

# Saint-Gobain Sekurit India Limited

## NOTICE

**NOTICE** is hereby given that the Thirty-Ninth Annual General Meeting of the Members of Saint-Gobain Sekurit India Limited will be held on Saturday, 28<sup>th</sup> July, 2012 at Hotel Kalasagar, P-4, MIDC, Kasarwadi, Mumbai-Pune Road, near State Bank of India, Pune 411034 at 11.30 a.m., to transact the following business:

### ORDINARY BUSINESS

- To receive, consider and adopt the Directors' Report, the Auditors' Report and the Audited Balance Sheet and Profit and Loss Account together with Schedules and Cash Flow Statement of the Company for the year ended 31<sup>st</sup> March, 2012.
- To appoint a Director in place of Mr. Padmanabha Shetty, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint M/s. Price Waterhouse, Delhi (Registration No. 012754N) Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

- Appointment of Mr. A. Dinakar as Director:

To appoint a Director in place of Mr. A. Dinakar who holds office up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 read with Article 120 of the Articles of Association of the Company and being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. A. Dinakar for the office of a Director.

- Appointment of Mr. A. Dinakar as a Managing Director:

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Mr. A. Dinakar as Managing Director of the Company for a period of Five (5) years, commencing from 25<sup>th</sup> October, 2011 and ending on 24<sup>th</sup> October, 2016, on such terms and conditions, as mentioned in Explanatory Statement, attached to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to review and/ or revise the

terms, conditions, remuneration including minimum remuneration, perquisites, commission and other benefits being given to or to be given to Mr. A. Dinakar in line/ conformity with any amendment to the relevant provisions of the Companies Act, 1956 and /or Rules and Regulations made thereunder and /or the guidelines as may be announced by the appropriate authorities from time to time and in accordance with the limits specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto as may be agreed between the Board of Directors and Mr. A. Dinakar."

18<sup>th</sup> May, 2012

By Order of the Board

Registered Office:  
T-94, M.I.D.C.,  
Bhosari Industrial Area  
Pune 411 026

Anant N. Bavare  
Company Secretary

### NOTES :

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- The Register of Members and Share Transfer Books of the Company will be closed from Monday, 16<sup>th</sup> July, 2012 to Wednesday, 18<sup>th</sup> July, 2012 (both days inclusive).
- Members desirous of seeking any information concerning the accounts and operations of the Company are requested to address their queries to the Company Secretary, at the Registered Office at least Ten days in advance of the meeting, so that the information, to the extent practicable, can be made available at the meeting.
- Members holding shares in the same set of names under different Ledger Folios are requested to apply for consolidation of the Folios along with relevant share certificates to the Link Intime India Private Limited (previously known as Intime Spectrum Registry Limited)
- Members are requested to immediately intimate the change, if any, in their registered address to the Link Intime India Private Limited.
- Copies of the Annual Report will not be distributed at the Annual General Meeting. You are therefore, requested to bring copy of the Annual Report to the Meeting.



## ANNEXURE TO THE NOTICE

Notes on the director seeking re-appointment as required under Clause 49 of the Listing Agreement, entered into with Stock exchange.

### ITEM No. 2

Mr. Padmanabha Shetty is 64 years old. He is a Post Graduate in Economics and holds a Law Degree from the University of Mumbai. He is also a Certified Associate of Indian Institute of Bankers. He serves on the Boards of Four Companies. Mr. Padmanabha Shetty does not hold any equity shares in Saint Gobain Sekurit India Limited.

### ITEM No. 5

Mr. A. Dinakar, Indian National, aged 49 years, is a Mechanical Engineer from the University of Mysore and has 26 years of experience. He commenced his career with Grindwell Norton Limited (a Saint-Gobain Group Company) where he had held several challenging positions in sales, product management, marketing and operations. Subsequently, he has been Managing Director of two Multi National Companies (MNCs) in India – a Danish MNC called Disa India Ltd, manufacturer of Foundry machines and Kennametal India Ltd., a market leader in Tungsten carbide tooling. Prior to joining Saint-Gobain Sekurit India Limited he was with M/s. Robo Silicon Pvt. Ltd as CEO and Director.

## EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956.

### Item No. 4

Mr. A. Dinakar was appointed as an Additional Director of the Company on 25<sup>th</sup> October, 2011. In terms of provisions of Section 260 of the Companies Act, 1956, read with Article 120 of the Articles of Association of the Company, Mr. A. Dinakar holds office up to the date of the forthcoming Annual General Meeting of the Company. Mr. A. Dinakar's resume is given in the annexure to the notice.

Notice in writing u/s 257 of the Companies Act, 1956 along with a deposit of Rs.500/- has been received from a member of the Company proposing the candidature of Mr. A. Dinakar for the office of a Director.

Except Mr. A. Dinakar, no other Director is concerned or interested in this resolution.

Your Directors recommend this Ordinary Resolution for your approval.

### Item No. 5

At the meeting of Board of Directors, held on 25<sup>th</sup> October, 2011, Mr. A. Dinakar was appointed as Managing Director of

the Company for a period of Five (5) years, commencing from 25<sup>th</sup> October, 2011 to 24<sup>th</sup> October, 2016, subject to the approval of the Members at the forthcoming Annual General Meeting.

Following are the terms and conditions of appointment of Mr. A. Dinakar, Managing Director:

#### 1. Nature of Duties :

Mr. A. Dinakar as a Managing Director shall be responsible for overall business of the Company.

#### 2. Tenure :

Five (5) years commencing from 25<sup>th</sup> October, 2011 and ending on 24<sup>th</sup> October, 2016.

#### 3. Remuneration :

Mr. A. Dinakar shall be entitled to Nil remuneration.

The Board strongly recommends the resolution for your approval.

Mr. A. Dinakar is concerned or interested in this resolution.

18<sup>th</sup> May, 2012

By Order of the Board

Registered Office :  
T-94, M.I.D.C.,  
Bhosari Industrial Area  
Pune – 411 026

Anant N. Bavare  
Company Secretary

## REQUEST TO THE SHAREHOLDERS

1. Copies of the Annual Report will not be distributed at the Annual General Meeting. You are therefore, requested to bring this copy of the Annual Report to the Meeting.
2. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Head-Finance, at the Registered Office, so as to reach at least ten days before the date of the meeting, so that the information, to the extent practicable, can be made available at the meeting.
3. Members holding shares in the same set of names under different Ledger Folios are requested to apply for consolidation of the Folios along with relevant share certificates to the Company.
4. Members are requested to immediately intimate the change, if any, in their registered address to the Company.

# Saint-Gobain Sekurit India Limited

## DIRECTORS' REPORT

The Members,

### Saint-Gobain Sekurit India Limited

Your Directors present the Thirty-ninth Annual Report of your Company along with the Audited Accounts for the year ended 31<sup>st</sup> March, 2012.

### Financial Highlights

Particulars	(Rs. in Lacs)	
	For the year ended March 31, 2012	For the year ended March 31, 2011
Sales	11508.12	10372.95
<b>Operating Profit/ (Loss)</b>	<b>1012.26</b>	<b>1023.75</b>
Profit/ (Loss) before Tax	1012.26	1023.75
Provision for Tax	328.26	23.19
Profit/ (Loss) after Tax	684.00	1000.56
Balance brought forward from previous year	(3676.10)	(4676.66)
Profit/ (Loss) carried to Balance Sheet	(2992.10)	(3676.10)

### Responsibility Statement:

Your Directors confirm that:

- in the preparation of annual accounts, the applicable accounting standards have been followed;
- appropriate accounting policies have been selected and applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2012 and of the profit of the Company for that year;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis.

### Operations:

The automotive sector witnessed a sharp drop in growth in the year under review. Despite this, your Company's sales increased by 11%. This was achieved largely on account of good sales to the commercial vehicle and three wheeler segments of the market. The operations at both Chakan and Bhosari plants continue to make progress in technical performance with inputs from the parent company's international technical assistance teams. However the year under review has seen significant input cost increases which have put pressure on margins and profits, only a part of which has been offset by price increases from customers.

### Environment, Health & Safety:

Your Company is committed to ensure a clean and green pollution-free environment as well as a healthy and safe work place at all its plant locations. Environment, Health and Safety is accorded the highest priority within Saint-Gobain. Strict adherence to all regulatory requirements and guidelines is maintained at all times. Your Company's plants at Bhosari & Chakan are certified under ISO 14001 and OHSAS 18001.

### Corporate Governance Report and Management Discussion & Analysis Report:

- As per Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, Corporate Governance Report and Management Discussion and Analysis Report are annexed and form part of the Directors' report. (Annexure A & C respectively)
- Certificate dated 18<sup>th</sup> May, 2012 of M/s. V.N. Deodhar & Co., Company Secretaries, regarding the compliance of the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange, is enclosed. (Annexure B)

### Energy Conservation, Technology Absorption, Foreign Exchange Earnings & Outgo:

The Company is focused on energy conservation, as a key component of its overall strategy to remain competitive. The Company ensures that scarce energy resources are utilised in the most productive manner. The consumption of energy is closely monitored. Regular studies are conducted to analyse quantitative energy consumption pattern, variances are rigorously scrutinised and accordingly continuous efforts are made towards further improving efficiency.

As required by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, the relevant information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo as required in the prescribed format is annexed (Annexure D) and forms part of this Report.



#### **Employee Relations:**

The Company continues to place significant importance on its human resources and enjoys cordial and peaceful relations at all levels. During the year, various initiatives for employee involvement and efficiency improvement were undertaken.

The Directors are pleased to place on record their appreciation of the hard work and the contribution made by all the employees. As at March 31, 2012, there were 182 employees.

#### **Fixed Deposits:**

The Company has not accepted any Fixed Deposits from the public under Section 58A of the Companies Act, 1956.

#### **Listing:**

The Equity Shares of your Company are currently listed on the Bombay Stock Exchange Limited (BSE). The Company had received a proposal from Saint-Gobain Glass India Limited, Promoter of the Company on 18<sup>th</sup> May, 2011 for voluntary delisting of equity shares of the Company from the BSE. The Board of Directors of the Company, at its meeting held on 18<sup>th</sup> May, 2011, approved and recommended the same to the shareholders for approval through a Postal Ballot in accordance with Section 192A of the Companies Act, 1956, and the rules framed thereunder. A Special Resolution through postal ballot under section 192A of the Companies Act, 1956 was passed on 4<sup>th</sup> July, 2011. Your Company received "in-principal" approval from the BSE on 10<sup>th</sup> May, 2012.

#### **Particulars of Employees:**

There are no employees whose information is required to be given as per Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

#### **Directors:**

As per the provisions of the Companies Act, 1956 and Articles of Association, Mr. Padmanabha Shetty retires by rotation and being eligible offers himself for reappointment.

#### **Auditors:**

M/s Price Waterhouse, Delhi (Firm Registration No. 012754N) Chartered Accountants, Auditors of the Company, retire at the conclusion of 39<sup>th</sup> Annual General Meeting of the Company and have expressed their willingness to continue as Auditors of the Company. M/s. Price Waterhouse, (Firm Registration No.012754N) Chartered Accountants, have conveyed that, if appointed, they would be eligible to act as Auditors of the Company.

You are requested to appoint Auditors for the current financial year and fix their remuneration.

#### **Acknowledgements:**

Your Directors wish to place on record their sincere appreciation for the continuous support received from your Company's customers, its dealers and suppliers and from its Bankers. Your Directors also acknowledge with gratitude the encouragement and support extended by its valued shareholders.

**On behalf of the Board of Directors,**

**A.Y. MAHAJAN**  
Chairman

**A. DINKAR**  
Managing Director

Place : Mumbai  
Date : May 18, 2012

# Saint-Gobain Sekurit India Limited

## ANNEXURE 'A' TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2012

### REPORT ON CORPORATE GOVERNANCE

(As required under Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited)

#### A. MANDATORY REQUIREMENTS

#### 1. CORPORATE GOVERNANCE AT SAINT-GOBAIN SEKURIT INDIA LIMITED (SGSIL)

Saint-Gobain Sekurit India Limited (SGSIL) is a member of the transnational 'Saint-Gobain' group and is committed to the highest standards of Corporate Governance. It strives to monitor and ensure compliance with all applicable Laws and Regulations. SGSIL has always held itself to high standards of accountability, auditing, disclosure and reporting. The Corporate Governance policies followed by SGSIL are intended to ensure transparency and accountability and are built on strong systems and procedures.

### 2. BOARD OF DIRECTORS

The present strength of the Board is Four Directors. The Board comprises of one Executive Director and Three Non-Executive Directors. Out of the Three Non-Executive Directors, two are Independent Directors.

During the year 2011-2012, four Board meetings were held. The dates on which the said meetings were held are as follows:-

18<sup>th</sup> May, 2011    30<sup>th</sup> July, 2011    25<sup>th</sup> October, 2011  
31st January, 2012

Details of attendance of each Director at the Board Meetings, the last AGM, and the directorships held by them in other Indian Companies and committee memberships are as follows:

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM held on 30th July, 2011	No. of Directorships held as on 31st March, 2012 in other Public Companies (excluding Foreign Companies)	No. of Committee positions held as on 31st March, 2012 in Companies (Including SGSIL)*
Mr. A. Y. Mahajan	Chairman (Non-Executive)	04	Yes	08	**05
Dr. Sreeram Srinivasan (upto 11th June, 2011)	Managing Director	01	No	Nil	02
Mr. M.G. Ramakrishna	Non-Executive (Independent)	04	Yes	02	***03
Mr. Padmanabha Shetty	Non-Executive (Independent)	04	Yes	02	02
Mr. A. Dinakar	Managing Director (w.e.f. 25th October, 2011)	02	No	Nil	02

\* Committee positions include positions held only in Audit Committee and Shareholders/Investors Grievance Committee.

\*\* Mr. A.Y. Mahajan is a Chairman of 3 Committees.

\*\*\* Mr. M.G. Ramakrishna is a Chairman of 1 Committee.

### 3. AUDIT COMMITTEE

The Companies Act, 1956 and the Listing Agreement with Bombay Stock Exchange Limited provide for constitution of Audit Committee. The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committee under the Listing Agreement as well as under the provisions of the Companies Act, 1956. The Audit Committee comprises of Mr. M.G. Ramakrishna, Chairman of the Committee, Mr. Padmanabha Shetty and Dr. Sreeram Srinivasan (upto 11<sup>th</sup> June, 2011). Mr. A.Y. Mahajan was appointed as Member of the Committee on 30<sup>th</sup> July, 2011 and ceased to be a member of the Committee w.e.f. 25<sup>th</sup> October, 2011. Mr. A. Dinakar, Managing Director, was appointed as Member of the Committee w.e.f. 25<sup>th</sup> October, 2011. The Head of Finance and the Statutory Auditors are invitees to the Meeting. The Company Secretary acts as the Secretary of the Committee.

During the year 2011-2012, four Audit Committee meetings were held. The dates on which the said meetings were held are as follows:-

18<sup>th</sup> May, 2011    30<sup>th</sup> July, 2011    25<sup>th</sup> October, 2011  
31<sup>st</sup> January, 2012

The attendance of each Member of the Committee is given below:

Name of Director	No. of Meetings attended
Mr. M.G. Ramakrishna	04
Mr. Padmanabha Shetty	04
Dr. Sreeram Srinivasan	01
Mr. A.Y. Mahajan	01
Mr. A. Dinakar	02

The terms of reference of the Audit Committee are in consonance with the Clause 49 of the Listing Agreement as well as Section 292 A of the Companies Act, 1956, which are as under:

1. Oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
  2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
  3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
  4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
    - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
    - b. Changes, if any, in accounting policies and practices and reasons for the same.
    - c. Major accounting entries involving estimates based on the exercise of judgement by Management.
    - d. Significant adjustments made in the financial statements arising out of audit findings.
    - e. Compliance with listing and other legal requirements relating to financial statements.
    - f. Disclosure of any related party transactions.
    - g. Qualifications in the draft audit report.
  5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
  - 5A. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.) the statement of funds utilised for purposes other than those stated in the offer document/prospectus /notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  8. Discussion with internal auditors, any significant findings and follow up there on.
  9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  10. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  11. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
  12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  - 12A. Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Minutes of the Audit Committee meetings are circulated to the members of the Board, which are discussed and taken note of.

#### 4. REMUNERATION COMMITTEE

The Remuneration Committee comprises of Mr. M.G. Ramakrishna, Chairman of the Committee, Mr. Padmanabha Shetty and Mr. A.Y. Mahajan. The terms of reference of Remuneration Committee is to recommend/ review the remuneration package of the Managing Director/ Executive Directors based on the performance and defined criteria. The remuneration policy is directed

# Saint-Gobain Sekurit India Limited

towards rewarding performance based on review of achievements on a periodical basis. During the year 2011-12, there was no need to hold a meeting of the Remuneration Committee.

