



(An ISO 9001-2015 Company)

bHANSALI ENGINEERING polymers limited



35th

**ANNUAL
REPORT**
2018-19

CSR AT BEPL



Content

Corporate Information	03
Financial Highlights	06
Message from the Chairman	08
Message from the Managing Director	09
Notice	10
Board's Report	19
Annexures to the Board's Report	
• Management Discussion and Analysis Report	28
• Report on CSR Activities	31
• Extract of Annual Return	33
• Report on Corporate Governance	45
• Secretarial Audit Report	65
• Particulars of Employee and Related Disclosures	68
• Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo	69
• Business Responsibility Report	70
Standalone	
• Auditors' Report	80
• Financials	88
Consolidated	
• Auditors' Report	117
• Financials	122

“BEPL – a Zero Debt Company, is well equipped to meet formidable challenge of accelerating growth with sustainable development”

OUR
Vision
IS TO:

- ❖ Attain excellence by continuously developing and providing the best quality products and services.
- ❖ Exceed expectations of our Customers with Innovative Products.
- ❖ Build value for all Stakeholders.
- ❖ Be a Value-driven Organization

OUR
Mission
IS:

- ❖ To be the lowest ABS Cost Producer in India with quality standard 'at par' with the Global Best.
- ❖ To intensify the HRD efforts and keep strengthening the Organization, to be ready to respond to ever-growing market challenges.
- ❖ To establish Port based Greenfield Project in perceptible future, of international size, based on State-of-the-Art-Technology and environment friendly plant facility with utmost efficient design.

CORPORATE Information

BOARD OF DIRECTORS

Mr. M. C. Gupta	Chairman, Independent Director
Dr. B. S. Bhesania	Independent Director
Mr. Dilip Kumar	Independent Director
Ms. Jasmine F. Batliwalla	Independent Director
Mr. Babulal M. Bhansali	Managing Director
Mr. Jayesh B. Bhansali	Executive Director cum Chief Financial Officer

Company Secretary

Mr. Ashwin M. Patel

COMMITTEES OF THE BOARD

Audit Committee

Mr. M. C. Gupta
Dr. B. S. Bhesania
Mr. Jayesh B. Bhansali

Nomination and Remuneration Committee

Dr. B. S. Bhesania
Mr. M. C. Gupta
Mr. Dilip Kumar

Corporate Social Responsibility Committee

Mr. M. C. Gupta
Mr. Babulal M. Bhansali
Mr. Jayesh B. Bhansali

Stakeholders Relationship Committee

Dr. B. S. Bhesania
Mr. Babulal M. Bhansali
Mr. Jayesh B. Bhansali

Loan & Investment Committee

Mr. Babulal M. Bhansali
Mr. Jayesh B. Bhansali

STATUTORY AUDITORS

M/s. Azad Jain & Co.
Chartered Accountants

SECRETARIAL AUDITORS

M/s. Rathi & Associates
Company Secretaries

COST AUDITORS

M/s. Joshi Apte & Associates
Cost Accountants

INTERNAL AUDITORS

M/s. B. L. Dasharda & Associates
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
Regd. Office: C-101,
247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai - 400083.

JOINT VENTURE COMPANY

Bhansali Nippon A & L Pvt. Ltd.
Regd. Office: 401, 4th Floor,
Peninsula Heights,
C.D. Barfiwala Road,
Andheri (West), Mumbai - 400058.

BANKERS

Allahabad Bank Limited
Axis Bank Limited
State Bank of India

CORPORATE Information

(Contd.)

REGISTERED OFFICE

Unit No. 401, 4th Floor, Peninsula Heights,
C.D. Barfiwala Road, Andheri (West), Mumbai - 400058

MARKETING OFFICES

Ahmedabad

504, 5th Floor, Kalpana Complex,
Near Memnagar Fire Station,
Navranpura,
Ahmedabad - 380009.
(Gujarat)

Chennai

121, Casa Grande Futura,
Sriperumbudur-Oragadam Road,
Sriperumbudur,
Chennai - 602105
(Tamil Nadu)

Bengaluru

Unit No: 907, 9th Floor,
A wing, Mittal Towers,
MG Road,
Bengaluru - 560001.
(Karnataka)

Haryana

Unit no: 302, 3rd floor,
Palm Court Building 20/4,
Sukhrali Chowk, Opposite Huda Park,
Sector 14, Gurugram - 122001,
(Haryana)

Pune

Shop No. 303, 3rd Floor, XION Mall,
Hinjawadi Road, Wakad,
Hinjawadi Village, Pune - 411012,
(Maharashtra)

MANUFACTURING PLANTS

Abu Road

Plot no. SP-138-143,
Ambaji Industrial Area,
Abu Road,
Sirohi - 307026,
(Rajasthan)



Satnoor

Bhansali Nagar,
Post: Pardsinga,
Taluka: Sausar,
Dist.: Chhindwara,
Satnoor - 480108,
(Madhya Pradesh)

Profile of all *Board Members*



Mr. M.C. Gupta is a retired I.A.S. officer of 1960 batch. He has served the Union & State Governments in various capacities including Industries Secretary – Govt. of India, Advisor–Industries Planning Commission and as Member Secretary of the Tenth Finance Commission. He retired as the Chief Secretary to the Govt. of Haryana in 1997. He also served as Advisor to United Nations Industrial Development Organization (UNIDO). He has also served as the Chairman/Director on the Board of many eminent public sector and private sector companies.



Mr. Babulal. M. Bhansali entered in the ABS & SAN manufacturing business in 1986 by setting up of Bhansali Engineering Polymers Limited as a Promoter. He has been honoured with “Udyog Ratan Award” by Institute of Economic Studies; “Indian Achievers Award for Quality Excellence” by All India Achievers Foundation; and “International Achievers Award for Business Excellence” by International Achievers Conference.



Dr. B.S. Bhesania is an eminent Solicitor of High Court, Mumbai. He has experience as Advocate Supreme Court of India, Solicitor Supreme Court of England & Wales, Solicitor Supreme Court of Hong Kong. He has done Ph.D. (Law) from Mumbai University. He is associated as a Consultant with M/s. Mulla & Mulla, Craigie Blunt & Caroe, one of the leading law firms of the country and having international recognition. He has held in the past, directorship of many companies.



Mr. Dilip Kumar was the Ex-Chief Commissioner of Income Tax. He has varied knowledge and experience of Accounting, Taxation, Administration and other allied matters thereto.



Ms. Jasmine F. Batliwala has over 35 years' experience across legal, compliance and corporate secretarial functions covering banking, investment banking, asset management and insurance broking. As General Counsel, HSBC India she had managed organic growth, acquisitions, divestments, regulatory challenges across the financial services spectrum. She contributed towards framing the code of the Banking Codes and Standards Board of India and was a member of FICCI's Corporate Laws Committee.



Mr. Jayesh B. Bhansali is a Post Graduate in Commerce and deals with various portfolios of Company including but not limited to Marketing, Finance and General Administration and possesses extensive and enriched experience of the overall affairs of Company.

FIVE YEAR
**Statistical
Information**
AT A GLANCE

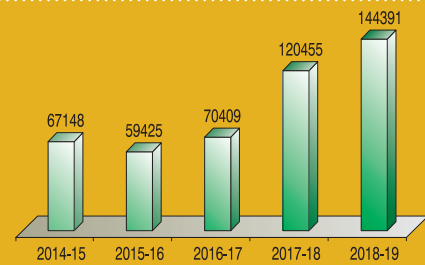
(₹ in lakh)

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Installed Capacity [in Tons Per Annum (TPA)]	*1,37,000	80,000	80,000	80,000	80,000
Equity Share Capital	1,659.06	1,659.06	1,659.06	1,659.06	1,659.06
Other Equity	28,231.20	24,154.09	14,182.84	11,104.97	16,906.03
Total Equity (Net Worth)	29,890.26	25,813.15	15,841.90	12,764.03	18,565.09
Net Worth per equity share of ₹ 1 each (in ₹)	18.02	15.56	9.55	7.69	11.19
Current Ratio	1.86	2.04	1.28	1.22	1.33
Income and Profits					
Gross Sales	1,44,391.19	1,20,455.38	70,408.67	59,425.15	67,147.74
Net Sales (Excluding GST and including Excise)	1,22,477.99	1,03,169.13	62,614.50	53,086.00	60,106.00
Profit/(Loss) before Tax	7,736.79	15,431.48	5,587.76	2,338.62	868.12
Tax	3,084.03	5,467.55	2,110.53	669.84	328.20
Profit/(Loss) after Tax	4,652.76	9,963.93	3,477.23	1,668.78	539.92
Profit/(Loss) for the Year	4,677.14	9,941.53	3,477.23	1,668.78	539.92
Earnings per share (in ₹)	2.80	6.01	2.10	1.01	0.33
Dividend per share of ₹ 1 (in ₹)	0.5	0.3	0.2	0.1	0.1

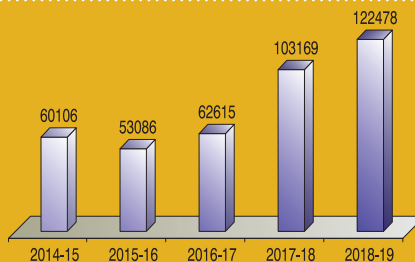
* The Company's Plant commissioned with a licensed capacity of 6,000 TPA (January, 1990). Over the years, the compounding capacity has been expanded to 1,37,000 TPA (March, 2019).

FINANCIAL Highlights

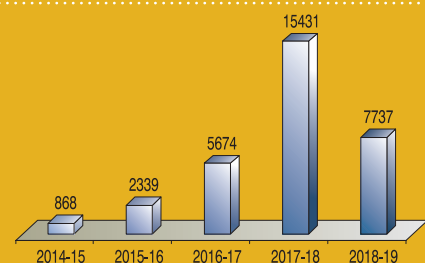
GROSS SALES (₹ in lakh)



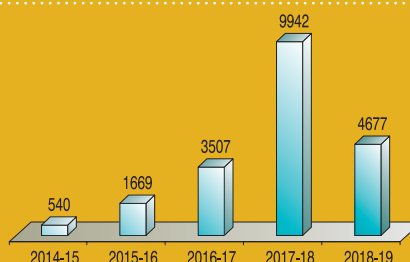
NET SALES (Excluding GST & including Excise) (₹ in lakh)



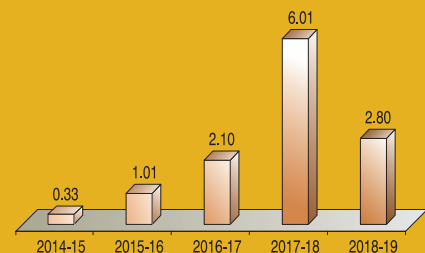
PROFIT BEFORE TAX (₹ in lakh)



PROFIT AFTER TAX (₹ in lakh)



EARNINGS PER SHARE (Face Value ₹ 1)



MESSAGE FROM THE *Chairman*



Dear Shareholders,

I feel very happy in presenting the Annual Report of the Company for Fiscal 2019.

During FY 19, Operational Revenue (net) stood at ₹1,22,478 lakh, EBITDA at ₹8,592 lakh and PBT at ₹7,737 lakh. After accounting for tax of ₹3,084 lakh, the profit from continuing operations was ₹4,653 lakh whereas the total comprehensive income was ₹4,677 lakh.

The magnificent performance achieved during fiscal 2018 could not be sustained last year as it was severely affected due to unfortunate incident of fire breakout at the HRG plant at Satnoor (MP). The other reasons affecting the financial performance of the Company have been elaborated in the text of the Directors Report. However, under the strong and dynamic leadership of our Managing Director, Mr. B. M. Bhansali, your Company could not only manage to earn reasonable profits in fiscal 2019 despite such adverse circumstance, but in the ensuing year it will considerably improve its performance.

The overall economic scenario in the country has been quite encouraging and with a consistent 7% or higher growth in the GDP on an annual basis, we all have reason to feel inspired. We are today world's sixth largest economy with a GDP of US \$ 2.6 Trillion. We are likely to overtake France, the 5th in line shortly. It is estimated that the GDP of India will attain a level of US \$5 Trillion by 2025 and when that happens we will be the third largest global economy. It will have a positive impact on your Company's fortunes.

While concluding, I would like to place on record our deep appreciation for the efforts put in by the Management team under the commendable leadership of the Managing Director. Besides, I extend my rich compliments to my colleagues on the Board who have been guiding the management in formulating broad policies to govern the affairs of the Company as also the directions in which the Company should move.

With Best Wishes

M. C. Gupta
Chairman