.co.in):-

      (a) Change in their address (including PIN Code), mandate, etc. with requisite documentary proof;

      (b) Bank account number, name and address of the bank;

      (c) Contact phone number(s) and e-mail ID.

   II. Quote their ledger folio or Client ID and DP ID numbers in all communications with the Company.

   III. Bring their copies of Annual Report and show Attendance Slip and Entry Pass at the entrance of the venue of the Meeting. Annual Report shall not be distributed at the venue of the Meeting.

   IV. Note that the Register of Members and Share Transfer Books shall remain closed from 13 September 2011 to 23 September, 2011 (both days inclusive).

   V. Note that unclaimed dividend relating to dividend paid on 1 October 2003 has been transferred to the Investor Education and Protection Fund on 1 December 2010. Further, the amount of unclaimed final dividend relating to the dividend paid on 1 October 2004 will become due for transfer to the Investor Education and Protection Fund of the Central Government pursuant to Section 205C of the Companies Act, 1956 on 1 October 2011.

   VI. Note that though in terms of Sections 224(8)(aa) and 619 of the Act, in case of a Government Company, the Comptroller and Auditor General of India is to appoint the Auditor(s), the remuneration payable to the Auditors is required to be fixed by the Company at a general meeting. Item no.7 under the ordinary business has been included accordingly as an Ordinary Resolution.

   VII. The attention of the Members is invited to the page relating to **"Green Initiative in Corporate Governance and Electronic Communication"** appearing on page 106 of this Report. Which seeks confirmation from the Members as to their e-mail ID for receiving documents from the Company through electronic mode should they opt for the said mode.

Brief details of the Directors seeking Re-appointment at the 94th Annual General Meeting to be held on 23 September 2011

Name	**Shri VLVSS Subba Rao**	**Shri K C Murarka**	**Shri Arun Seth**	**Shri M P Bezbaruah**
Date of Birth	9 June 1961	10 August 1945	19 November 1951	1 December 1941
Date of Appointment on the Board	13 October 2008	26 December 2008	26 December 2008	26 December 2008
Date of appointment/ last re-appointment at the Annual General Meeting	24 September 2009	24 September 2009	24 September 2009	24 September 2009
Qualification	• Master Degree In Economics • Member, Indian Economic Service	• B.Sc	• B Tech • Master of Business Administration	• M.A (Delhi University) • Master In Public Administration (Harvard University) • IAS (Retired)
Expertise in Specific Functional areas	He has a working experience of about 24 years during which he has developed expertise in the functional areas of Finance, Project Appraisal, Trade Logistics, Training And Economic Administration	He has a working experience of 42 years during which he has developed expertise in the areas of marketing, research & development with specialization in manufacturing of dyes and chemicals.	He has a working experience over 32 years including experience in the Telecom Industry in the course of which he has developed commercial and technical expertise in Information Technology and Telecommunication	He is a retired IAS and has a working experience of 37 years in the area of Civil Service.
Shareholding of Non-Executive Director	Nil	Nil	Nil	Nil
Directorship/Chairmanship on the Board of other Companies	Nil	Director-BACO Pharm Pvt. Ltd.	Director • BT (India) Pvt. Ltd. • BT Telecom Pvt. Ltd. • BT Global Communications India Pvt. Ltd. • BT E-Serv (India) Pvt. Ltd. • Jubilant Foodworks Ltd. • Globeop Financial Services • Centum Learning Ltd. • Desicrew Solutions Pvt. Ltd.	Nil
Membership/Chairmanship of Comittee(s) of the Board in other Compaines	Nil	Nil	• Audit Committee Member: Jubilant Foodworks Ltd. • Investors' Grievance Committee Member: Jubilant Foodworks Ltd.	Nil

Directors' Report

The Directors have pleasure in presenting the 94th Report on the state of affairs of your Company for the financial year ended 31 March 2011, together with the audited Balance Sheet and Profit & Loss Account of the Company.

Overall Financial Results

(₹ In lakh)

	Financial Results for the Company		Consolidated Financial Results	
	Year ended 31 March		Year ended 31 March	
	2011	2010	2011	2010
Surplus for the year before Finance Charge, depreciation and tax	19616	16714	23970	20856
Deduct there from: Finance Charge and depreciation	1512	1416	5191	5523
Provision for Taxation	5995	3569	5947	3349
	12109	11729	12832	11984
Add Transfer from: Profit & Loss Account	16565	12204	26248	21746
Total amount available for Appropriation:	28674	23933	39080	33730
Appropriations: Proposed Dividend [@ ₹ 26.00 per equity share (previous year ₹ 23.00 per equity share) of the Company]	4234	3746	4583	3778
Corporate Tax on Dividend	687	622	706	653
Transfer to General Reserve / Minority interest etc.	3000	3000	3045	3051
Surplus carried forward to next year	20753	16565	30746	26248
Total of Appropriations	28674	23933	39080	33730

Overview

Your Company recorded significant achievements in the year 2010–11, some of which are as follows:

- The Company recorded its highest ever Turnover with net sales at ₹ 2050 crore as against ₹ 1673 crore in 2009-10, marking an increase of 23% over the previous year.
- Profit Before Tax increased from ₹ 153 crore in 2009-10 to ₹ 181 crore in 2010-11, an increase of more than 18% over the previous year.
- Profit After Tax increased from ₹ 117 crore in the previous year to ₹ 121 crore, in 2010-11, an increase of 3% over the previous year.
- Four business segments viz., Tours & Travel, Industrial Packaging, Greases & Lubricants, Logistics Infrastructure & Services stood out as the main revenue generators.

Dividend

A dividend of ₹ 26 per equity share of ₹ 10 each [equivalent to 260%] for the year ended 31 March 2011 -- as against ₹ 23 per equity share in the previous year -- has been recommended by the Board of Directors for declaration by the Members at the ensuing 94th Annual General Meeting to be held on 23 September 2011. The trend of past dividend payment is depicted below: