

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



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# SUSTAINABILITY REPORT 2016-17



# OUR VISION

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

## ABOUT THE REPORT

This is the first sustainability report of Balmer Lawrie & Co. Ltd. Sustainability is deeply ingrained in the DNA of the organisation. This report marks the beginning of communicating the commitment that Balmer Lawrie has made to its stakeholders. It is a testimony to the fact that Balmer Lawrie has been responsive to stakeholder needs and has been conducting its business in a responsible manner.

The report has been developed with reference to GRI-G4 guidelines and is a 'core' report. It presents information about the 6 business verticals including Industrial Packaging, Greases & Lubricants, Leather Chemicals, Refinery & Oil Field Services, Travels & Vacations, Logistics (Services and Infrastructure).

The information pertains to the period 1st April 2016 to 31st March 2017. It contains data and information for the identified material aspects for the 6 business verticals of Balmer Lawrie & Co. Ltd.

This reports outlines the performance on the identified material issues which have been identified through a streamlined stakeholder engagement process. Considering the stakeholder concerns, Balmer Lawrie has prioritized focus areas that it needs to focus in the coming year.

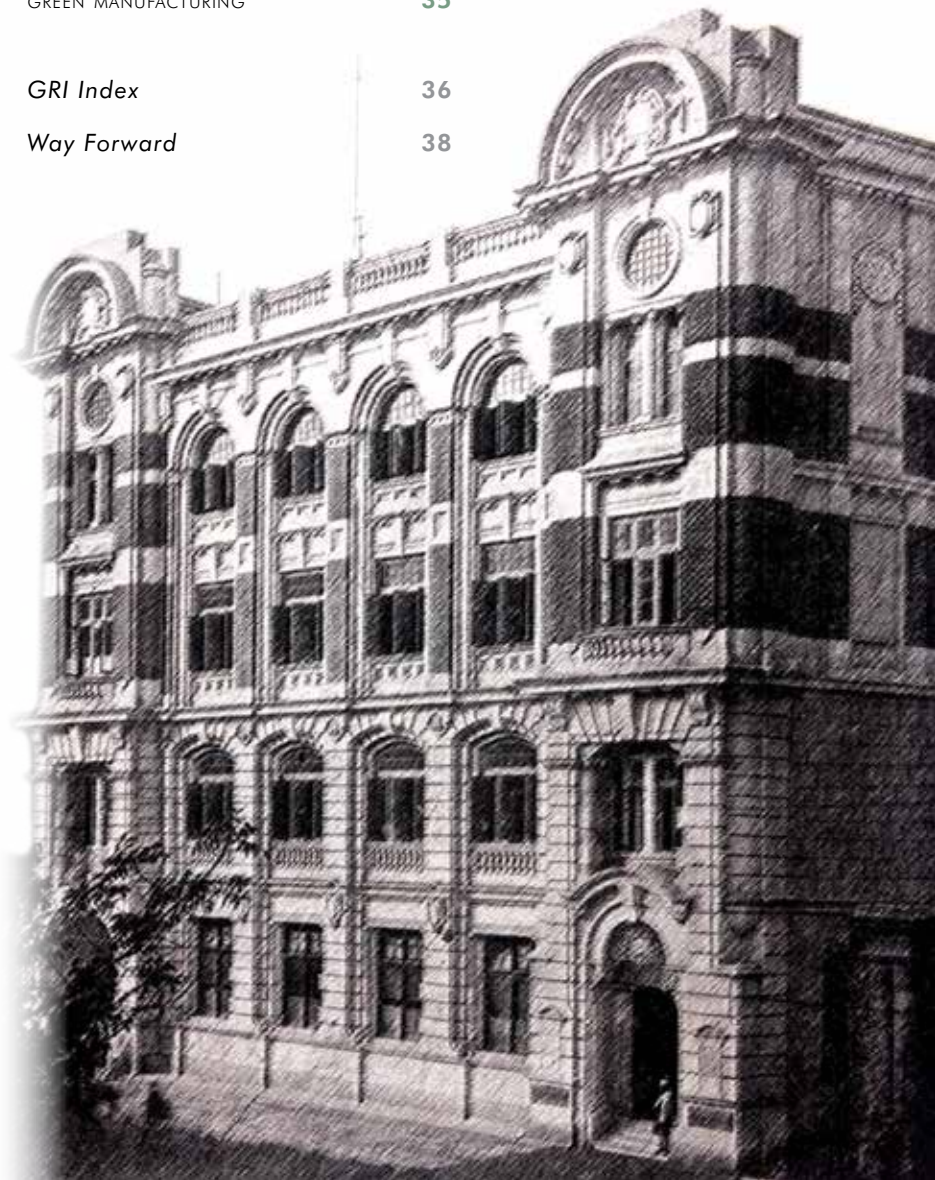
The data in the report has not been assured by an independent party. Balmer Lawrie has internal mechanisms to assure the data.

This is the first sustainability report, therefore no restatements have been made.

Henceforth Balmer Lawrie & Co. Ltd. will produce the sustainability report on periodic basis aligning with its reporting cycle to the extent possible. For your suggestions and feedback, kindly write to us at [adika.rs@balmerlawrie.com](mailto:adika.rs@balmerlawrie.com).

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## MESSAGE FROM The Chairman



Dear Stakeholders,

I am pleased to present Balmer Lawrie's first Sustainability Report for the financial year 2016-17. This report, developed as a proactive disclosure of Balmer Lawrie's triple bottom line initiatives, is the first such report being presented by the Company.

It displays our commitment towards our stakeholders and gives us an opportunity to share the organisation's beliefs and vision with you.

Balmer Lawrie believes that the real measure of growth is not only on economic parameters but is also based on social and environmental parameters. Inclusive growth is what we strive for. Although this is our first Sustainability report but sustainability and social responsibility has been an integral part of our business strategies.

In Balmer Lawrie today, the transformation agenda is to achieve excellence in all aspects of the business and organisation at large. Various initiatives, some deployed and some in the process of being deployed are in hand not only to develop and strengthen the management systems and processes, but also to improve performance, create value for stakeholders, enhance the quality system, improve customer focus and retain and develop talent. This process is being driven in an inclusive manner with specific interventions directed at issues of Growth, Technology Augmentation, People Practices and Sustainability.

Balmer Lawrie takes pride in developing a sustainability roadmap for its businesses with environment and people at its centre. We have been continuously investing in reducing carbon footprint in our operations in both the manufacturing and service businesses. Our Research and Development teams constantly innovate to design eco-friendly products and solutions for our customers



“ Sustainable growth is a key objective in our strategy plan and the leadership continuously encourages ‘think sustainability’ not only in our employees but all the stakeholders. ”

to enable them to lower their carbon footprint. We have made efforts to drive up the sustainability index of our businesses by designing and implementing various green and sustainable initiatives and by promoting renewable energy, water and energy efficiency, zero effluent discharge etc.

Our Sustainability Report for the year 2016-17 captures our efforts and achievements in taking forward our sustainability objectives, which are well aligned with our business goals.

Of the various sustainability initiatives taken during the year, installation of 300 KWp of Solar Power plants is noteworthy. A 100 KWp of roof top plant was installed in our Industrial Packaging unit at Asaoti and a 200 KWp of solar plant was put up at our Manali complex in Chennai. Balmer Lawrie, for the first time, achieved Zero LTI [Lost Time Injury] for 365 days in all the manufacturing and service businesses during the previous year. Most of our plants and establishments are ISO 14001 and OHSAS 18001 certified units. We periodically carry out energy audits to identify the potential areas of energy reduction thus, contributing in minimisation of carbon footprint.

Balmer Lawrie has integrated CSR into its mainstream business activities and as far as possible we have aligned our initiatives with the national priorities and I’m very happy to write that we have significantly contributed to Hon’ble Prime Minister, Shri Narendra Modi’s Swachh Bharat Abhiyan. We implemented the “Swachh Vidyalaya” program in some of the Government Schools covering states of Assam, Chhattisgarh, Haryana, Andhra Pradesh and West Bengal. The Company has constructed/ refurbished a total of 306 toilets and was the first PSU under MOPNG to have completed the construction of toilets on target. In an endeavour to sustain the initiative, the Company is constructing new toilets and is ensuring maintenance on need basis. Balmer Lawrie has

committed to contribute to the establishment of the Skill Development Institutes across the country as a partner with the Oil Companies under the aegis of the Ministry of Petroleum & Natural Gas, Government of India, which is part of another key social enablement initiative of the Government to skill young India.

Sustainable growth is a key objective in our strategy plan and the leadership continuously encourages “think sustainability” not only in our employees but all the stakeholders. We celebrated our Company’s completion of 150 years on 1st February 2017 and it is a matter of great pride that Balmer Lawrie enjoys the rare distinction of earning profits year on year in its journey. Balmer Lawrie has been a committed corporate citizen in the last 150 years, and is all geared up to take this commitment forward, with new zeal, in the decades to come. We will continue to incorporate our stakeholders into our business decisions resulting in a mutually beneficial stakeholder relationship.

Thank you

Prabal Basu  
Chairman & Managing Director

# The Organisation

Founding member of UN Global Compact in India

India's largest manufacturer of MS drums

Market leaders of Synthetic Fat Liquor

Largest grease manufacturer in the Country

Only PSU to provide 'Total Logistics Solutions' & handle sensitive Defence cargo



Balmer Lawrie & Co. Ltd is one of the Miniratna-I Companies under the Ministry of Petroleum and Natural Gas, having achieved this status following a trail-blazing success in myriad domains. For the company, headquartered at Kolkata, India, traversing 150 years of journey has been both eventful and challenging. With modest beginnings as a partnership firm in 1867, Balmer Lawrie & Co. Ltd today generates an annual turnover of INR 1901 Crore from its six businesses. It also has four Joint Ventures and two subsidiaries in India and abroad. The four joint ventures include Balmer Lawrie (UAE) LLC (BLUAE), AVI-OIL India Private Limited (AVI-OIL), Balmer Lawrie-Van Leer Ltd (BLVL) and Transafe Services Limited (TSL). Balmer Lawrie (UK) Ltd. [BLUK] and Visakhapatnam Port Logistics Park Limited [VPLPL] are subsidiary

companies. The company is respected globally for its constant endeavour to be relevant as per the changing environment, leveraging every change as an opportunity to innovate and emerge as a leader in the industry.

Balmer Lawrie & Co. Ltd has made its presence felt in both manufacturing and service sectors – Industrial Packaging, Greases & Lubricants, Leather Chemicals, Travel & Vacations, Logistics and Refinery & Oil Field Services, using the strength of its exceptional team, world-class technology and innovative solutions. Testing new waters and coming out of it as a warrior, is the way Balmer Lawrie does business, etching a mark of excellence wherever it goes.

## OUR PRESENCE

Business	Manufacturing/Service Units	Other Centres/ Offices	Marketing/Sales Offices
Greases & Lubricants	Chennai; Kolkata; Silvassa	Application Research Laboratory: Kolkata	Bengaluru; Chandigarh; Chennai; Gurugram; Kolkata; Mumbai; New Delhi; Pune; Raipur; Secunderabad; Vadodara
Industrial Packaging	Chennai; Kolkata; Silvassa; Chittoor; Asaoti; Navi Mumbai	SBU Office: Mumbai	Vadodara; Gurugram
Leather Chemicals	Chennai Technical Service Centers: Ambur- Vaniyambadi (Chennai); Kanpur; Kolkata; Ranipet	Product Development Centre: Chennai	Chennai
Logistics	Ahmedabad; Bengaluru; Chennai; Coimbatore; Goa; Guntur; Hyderabad; Indore; Kanpur; Karur	-	Kochi; Kolkata; Ludhiana; Mumbai; New Delhi; Pune; Rai Thiruvananthapuram; Tuticorin; Visakhapatnam
Refinery & Oilfield Services	Kolkata	-	
Travel & Vacations	Ahmedabad; Bengaluru; Bhubaneswar; Chandigarh; Chennai; Coimbatore; Gurugram; Guwahati; Hyderabad; Indore; Kochi	-	Kolkata; Lucknow; Mumbai; Nagpur; New Delhi; Port Blair; Pune; Thiruvananthapuram; Vadodara; Visakhapatnam

## ACCOLADES

CFS, Chennai won the “Container Freight Station of the Year” Award, given by Gateway Media, in recognition of demonstrating highest productivity, low turnaround time and achieving environmental and safety certifications during the year 2011-12.

## **Balmer Lawrie** Industrial Packaging

Balmer Lawrie is the largest manufacturer of steel drums in India. Through our dedicated services and innovative packaging solutions we have been able to create a loyal customer base. Our customers includes both domestic and multinational companies and we are proud to be serving such companies which are themselves leaders in their respective segments such as lubricants, speciality chemicals, agro chemicals and food & fruit processing. We have six barrel manufacturing plants spread across the country, equipped with state of the art technology. The in-house technology & product development centre continuously works on design and development of new products and packaging solutions.

## **Balmerol** Greases & Lubricants

Being a pioneer in grease manufacturing in India, Balmer Lawrie's is a market leader in speciality greases & lubricants. Our lubricants are produced under the brand "Balmerol" serving the core sectors of the Indian economy including railways, defence, steel, mining and automotive. Moving forward our strategy is to enhance the development of biodegradable and environmental friendly products. Our Application Research Laboratory at Kolkata is working towards developing innovative and climate friendly tribological solutions.

## **BALMOL** Leather Chemicals

As a customized solution provider, Balmer Lawrie has been able to provide cost effective solutions to the leather industry by indigenising the manufacturing of leather chemicals which were hitherto imported. We manufacture a wide range of chemicals under the brand "Balmol", "Balsyn" and "Balzyme" for leather industry. Today Balmer Lawrie is the leader in Synthetic Fatliquor and has a major presence in Syntans.

## **Balmer Lawrie** Travel & Vacations

Balmer Lawrie provides end to end domestic and international travel facilities to its clients. Starting from ticketing, travel planning, foreign exchange, hotels, inbound & outbound tourism and MICE related services. Today we operate from more than 88 locations across 19 cities in the country. Apart from corporate travel our specially designed holiday packages under brand "Vacations Exotica" are popular amongst travellers. Our customer base includes Central Government Ministries and Public Sector Undertakings/Enterprises. We have started servicing private customers as well.

## **Balmer Lawrie** Logistics

Balmer Lawrie, a total logistics solutions provider has three state of the art Container Freight Stations at Kolkata, Mumbai and Chennai with warehousing and distribution facilities at Kolkata and Coimbatore. It provides door-to-door freight forwarding services through air and sea, and is one of the oldest Custom House Agents in the country. Balmer Lawrie also provides Project Logistics solutions and has forayed into Cold Chain Logistics (Temperature Controlled Warehouses) and Multi Modal Logistics Hub.

## **Balmer Lawrie** Refinery & Oil Field Services

Our Refinery & Oil field services includes mechanized sludge cleaning hydrocarbon recovery, composite repair of pipelines and tankages. Storage tank services include designing of special tanks, inspection & testing of tanks, vapour recovery from tanks etc. Our services are focused on providing environment friendly solutions centred on prevention and recovery of hydrocarbon waste.

Balmer Lawrie products and services have a national presence and some of the products are exported to neighbouring countries including Nepal, China, Sri Lanka, S Korea, Iran, Kenya and Ethiopia. We are known to our customers for quality and reliability of our services and products.



## PRODUCTS AND SERVICES

**Balmer Lawrie**  
INDUSTRIAL PACKAGING

- Plain Steel Drums
- Lacquer Lined Drums
- Composite Drums
- Galvanized Drums
- Asepton Drums
- Conical Drums

**Balmerol**  
LUBRICANTS

- Greases
- Wax base wire rope compounds
- Gear compounds with solvents
- Gear compounds
- Bituminous compounds
- Eco-friendly gear lubricants
- Oils

  
**BARMOL**

- Synthetic & Semi Synthetic Fatliquor
- Synthetic Tanning Agents
- Leather Auxiliaries
- Finishing Chemicals
- Beamhouse Chemicals

**Balmer Lawrie**  
REFINERY & OIL FIELD SERVICES

Mechanized tank /lagoon/lagoon sludge cleaning, tank technologies & services for recovery of hydrocarbon waste

 **Balmer Lawrie**  
TRAVEL & VACATIONS

- Ticketing
- Tourism
- MICE

  
**Balmer Lawrie**  
LOGISTICS

- Door to Door Freight Forwarding (air & ocean)
- Custom House Agency
- Project Logistics
- Container freight Stations
- Multi Modal Logistics Hub
- Cold Chain Logistics
- Warehousing including temperature-controlled warehousing

# Creating Shared Value

At Balmer Lawrie, we aspire to become an organisation that consistently delivers value to all the stakeholders with special emphasis on fulfilling our environment and social responsibility. We have in place a comprehensive Long Term Integrated Sustainability Plan which lays down the sustainability policy, programme framework, governance structure, communication etc., to ensure its success.

- **Kalyan Swaminathan**, *Director (Service Businesses)*



## STAKEHOLDER ENGAGEMENT

At Balmer Lawrie, Stakeholder engagement is a strategic process that finds its place at the core of business strategy. Our decisions are governed by the inputs that we receive from diverse stakeholders, helping us to continuously improve and make progress towards our vision to deliver value to stakeholders.

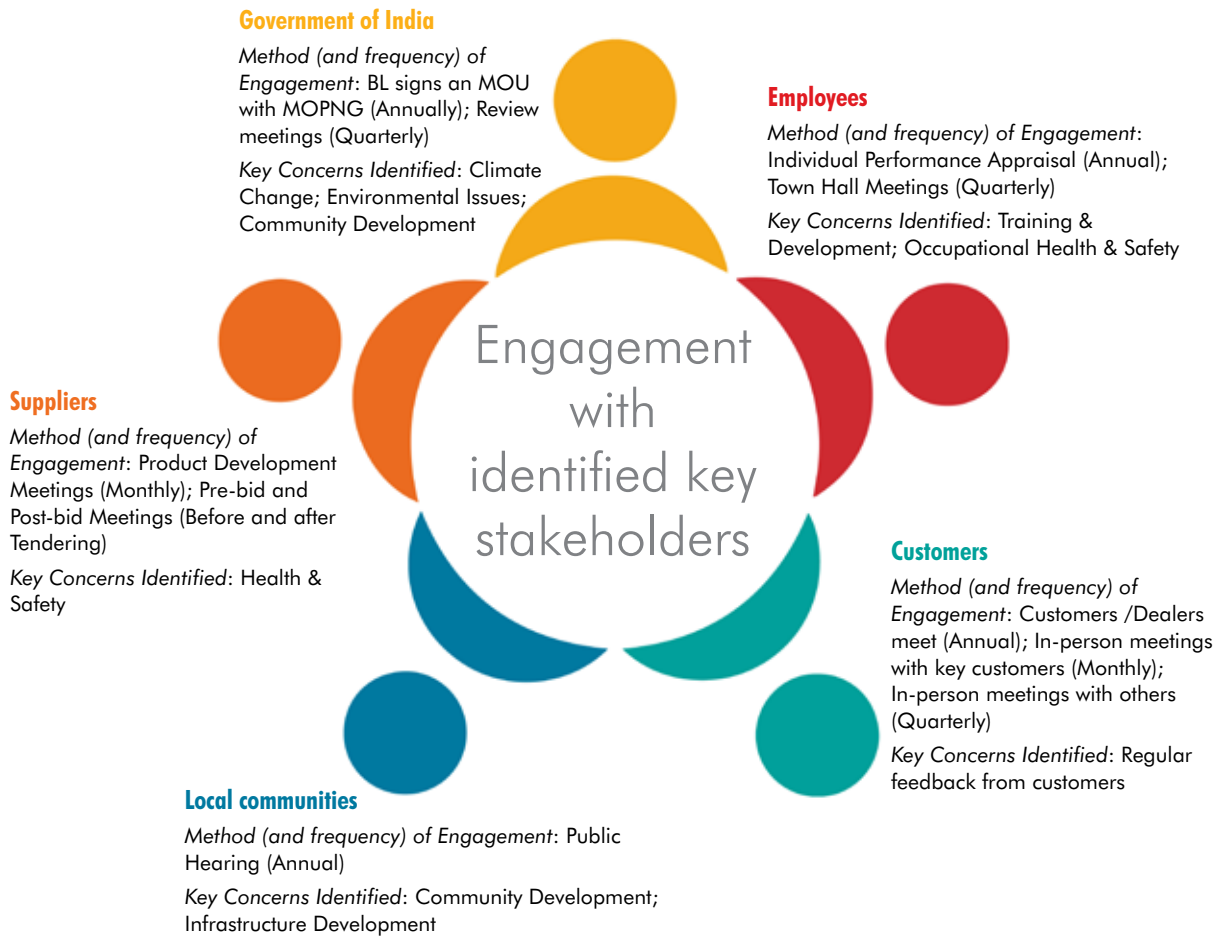
We engage with our stakeholders on numerous platforms throughout the year such as Vendors and suppliers meet, meeting with shareholders, investors, informal dialogue with the community etc. The concerns raised are not treated as mere issues that needs to be addressed rather they are taken up as serious topics that merit dialogue. To make the process fruitful, during the reporting period we involved key stakeholders in our Discussions including Government of India, Employees, Customers, Suppliers and Local community.

The stakeholders were prioritized based on the internal discussions within the working group that was created specifically for the purpose of Sustainability reporting. The team identified these five stakeholder groups as significant based on their impact on the business.

As a result of the stakeholder engagement, we were able to identify a list of material aspects significant for Balmer Lawrie. These aspects were then discussed amongst the working groups which was then presented to the top management. Based on the discussions the final aspects were selected on the bases of the following principles: those which were prioritised by the stakeholder groups engaged; those which were reflecting the sustainability context of the organisation; those which were representing the significant material issues; those which had complete information in all respects.

Since this is the first Sustainability report of Balmer and Lawrie the biggest challenge was the lack of awareness amongst the employee's w.r.t. to parameters of sustainability. As a result awareness sessions were conducted at various locations across the organisation. Key concerns raised by various stakeholders are addressed in subsequent chapters in the report.





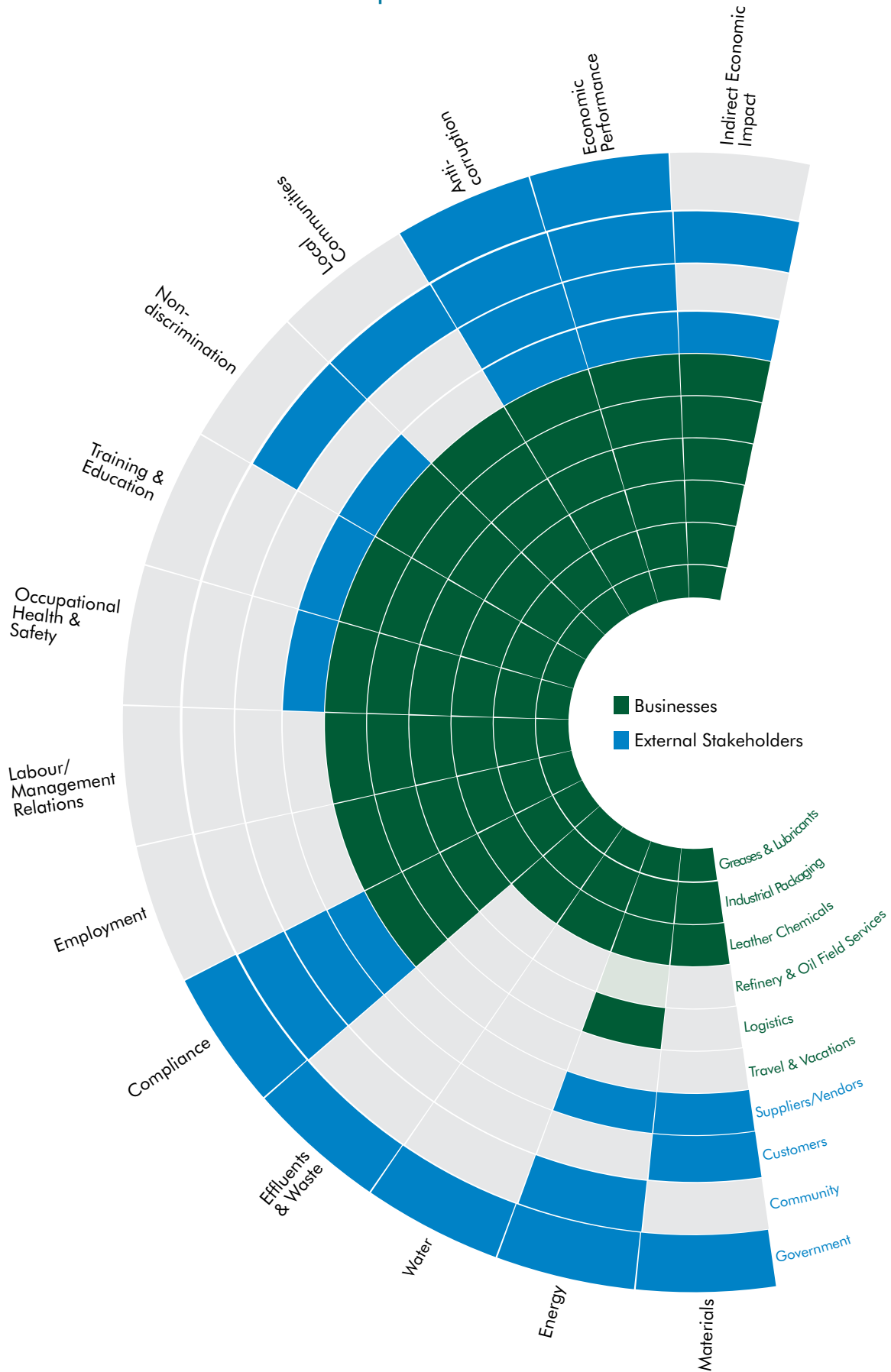
## MATERIALITY ASSESSMENT

Materiality assessment is a medium to identify the organisations risks and opportunities. These material aspects were identified and prioritized based on the impacts that are created by our products and services across our value chain both within and outside the organisation. Both positive and negative impacts have been taken into consideration. The most significant aspects are as follows: Materials, Energy, Water, Effluents and Waste, Compliance, Employment, Labour/ Management Relations, Occupational Health and Safety, Training and Education, Non-discrimination, Local Communities, Anti-corruption, Economic Performance, Indirect Economic Impacts. The impact assessment for the identified material aspects within the organisation was carried out across all the 6 business verticals of Balmer Lawrie.

The most significant aspects have been covered in the report in terms of data and DMA in various chapters. This report does not contain any data on the material aspects from the value chain entities but includes the necessary management procedures wherever required to manage the same.

Balmer Lawrie is committed to work in tandem with its stakeholders leading to a holistic development of the society. Based on the stakeholder feedback, in future we will further improve our engagement process to include a larger no. of stakeholders under our umbrella.

### Impact across Value Chain



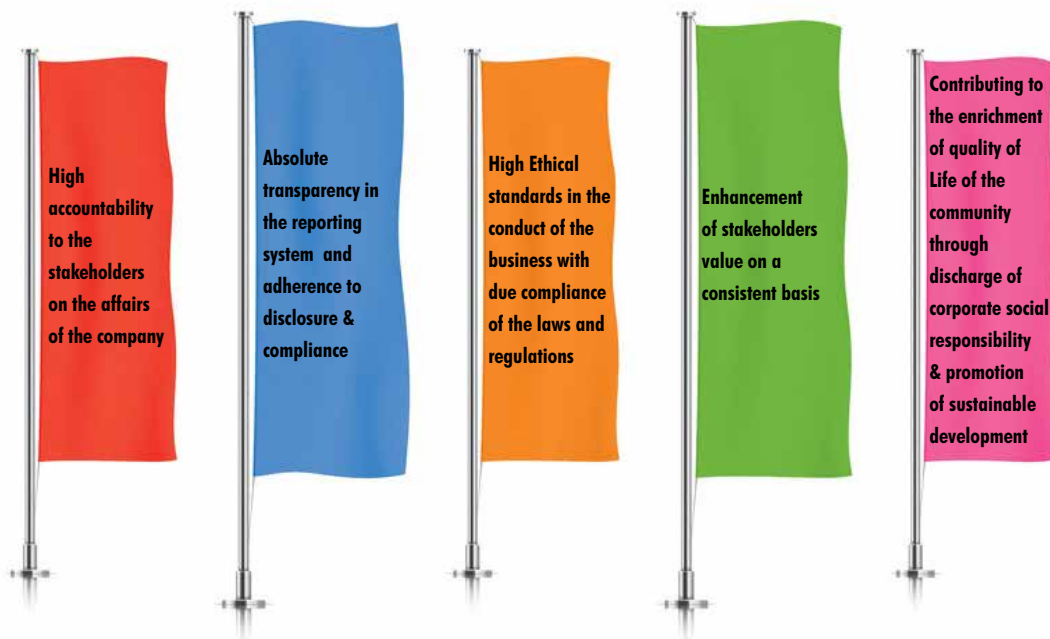


# GOVERNANCE

## Conducting Business Transparently

Balmer Lawrie & Co. Ltd. is a central Public Sector Enterprise under the administrative jurisdiction of Ministry of Petroleum and Natural Gas. It is in compliance with the regulations and guidelines of SEBI (Securities & Exchange Board of India) and DPE (Department of Public Enterprise).

The purpose of corporate governance at our company is to facilitate effective and prudent management leading to maximising value for stakeholders. The leadership abides by the corporate governance philosophy that is based on five tenets, bolstering the commitment towards our stakeholders.



Being a Government Company, as per the provisions of Article 7A of the Articles of Association of the Company, the Directors including the Independent Directors are nominated by the Government of India. The President of India has the right to appoint one or more Directors on the Board of the Company. The composition of the Board is in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable Guidelines on Corporate Governance for CPSEs.

The Board of the Company as on 31st March 2017 has seven Directors. The Board met eight times during the reporting period. The intervening gap between any two board meetings was within the period prescribed under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.

In order to oversee specific functions of the company, various committees of the Board have been formed including Audit committee, Stakeholders relationship committee, Nomination & Remuneration committee, internal Complaints committee and CSR Committee. The CSR committee is responsible to plan, monitor and evaluate the company's sustainability and CSR activities.

Balmer Lawrie works on the principles of transparency, equity and fair play. The vigil mechanism at Balmer Lawrie enable employees to report management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The responsibility lies with the chief vigilance officer.

**Board of Directors (As on March 31, 2017)****Prabal Basu**Chairman & Managing  
Director**Manjusha Bhatnagar**Director HR &  
Corporate Affairs**D Sothi Selvam**Director  
Manufacturing  
Businesses**K Swaminathan**Director  
Service Businesses**Shyam Sundar Khuntia**

Director Finance &amp; CFO

**Atreyee Borooh Thekedath**

Independent Director

**Indrani Kaushal\***  
Nominee of  
Government of India

\* Picture not available.

## Operating with Integrity

At Balmer Lawrie, we strive for high ethical standards, which is well embedded throughout our organisation, including subsidiaries, via our code of conduct and policies. The internal committee constituted for each project location oversees and ensures that all staff conduct their daily business responsibly in adherence with our values and ethical and professional standards.

The company has a long history of professional and ethical behaviour. By fostering the right culture we have maintained an equitable and sustainable employee/employer relationship. A few years ago in 2012, we conducted the BLESS (Balmer Lawrie Engagement & Satisfaction Survey) programme with 95% of our people to gauge employee satisfaction and engagement. The findings were immensely satisfying with a score of 71 on employee Satisfaction Survey and 69 on Employee Engagement Survey. Since then, each year we have been working towards making this place a better work place by institutionalising provisions for Prevention of fraud, misconduct, health and safety of employees and promoting a safe working environment. We also revamped our performance management system in consultation with all stakeholders: the leaders, senior management and executives.

Presence of Whistle Blower policy manifests the company's commitment towards abating corrupt practices and encouraging a culture of transparency. While the anonymity of the whistle blower is duly respected, a vigilance administration has been instituted to enhance the managerial effectiveness and efficiency. Vigilance Department carries out surveillance inspections, investigation of complaints received from individuals, CVC, Ministry of Petroleum & Natural Gas and other sources and also undertakes studies of prevalent systems and procedures and recommends various systems improvement in the company. CVO acts as an advisor to the Chairman & Managing Director in vigilance matters and provides an interface between the Company and outside agencies. This helps in maintaining the highest level of integrity and probity throughout the company ensuring good governance which ultimately leads to maximisation of shareholder value. No cases of corruption were reported during the reporting period.

'Quality in all that we do' is no longer a mere slogan in the organisation but a deeply ingrained culture. In 2016 we conducted a comprehensive TQM movement across the organisation to foster innovation, excellence and results. The end result was the development of a scheme 'Ek Soch', launched across company.

## Grievance Mechanism

Balmer Lawrie gives high priority to any grievance raised by its stakeholders. We follow a formal procedure to attend to any such concern. For Public grievance, Stakeholders can raise their concerns through the Prime Minister Grievance portal under the Ministry of Petroleum and Natural Gas.

For employees to raise any Grievance, we have a well-documented procedure that is followed across the organisation. As per the procedure all grievances should be disposed of within a month.

## Compliance and Risk Management

Risk Management Framework is an effective tool to manage different types of organisational Risks i.e. product related, Market related, Strategic, Operational & HR, Financial and Compliance Risk. This framework acts as a precautionary approach towards risks. Balmer Lawrie has a diverse business portfolio spanning Manufacturing and Services sectors. The very diversity of the SBUs offers as much challenge as they are areas of concern. The diversity underpins the need for an equitable and effective Risk Management Policy. As a result, Balmer Lawrie has developed and implemented an efficient risk management policy across the Strategic Business Units of the company. The risk management system facilitates identification of both internal and external risks to the organisation. It is a three-step process that includes Identification, Prioritisation and Response. The risks identified through the Risk Matrix are reported through a formal procedure where the risk identification report is presented to the SBU Head and Senior Vice President (Finance) for corporate head office. Further, this report is shared with the concerned Director in charge of the SBU, Director (Finance). After incorporating the suggestions received, the concerned Director assesses and evaluates the findings before forwarding the report to the Chairman and Managing Director.

The overall Risk Identification Report for the entire Company is compiled by the Chairman and Managing Director and submitted to the Board of Directors for their consideration and necessary action. The entire process is time bound. The Chairman and Managing Director presents the report on an annual basis each financial year.

As a measure to mitigate both internal and external risks, the company has laid down various policies and procedures to be followed by the employees of the organisation. Conduct, Discipline & Review Rules (CDRR), Credit Control Manual, Accounting Manual, Forex Risk Management Policy, Project Control Manual, Standard Operating and Maintenance Manuals, etc., have been put in place to limit the risks.

A well-established Internal Audit mechanism is in place in the Company. It is mandated that the Internal Audit Reports during the course of Audit would focus on internal checks of business processes, evaluate the effectiveness of the control systems and provide recommendations in the interest of better Risk Management. These Reports are placed to the Audit Committee from time to time.

Balmer Lawrie has proper systems to ensure compliance with the provisions of all applicable laws and regulations including environmental regulations. During the reporting period we have not found any non-compliance with laws or regulations. All mandatory requirements of applicable provisions of the SEBI (LODR) have been complied with except for appointment of required number of Independent Directors and other allied matters.

During the reporting period, Balmer Lawrie has not identified any non compliance with environmental and social laws and regulations.

# Economic Growth

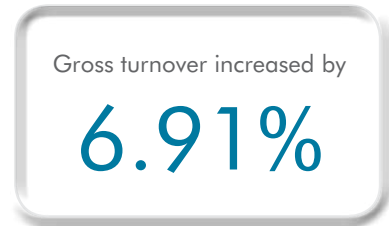
At Balmer Lawrie, we have imbibed a culture that promotes continuous improvement. We nurture and implement new innovative ideas leading to enhanced operational efficiencies. As a result we have carved a niche for our businesses in their respective sectors.

- **Shyam Sundar Khuntia**, *Director (Finance) & Chief Financial Officer*

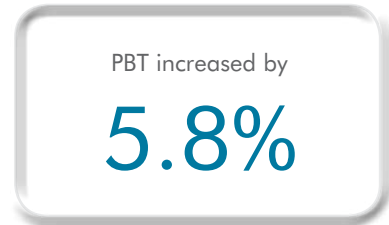




Balmer Lawrie & Co. Ltd. in its 151 years of existence has expanded its presence in multiple sectors. A leader in steel barrels, industrial greases and specialty lubricants, corporate travel and logistics services, it also has significant presence in leather chemicals and logistics infrastructure. The core competency of the Company lies in its ability to handle multiple diversified businesses in a manner to keep the top and bottom line healthy, despite adverse fluctuations in business segments. This is evident from the economic performance of the company in the year 2016-17. The gross turnover increased by 6.91% to Rs.1,90,117 Lakh as against Rs.1,77,836 Lakh in 2015-16. The Company recorded PBT (Profit Before Tax) of Rs. 25,411 Lakh in 2016-17 as against Rs. 24,021 Lakh in 2015-16. This increase is primarily due to profits earned by Logistics Services, Travel & Vacations, Leather Chemicals and Refinery & Oil Field Services verticals.



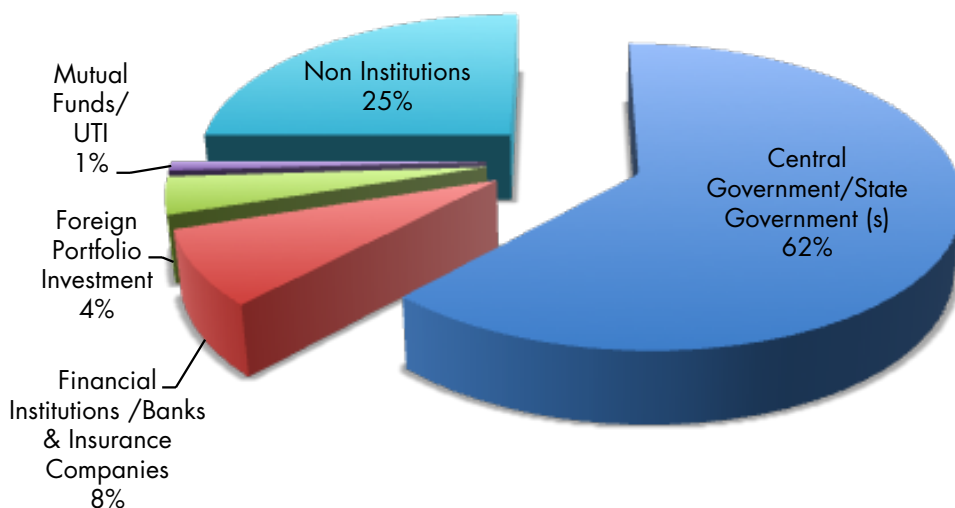
During the year in spite of an increase in steel prices, SBU: IP maintained its profitability. It is the largest manufacturer and the market leader in the business of 200-Litre capacity steel drums in India. SBU: G&L has performed better in terms of production and sales as compared to last year. However, the bottom line for the year has been affected due to abnormal increase in price of Lithium Hydroxide, increase of base oil prices in the second half of the year and increase of other input costs which could not be passed on to the customers fully because of the competitive market situation and contractual delivery terms.



SBU: LC has developed New Beam House chemicals which have been well received by customers. There are plans to foray into the Finishing Chemical segment. SBU: Logistics has commissioned the first state of the art TCW in Hyderabad in March 2016. The second TCW has been established at Rai and is ready for operation. Some statutory approvals are awaited from the State Government. The third one at Patalganga, Navi Mumbai is expected to be ready for commercial operation by end of this fiscal.

Balmer Lawrie is setting up its Multi Modal Logistics Hub (MMLH) project at Vizag in partnership with M/s Visakhapatnam Port Trust (VPT). At this hub, facilities will be created for handling Exim and domestic cargo. Its commissioning is expected in the last quarter of the 2017-18 financial year.

**Shareholding Pattern (as on March 31, 2017)**



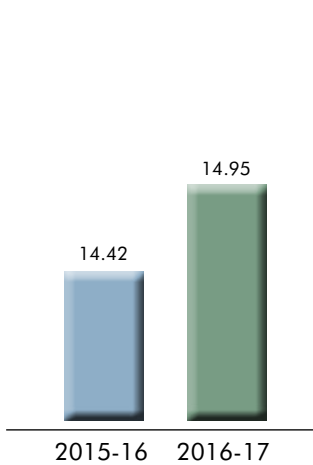


The Logistics Services vertical during 2016-17 achieved the highest ever topline and PBT registering a growth of 13% in turnover over the previous year, which is primarily on account of surge (15% growth YoY) in air freight and ocean freight activities. Profitability improved due to better sales mix and handling of a higher volume of project logistics. Air freight services continues to be a dominant activity of the SBU and provides more than 62% (earlier 50%) of the SBUs overall topline.

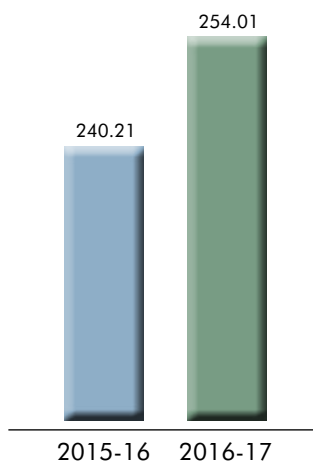
SBU: T&V in the last one year, has strengthened its position in the leisure travel segment of the retail market and the Vacations vertical has added many retail clients. SBU: ROFS has achieved growth above the last year’s turnover and also substantial increase in segmental profit.

The outlook for the next financial year suggests positive growth. Taking into account the significant reforms initiated by the Government, the macro-economic environment offers good opportunities of growth for Balmer Lawrie.

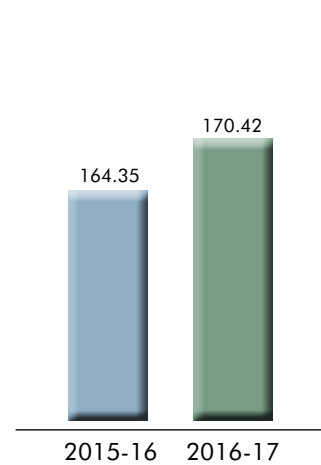
Earning Per Share (Lakhs)



Economic Value Retained (Crores)



Profit After Tax (Crores)



**Direct Economic Value Generated and distributed (in INR Crore)**

Particulars	2015-16	2016-17
<b>A. Direct Economic Value Generated</b>		
Revenues from operations	1715.60	1828.08
Revenues from other sources	62.76	73.09
<b>Total</b>	<b>1778.36</b>	<b>1901.17</b>
<b>B. Economic Value Distributed</b>		
Operating expenses (excluding employee wages & benefits)	1334.41	1443.16
Employee wages and benefits	199.19	199.37
Payment to providers of Capital	4.55	4.54
Payment to government: Dividends*	NIL	NIL
<b>Total</b>	<b>1538.15</b>	<b>1647.07</b>
<b>Economic Value Retained (A-B)</b>	<b>240.21</b>	<b>254.01</b>
Profit Before Tax	240.21	254.11
Profit After Tax	164.35	170.42
Earnings per share (INR)	14.42*	14.95

\* EPS in Lakhs

## STRENGTHENING THE SUPPLY CHAIN

Balmer Lawrie works in tandem with its suppliers. We work towards developing fruitful partnerships with our suppliers by hand-holding them at each step. In order to provide a fair opportunity to the suppliers who want to be associated with Balmer Lawrie, the procurement with respect to goods and services is done with utmost transparency through e-procurement. All the tenders are floated on our official website. A vendor registration process registers a prospective vendor. For a particular tender, we conduct pre bid meetings to communicate the requirements such as legal compliance, HSE, Environmental protection. Code of conduct, etc. to the potential suppliers. Following which post bid meetings are conducted to share the assessment with the suppliers and methods to improve the supplier assessment scores are discussed. Vendors are guided on

the processes of e-procurement and online application, concerns raised by them is discussed and worked upon for improvement. An online supplier feedback mechanism is also provided to facilitate vendors to raise any grievance w.r.t. to the entire process.

We are constantly looking to innovate and to develop new products that incorporate environmental concerns in its design and use. Discussions are organized with suppliers of raw material to understand the new technologies and products that can be adopted by us.

In order to build trust, promote transparency, integrity and accountability amongst our suppliers, we organise annual workshops to create awareness regarding work ethics and vendor's rights.

# Enriching Lives

Balmer Lawrie is sensitive towards the needs of society and is committed to conducting its business as a responsible corporate citizen. We have worked with the marginalised sections of the society and have attempted to enhance the quality of life of the communities by means of infrastructure development, education facilities, affordable and accessible health care and employment opportunities through skill development and empowering women.

- **Manjusha Bhatnagar**, *Director (HR & Corporate Affairs)*





Balmer Lawrie understands its responsibility towards the society where it thrives. It works to improve the lives of not only its employees but contributes positively towards the society at large. In line with our vision to empower the communities, we strategically plan our CSR Programmes. A well-defined CSR and sustainability policy guides us towards planning, implementation and monitoring of our CSR initiatives. In line with the requirements of New Companies Act 2013, Schedule 7, an amount of Rs. 412.65 Lakhs was spent on CSR activities during the financial year 2016-17. This investment is in kind and Balmer Lawrie is not generating any income out of these spends. The overall responsibility and accountability of CSR activities of Balmer Lawrie lies with the CSR committee. The committee decides on various programmes in consultation with the community. The focus remains on need-based initiatives aligned with the national priorities such as public health, education, livelihoods, water conservation and natural resource

management etc. A local authority or an NGO is often involved in implementation, which ensures the involvement of the community in the initiatives. Since the programmes are designed in consultation with the local communities, there is a sense of ownership that is instilled thus, leading to a successful adoption of the community development initiative.

Balmer Lawrie’s CSR initiatives are driven by two Flagship Programs - Balmer Lawrie Initiative for Self-Sustenance [BLISS] and Samaj Mein Balmer Lawrie [SAMBAL]. While the first Program is directed at providing and improving the long term economic sustenance of the underprivileged, the second Program aims at improving the living standards and quality of life of the population in and around our Company’s work-centres. In our endeavour to improve the quality of lives of the communities we work in 5 thrust areas facilitating holistic development of the community.





## PRIMARY EDUCATION

Balmer Lawrie believes that Education is important not only for the enhancement of quality of life of the community, but also for the overall progress and development of the country. With a specific focus on imparting education to the weak and marginalized sections of the society, we direct our educational initiatives towards the upliftment of the disadvantaged. During the reporting period through "Ekal Vidyalaya Foundation" we provided basic, primary, non-formal education (up to class IV) to poor tribals free of cost. We also build a School Block of "Mogappair School" in Chennai. With SOS Children's village of India, we sponsored 2 family homes. In another programme of imparting knowledge we sponsored 2 classes of Indian Institute of Cerebral palsy (IICP) for the children suffering from Cerebral Palsy.



## HOLISTIC DEVELOPMENT

One of the objectives of the Balmer Lawrie's corporate social responsibility is to initiate holistic development programmes for differently-abled children and orphans with a view to provide them opportunities to lead a meaningful life

## HEALTH AND NUTRITION



Balmer Lawrie has been working to provide accessible and affordable health care services to the community. Our Mobile Health Care vans which run through Helpage India provides medical care especially for the elderly people, catering to 12000 patients annually. During the reporting period 11952 patients were treated through our Mobile Care Units. In addition to this we donated a sonography machine at Thirumalai Mission Hospital Ranipet, Tamil Nadu.

## SKILL DEVELOPMENT AND SUSTAINABLE LIVELIHOOD

Skill development acts as an important tool to empower individuals and improve their social acceptance. In order to equip people with various skills, Skill development institutes are being set up at different parts of the country by the member companies of Ministry of Petroleum and Natural Gas (MOPNG), Govt. of India. Balmer Lawrie being one of the member companies contributed Rs. 180 Lakhs for the institutes at Bhubaneswar, Kochi and Vishakhapatnam during FY 2016-17.



## CAPACITY BUILDING

Capacity building enables an individual to develop competencies and skills that can make them more effective and sustainable in their work. During the reporting period Balmer Lawrie conducted awareness sessions on Sustainability across its Business units

### Empowering Women

With a vision to equip women with skills enabling them to lead a rightful and dignified living, Balmer Lawrie conducts vocational training courses customized for Women. Moving towards the objective to uphold the right to employment

and improve employability of the girl students, Balmer Lawrie in collaboration with IATA Training & Development Institute and Trade-Wings Institute of Management had imparted three-month training in travel & tourism to 105 girls from the economically weaker sections. The entire training cost including a stipend of Rs. 3,000 per month for 3 months for each of the trainees amounting to Rs. 39.43 Lakhs was borne by Balmer Lawrie. The training programme was conducted at the IATA approved training centres of Trade-Wings in the respective cities. This was a certified course wherein successful participants received a Diploma in Travel & Tourism Management.

In addition to programmes conducted by us, we also extend our support to the government led initiatives for community development including Swachh Bharat Abhiyaan, Sanitation, Renewable Energy etc. We engage specialized agencies to implement our programmes.

## SWACHH BHARAT ABHIYAN

Giving our contribution to the Honourable Prime Minister's Swachh Bharat Abhiyan, during the reporting period we worked in the area of sanitation at Schools. Under this, the renovation cost for toilets at Matunga, Dayanand Ballika vidhyalaya was paid by Balmer Lawrie. Under the "Swachh Vidyalaya: Swachh Bharat Abhiyan", the Company has constructed/refurbished a total of 306 toilets in Government Schools covering states of Assam, Chhattisgarh, Haryana, Andhra Pradesh and West Bengal. We are the only PSU under MOPNG to have completed the target of constructing toilets. We had committed to maintain these toilets for a period of 5 years since its construction in the year 2015. During the reporting period we spent a considerable amount on its maintenance. Apart from this, other initiatives have been taken up by Balmer Lawrie in the areas of waste management, availability of water to the village community etc.



In order to assess its performance and impact on various initiatives and to gauge whether we are in line with our vision, Balmer Lawrie conducted an evaluation of its activities. This evaluation was carried out by Tata Institute of Social Science, Mumbai.

# Our People Our Pride

Driven by a culture of strong beliefs and values, Balmer Lawrie gives paramount importance to its employees. It is their hard work and dedication that takes the organisation forward. Therefore investing in this valuable resource becomes imperative.



G4:DMA (Training & Education); G4-9; G4-10; G4-LA1; G4-LA4; G4:DMA (Employment); G4-HR3; G4:DMA (Non-Discrimination); G4:DMA (Labor/Management Relations)

To cater to the needs of the employees and the organisation, Balmer Lawrie has a dedicated Human Resource department which focuses on nurturing both the organisation and the individual. It is the responsibility of the HR department to provide employees with opportunities to grow along with the organisation and to acquire new skills enabling them to perform better in their respective roles in the organisation and facilitate them in their career development.

Since our inception in 1867, we have grown both in size and scale. As on 31st March 2017, we have 1188 employees (1097 male & 91 Female) with six special abilities employees on permanent roles. 281 employees were hired on contract during the reporting period.

Balmer Lawrie provides equal opportunity to all. FY 2016-17, 119 employees joined us and 112 left the organisation.

**Attrition at Balmer Lawrie**

Age Group	Gender	Joined	Left
<30 years	Male	54	34
	Female	18	15
30-50 years	Male	33	42
	Female	14	11
> 50 years	Male	0	10
	Female	0	0

Balmer Lawrie attracts talent through various mediums including advertisements in newspapers, Website etc. Entire recruitment process is transparent and fair. We maintain high standards as regards to addressing gender equity in the organisation. During the reporting period there have been no cases of discrimination on the bases of race, colour, sex or religion. We have a dedicated recruitment policy which guides the entire process.

We have duly constituted internal complaints committee in place in all the four regions of the country under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the reporting period no case of sexual harassment was reported.

Balmer Lawrie understands the need to have worker unions as they see it as a medium to improve worker participation in decision making in addition to instilling

a confidence in workers that their rights and issues are well represented in the organisation. It act as a medium of stakeholder dialogue wherein workers are given freedom to express their opinions. Balmer Lawrie has six trade unions, one non-Unionised Supervisors Association and one executive association. 100 % of our employees are covered by collective bargaining agreements. Our employees are well informed about significant operational changes in the organisation. As per the Industrial Disputes Act 1947, 21 days of notice is served and is specified in the collective agreements.

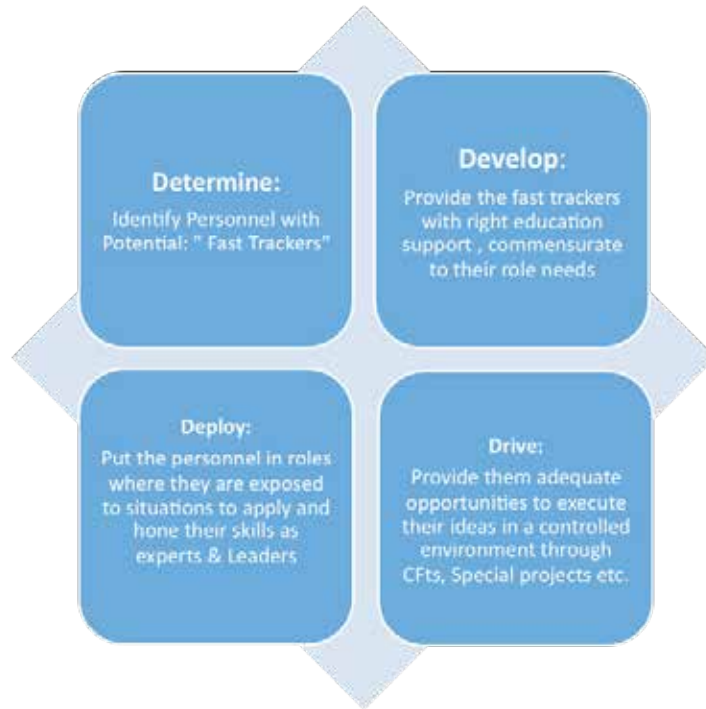
Being associated with our organisation, permanent employees are entitled to benefits including life insurance, retirement benefits as per statutory provisions, Maternity benefits etc. Permanent employees are also governed by Company Medical Scheme, ESIC and The Employees' Compensation Act, 1923.

“Education, Exposure & Experience”: Balmer Lawrie nurtures talent in a way that it develops capability of the individual to facilitate them in their career progression. It focuses on the holistic development of an employees by providing them avenues to hone their skills, Exposure to various domains and an experience of the industry. We grow leaders from within. Our recruitment policy is linked to the Talent Management Policy.

At each threshold level in an individual’s career, BL deploys the 4D model framework.







The Performance management system is a medium that enables employees to align their goals with organisational goals. It identifies the strength and areas of improvement of an individual enabling them to perform better. During the Financial year 2016-17, 100% of the employees on pay roll were have undergone the annual performance appraisal. Performance Management system of the company for the executives and Non-unionised Supervisors has been made online to bring in more transparency and to ensure compliance of timeliness.

HR has over the years initiated a no. of programmes for employee development including BLEND (Balmer Lawrie Engaging in Nurturing & Development) programme. Under this the new talent management policy was successfully deployed. The policy has progressive nature and includes a no. of initiatives for the benefit of the employees.

At Balmer Lawrie, we achieved 1400 man days of training in 2016-17. Depending on the training needs identified, we organize various in-house training programmes on various domains both technical and non-technical. In addition, employees are also sent for external training to build their capacities in certain specific domains. During the reporting period, average hours of training provided per employee is as follows:

Gender	Category	No. of Employees	Avg. Training hours/Employee
Male	Permanent (Executive & Executive Officers)	888	12.04
Female		167	8.71

Training data for contractual workers is not available as there is no provision of calculating the same. Balmer Lawrie is in the process to record the same from this financial year.

As a medium of employee engagement, regular town hall meetings are conducted across various locations in the country. Employees are given opportunities to express their grievance during these meetings. In FY 2016-17, 8 town hall meetings were conducted.



# HEALTH & SAFETY

Balmer Lawrie gives paramount importance to providing a healthy and safe working environment to its employees. A culture of safety is promoted by our top management that flows down the hierarchy and each employee has imbibed this in its workplace.

In addition to adhering to the Occupational Health & Safety Standards as per The Factories Act, 1948, we have taken various other initiatives. Our major plants and units at Kolkata, Mumbai, Chennai, Asaoti and Silvassa location are certified to OHSAS 18001:2007. The presence of a dedicated HSE policy guides us towards building a safe workplace for our employees. The Health & Safety manual has detailed information of the HSE practices that are followed at Balmer Lawrie including HSE audit etc. In order to oversee every manufacturing unit we have implemented HSE MIS system across all the manufacturing and CFS Units. Every plant /CFS Unit submits a monthly HSE MIS to corporate office. All incidents are recorded reported and a root cause analysis of such incidents is done, enabling them to take corrective and preventive actions. During the reporting period it was observed that majority of incidents happened due to SOP violation or inadequate supervision.

There are various risks associated with each of our Business verticals. For instance, ergonomic hazard is most prevalent in Travel and Vacations. In Grease and Lubricants manufacturing, workers are exposed to hazards such as grease gun injuries, oil, grease spills and skin disease. Industrial packaging deals with a different set of risks related to the use of heavy machinery, exposure to paint fumes, hazardous chemicals etc. Leather chemical manufacturing deals with working on hazardous chemicals which if not handled in a specified manner can lead to disastrous effects. Logistics infrastructure is one Business where there is constant movement of transport including trucks and containers which, if not managed, can lead to serious accidents.

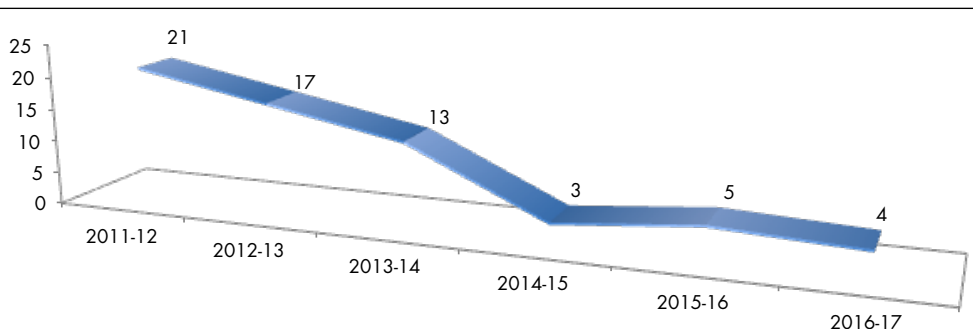


A number of training programmes related to awareness about workplace hazards, critical safety guidelines, handling specific chemicals, first aid and emergency response, are conducted across all our locations. During the reporting period, training programmes on topics including electrical safety, behaviour based safety, defensive driving, etc., were conducted.

We also adopted a new approach towards safety by conducting behaviour-based safety trainings for our employees. During the coming year we plan to conduct this training across all our manufacturing plants, CFS and TCW in addition to focusing on other training programmes including material handling, forklift operations, process safety evaluation, etc.

As a result of the various initiatives taken up by the HSE department, over the years the Lost Time Injury (LTI) has reduced and there is a significant improvement in HSE statutory compliance across the SBUs. During the reporting period, 117 man-days were lost due to four Lost Time Injuries. The frequency rate and severity rate was 0.55 & 16.25 respectively. There were no reported cases of any occupation-related ailments at any of the locations.

LTI trend over the past six years



# Being Environmentally Conscious

Balmer Lawrie has done pioneering work in providing cost effective solutions to the industry. It promotes sustainable and environment friendly business practices. With a team of highly competent professionals, we constantly innovate to develop eco-friendly chemicals and products for the industry.

- **D Sothi Selvam**, (*Manufacturing Businesses*)



At Balmer Lawrie, nature and natural resources hold great significance as we are dependent on these for our processes. Limited or no availability hampers our production process. Some of the resources act as basic requirement for our products. Therefore, conservation and wise use of resources is imperative to our existence.

We are constantly working to reduce the impact of our products and services on environment by taking various measures including improvement in energy efficiency, implementing process and new improved technologies to reduce air emissions. Judicious use of land and water etc. We understand our responsibility to save and

rejuvenate the precious resources that our environment bestow upon us.

All our plants are ISO 14001 certified. Our Environmental Management System helps us in managing our environmental footprint. During the reporting period, Rs.2.5 Crore was spent on environmental activities that included ZLD treatment, installation of solar power plant, treatment of emissions etc.

Since we have 6 different business verticals, each business vertical has a different impact on a particular natural resource. Therefore, the material boundary for each environmental aspect differs for different businesses.

## ENERGY

Balmer Lawrie's Greases & Lubricants business is dependent on fuel and electrical energy. Electrical energy is being used to operate plant and machinery, whereas fuel energy is required to produce heat energy through installed thermic fluid heaters and steam boiler. In addition, it is also required to operate utilities such as fork lift, diesel generators, and thermic fluid heaters and steam boiler. Considering its use in multiple operations, it becomes important for us to manage this resource judiciously. At Balmer Lawrie, in order to increase energy efficiency and reduce our dependence on non-renewable source of energy we have taken a no. of initiatives such as installation of soft starters (VFD), LEDs and solar panels for street lights at our plant location.

Our Industrial packaging unit is heavily dependent on both electricity and fuels for its machines. As a measure to reduce energy consumption, we have installed LEDs and used transparent sheets in factories and stock yard.

Leather Chemicals division is another business where energy (electricity and fuel) is required to meet the manufacturing plant requirements, operating boiler,

spray dryer, forklift and DG sets etc. We have recently installed VCB (vacuum circuit breaker), harmonic filter, APF (automatic power factor) etc. to optimise & reduce the power consumption in the plant.

Our service businesses (Logistics, T&V and ROFS) are not energy intensive, thus energy intensity of these three verticals is not significant. However, we regularly carry out awareness programmes on energy conservation, use LED lights and minimise use of paper consumption to reduce our carbon footprint.

In addition, 175526 Kwh of power generated from our solar plants has been entirely utilised as an energy source at our manufacturing plants, further reducing our carbon footprint.

For meeting energy requirements, Balmer Lawrie depends on direct (fuel) sources as well as indirect (electricity) sources. Total energy consumption (including direct as well as indirect) across six business verticals across all plants during the reporting period was at 152616.40 GJ. The following table gives further details about various fuels consumed:

Business	Fuel (GJ)	Electricity (GJ)	HSD (GJ)	FO (GJ)	LDO (GJ)
Greases & Lubricants	17550.27	7866.98	878.66	N.A.	16671.62
Leather Chemicals	20178.15	7424.51	3327.17	12854.8	3996.18
Industrial Packaging	61089.31	23047.86	36255.40	N.A.	24352.37
Logistics	11641.87	4299	11641.87	N.A.	N.A.
Total	110459.60	42638.35	52103.09	12854.8	45020.16



We have taken a step towards green energy and have installed 300 KWp of solar plants in 2016-17. A 100 KWp of roof top plant at the Industrial Packaging plant at Asaoti and a 200 KWp of solar plant at the Manali complex in Chennai. At present, total installed capacity of Solar Power Plant of Balmer Lawrie stands at 460 KWp. The already existing 160 KWp Solar Power Plant at IP, Asaoti and Navi Mumbai has generated 175526 Kwh units in the current financial year.

## WATER

Water is one of the most critical requirements in the manufacturing process of Leather Chemicals, Industrial Packaging, Greases & Lubricants which includes utility usage such as boiler, cooling tower, Thermic Fluid Heaters. Apart from this it is also required to meet the daily domestic needs such as sanitation, drinking water, etc. During the reporting period, 87,991 KL of fresh water was consumed across the above three business verticals. Sources of water were municipal water, ground water and surface water.

### Location-wise water source

Business	Location	Source of water
Industrial Packaging	Chennai	Municipal water supplies
	Chittoor	
	Silvasa	Ground Water
		Surface Water
	Kolkata	Surface Water
	Asaoti	
	Navi Mumbai	Municipal water supplies
Greases & Lubricants	Chennai	Municipal water supplies
	Kolkata	Municipal water supplies
	Silvassa	Ground water
Leather Chemicals	Chennai	Municipal water supplies

Since we are dependent on water for our business, we have started creating awareness amongst our employees on the economic usage of water in all activities. We are focusing on reducing our consumption of fresh water and as far as possible recycle and reuse it. At the Leather Chemicals plant in Chennai we have implemented few water recycle projects such as reuse of steam condensate and waste water generated from processes that have resulted in 10% to 15% overall reduction in water consumption. Apart from this, we are also looking at small measures that can be taken up to reduce water consumption such as replacement with push taps, sealing unwanted taps, plugging leakages, etc.

The Industrial Packaging unit at Taloja, Navi Mumbai is a zero discharge plant. No water is being consumed in the manufacturing process. It also implemented rain water harvesting at its state-of-the-art barrel manufacturing plant to ensure that the ground water level is maintained. In addition, the CFS unit at Mumbai, during the reporting period achieved zero discharge of sewage effluent. All the effluent are treated in-house and are used in domestic consumption, vehicle washing and gardening.

## EFFLUENTS & WASTE

From proper waste disposal to efforts at recycling, effective waste management has become a vital part of our business. Leather Chemicals, Industrial Packaging, Greases & Lubricants generate waste and effluents that are treated and disposed off in a responsible manner.

Effluents generated from the Greases & Lubricants plants are treated in the effluent treatment plant. Treated samples are then analysed in the lab to confirm that the quality of the sample is in line with the norms laid down by the state pollution board. Once the quality of the treated sample is found satisfactory, it is discharged into the drain. Both our plants at Chennai and Kolkata have this facility. We are in the process of obtaining approval for installation of an ETP at our plant in Silvasa. The Industrial Packaging and Leather Chemical plants also have Effluent Treatment Plants.

Hazardous waste generated during the reporting period for the above three businesses is 194.76 tonnes. Specific details are as follows:



### Hazardous waste generated

Business	Type of Hazardous waste	Quantity generated (in tonnes)
Industrial Packaging	Paint sludge, ETP sludge	51.85
Greases & Lubricants	Waste residue containing oil, spent oil, oil contaminated flexi poly bag, slope oil from wastewater, jute/cotton containing oil, etc.	123.96
Leather Chemicals	Evaporator waste/salt	19.31

Hazardous waste is disposed off through registered recyclers. Non-hazardous waste includes garbage, paper, torn clothes etc. that are disposed off through registered vendors. Some of the waste is also used for composting. The data for non-hazardous waste is not available during the reporting period. Balmer Lawrie will develop procedures to record it from the financial year 2017-18.

## MATERIAL

Our business is dependent on the raw materials that are available in nature. These are not used in their natural form, instead, processed material are bought from external suppliers. At present we are dependent on non-renewable materials for our products. The aspect boundary for "Materials" is Industrial Packaging, Greases & Lubricants and Leather Chemicals businesses of Balmer Lawrie. For Industrial Packaging, the manufacturing process uses direct materials including steel, paint, lacquer, seaming compound, thinner, diesel, etc.

Packaging material includes corrugated and Kraft paper which are non-renewable in nature.

Materials used for the Greases & Lubricants business include lubricating base oils, petroleum, vegetable oil, organic-inorganic chemicals and plastic cans for packaging.

For Leather Chemicals we use materials such as paraffin wax, Chlorine, SO<sub>2</sub>, Phenol, formaldehyde, etc. The details of consumption for the year 2016-17 are as follows:



### Industrial Packaging

Material used*		Quantity & Unit
Raw Material	Steel	89500 MT
	Paint	714000 L
	Drum Closures	13200000 Nos.
	Locking Rings	1482000 Nos.
	Lacquer	210600 L
	Seaming Compound	76000 Kg
Associated process material	Diesel	2300000 L
	Thinner	300000 L
Semi Manufactured Goods	Bitumen Drum Lids	170000 Nos.
Material for packaging purpose	Corrugated Paper	2700000 Nos.
	Kraft Paper	500000 Nos.

### Greases & Lubricants

Material used*		Quantity & Unit
Raw Material	Base Oils (Petroleum)	34731 KL
	Vegetable Oils and Fats	2900 MT
Associated process material	Misc. Chemicals (Organic and Inorganic)	5905 MT
Material for packaging purpose	Steel and Plastic barrels	165038 Pieces
	Plastic Containers and cardboard boxes	4664338 Pieces
	Plastic Stickers	1384915 Sets

### Leather Chemicals

Material used*		Quantity & Unit (MT)
Raw Material	Paraffin Wax	1098
	Chlorine	1062
	SO <sub>2</sub>	496
Associated process material	Urea	109
	Sodium Sulphate	347
	Caustic Lye	468
Semi Manufactured Goods	Phenol	125
	Formaldehyde	264
Material for packaging purpose	60 Ltrs Plastic Cans	5049 Nos
	125 kgs Plastic Cans	7457 Nos
	120 kgs Plastic Cans	33127 Nos

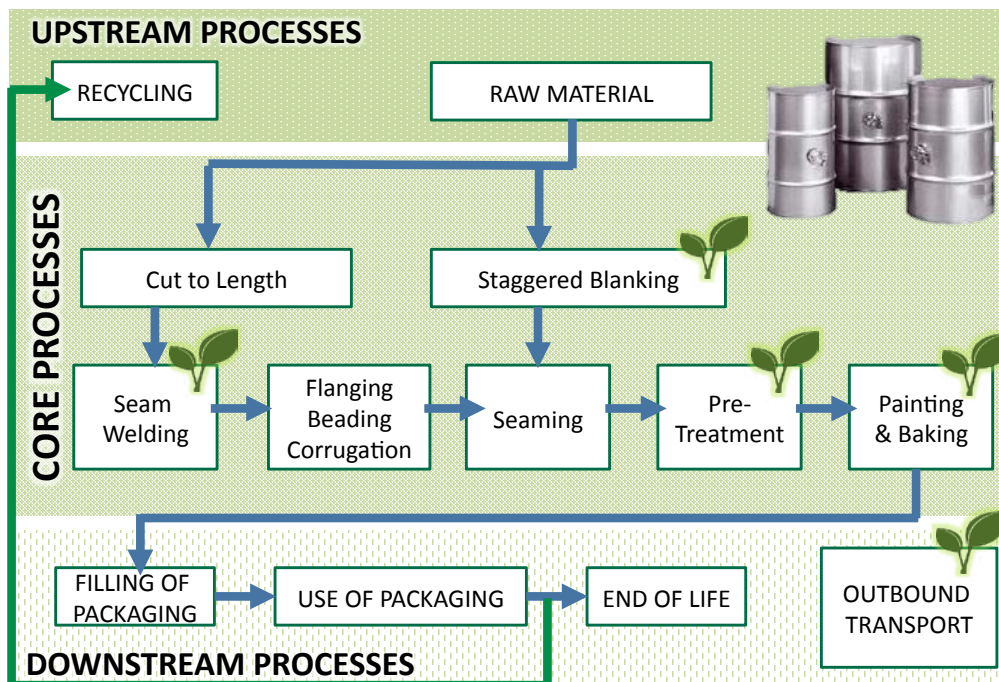
\* All material used are derived from non-renewable sources.

# GREEN MANUFACTURING: INDUSTRIAL PACKAGING

Manufacturing Sector plays a major role in the country's economy. It is important for it to grow further but at the same time the growth path that it follows should be efficient in terms of resource use including energy, raw material, minimisation of waste etc. It should use the limited available resources judiciously.

Balmer Lawrie being a public sector organisation takes this responsibility to take the first step towards green manufacturing. It has multiple benefits including cost efficiency, reduction in emissions etc. It also gives an opportunity to build a strong brand amongst an informed set of consumers.

A typical manufacturing line has the following processes:



At Balmer Lawrie we are at a nascent stage in our journey towards green manufacturing. We have identified the opportunities across various stages of drum manufacturing. Steel is the most recycled packaging material across the world. 80-90% of all steel ever produced is in use even today.

Introduction of new improved technology in welding process will lead to a significant reduction in power consumption. Power saving of upto 230000 KWh equivalent to 200 ton of CO<sub>2</sub> emission/million drums was achieved by using improved technologies such as replacing manual seam welding with semi-automatic welding. The reduction in steel rejection was 90 MT.

Further use of new technology across the manufacturing line has a potential to reduce 1650 MT /million drums of steel consumption. Other initiatives such as avoiding pre-treatment of drums, using dry type paint booths, change in paint chemistry, replacing fuels used in oven with PNG etc, will lead to a substantial reduction in water consumption and air pollution.

Balmer Lawrie is a responsible industrial packaging player. It is India's largest steel drum manufacturer with 6 plants across the country. The largest plant is at Taluja, which is fully automated plant. It is the winner of Gold Category in NAMC by IRI. In addition is first ZLD drum plant in the country which is using DOS-A Steel.

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# WAY FORWARD

Balmer Lawrie has been a proactive organization when it comes to adopting measure towards Sustainability. Driven by strong leadership, Sustainability has always been given high priority.

2016-17 has been eventful in terms of new initiatives taken by the government to facilitate investment and ease of doing business in the country. On the economic front Balmer Lawrie continues to do well in all the business verticals.

In coming year, SBU: IP is geared-up to meet the challenges by aggressively positioning itself in the market through acquisition of new customers and improvement of market share from the existing customers.

SBU: G&L is gearing towards increasing brand visibility and expanding retail network. Focus would be on developing technologically advanced products that lead to pollution-reduction.

SBU: LC has plans to foray into the Finishing Chemicals segment by leveraging the existing distribution network, technical service centres and cordial relationship with customers to its advantage.

SBU: LS has revamped its existing technology during the reporting period and has plans to further upgrade the same in the near future to meet future business challenges.

SBU: T&V has strengthened its position in the leisure travel

segment of the retail market and the Vacations vertical has added many retail clients. It is expected that this vertical will play a significant role in the SBU's growth as an end to end travel solutions provider in the coming year.

SBU: ROFS has substantial job bookings for the next financial year. This is owing to high market demand for services in the current year along with improvements in operational efficiency and effective cost control

On the Social front, employee development and welfare will continue to be a focus area for the organisation. We will continue to invest in enhancing the professional skills and competencies of our employees. For our CSR initiatives, community development will be a priority. We will align our initiatives with the national priorities thereby contributing towards the government's agenda and vision of inclusive development.

Our commitment towards environment will be further bolstered with adoption of new technologies towards minimising the pollution load of our operations. We will continue our endeavour to conserve energy, water and natural resources, and effectively manage waste. Measurement of our carbon emissions will give us a baseline to identify areas of improvement and monitor our performance. We will continue our shift towards renewables and increase the green cover within the boundary of our plant premise.

## Memberships

- Confederation of Indian Industry
- Bengal Chambers of Commerce
- SCOPE

Balmer Lawrie subscribes to the following  
**externally developed principles:**

- United nations Global compact

## Conversion Factors

Energy: 1 kWh=0.0036 GJ

Diesel: Net calorific Value (NCV): 43

Density: 1KL=0.8325 MT

Fuel Oil: 0.04



## Abbreviations

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BL	Balmer Lawrie & Co. Ltd	LEDs	Light-Emitting Diode
CFS	Container Freight Station	LI	Logistics Infrastructure
CPSE	Central Public Sector Enterprises	LODR	Listing Obligations and Disclosure Requirements
CSR	Corporate Social Responsibility	LS	Logistics Services
CVC	Central Vigilance Commission	LTI	Lost Time Injury
CVO	Chief Vigilance Officer	M	Meter
DG	Diesel Generator	MICE	Meetings, Incentives, Conferences, Events
DMA	Disclosure on Management Approach	MOPNG	Ministry of Petroleum & Natural gas
DPE	Department of Public Enterprise	MT	Metric Ton
ETP	Effluent Treatment Plant	NGO	Non-Governmental Organizations
FY	Financial Year	OHS	Occupational Health & Safety
G&L	Greases & Lubricants	PNG	Piped Natural Gas
GJ	Gigajoules	PSU	Public Sector Undertaking
GRI	Global Reporting Initiative	ROFS	Refinery & Oil Field Services
HR	Human Resource	SBU	Strategic Business Unit
HSE	Health Safety & Environment	SEBI	Securities & Exchange Board of India
IATA	International Air transport association	SOP	Standard Operating procedure
INR`	Indian Rupee	T&V	Travel & Vacations
IP	Industrial Packaging	TCW	Temperature Controlled Warehouse
ISO	International Organization for Standardization	TQM	Total Quality Management
KI	Kilolitre	UNGC	United Nations Global Compact
KM	Kilometre	w.r.t.	With respect to
LC	Leather Chemicals	ZLD	Zero liquid Discharge





बामर लॉरी एण्ड कं. लिमिटेड  
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