## 5. REMUNERATION OF DIRECTORS

- (A) Dr. Sreeram Srinivasan, Managing Director (resigned w.e.f. 11<sup>th</sup> June, 2011) was not drawing any remuneration.
- (B) Mr. A. Dinakar, Managing Director (w.e.f. 25<sup>th</sup> October, 2011) is not drawing any remuneration.
- (C) The details of sitting fees paid for the year 2011-2012 are given below:

Non-Executive Directors	Sitting Fees (Rs.)
Mr. M.G. Ramakrishna	80,000/-
Mr. Padmanabha Shetty	80,000/-

- (C) Criteria of making payment to Non-Executive Directors:

The nominee of Compagnie de Saint-Gobain (CSG), the ultimate holding company is not paid any sitting fees. Mr. A.Y. Mahajan is nominee of CSG. The Non-Executive Independent Directors are paid sitting fees of Rs. 10,000/ per Board and Committee meeting.

- (D) Pecuniary relationship or transaction of Non-Executive Directors vis-à-vis the Company:

Apart from receiving Director's sitting fees, the Non-Executive Independent Directors of the Company do not have any pecuniary relationship or transaction with the Company.

- (E) Equity shareholding of the Non-Executive Directors in the Company as on 31<sup>st</sup> March, 2012:

Name of the Non-Executive Director	No. of Shares held
Mr. A. Y. Mahajan	Nil
Mr. M.G. Ramakrishna	Nil
Mr. Padmanabha Shetty	Nil

## 6. INVESTORS / SHAREHOLDERS GRIEVANCE COMMITTEE

The Company's Investors/ Shareholders Grievance Committee comprises of Mr. A. Y. Mahajan – Chairman of the Committee and Dr. Sreeram Srinivasan (upto 11<sup>th</sup> June, 2011). Mr. A. Dinakar, Managing Director was appointed as Member of the Investors/ Shareholders Grievance Committee w.e.f. 25<sup>th</sup> October, 2011. The Committee met twice during the year ended 31<sup>st</sup> March, 2012 on 18<sup>th</sup> May, 2011 and 25<sup>th</sup> October, 2011. The Company had NIL transfers pending at the year ended 31<sup>st</sup> March, 2012.

## 7. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings of the Company:

Particulars	Date	Timing	Venue
36 <sup>th</sup> AGM	19 <sup>th</sup> Sept., 2009	11.30 a.m.	Hotel Kalasagar, P-4, MIDC, Kasarwadi, Mumbai-Pune Road Near State Bank of India, Pune 411019
37 <sup>th</sup> AGM	31 <sup>st</sup> July, 2010	11.30 a.m.	Same as above
38 <sup>th</sup> AGM	30 <sup>th</sup> July, 2011	11.30 a.m.	Same as above

No Special Resolution was passed in any of the above three Annual General Meetings. Special Resolution through Postal Ballot was passed on 4<sup>th</sup> July, 2011 for approving the Voluntary Delisting of Equity shares of the Company from the Bombay Stock Exchange Limited.

## 8. DISCLOSURES

### a) Related party transactions

Besides the transactions reported in Note No.9 of Schedule 19, there are no other related party transactions with the promoters, directors and management that had potential conflict with the interest of the Company at large.

### b) Compliances by the Company

The Company has not complied with the provisions of Clause 40(A) of the Listing Agreement in respect of minimum Public Shareholding in the Company. Saint Gobain Glass India Ltd, one of the Promoters of the Company has vide its Letter dated 18<sup>th</sup> May 2011 had expressed the intention of the Promoters to make a Voluntary delisting offer to the Public shareholders of the Company in accordance with Securities & Exchange Board of India (Delisting of Equity shares) Regulations, 2009. The Company, vide its application dated 12<sup>th</sup> April, 2012, had applied to the Bombay Stock Exchange Limited for obtaining In-Principal approval for the delisting of shares. The Bombay Stock Exchange Limited, vide its letter no. DCS/COMP/HK/34/2012-13 dated 10<sup>th</sup> May, 2012, granted In-Principal approval to the Company.



**9. MEANS OF COMMUNICATION**

<p><b>Half Yearly Report</b> Whether Half-yearly report sent to each household of Shareholders – No. The results of the Company are published in the Newspapers.</p>
<p><b>Quarterly results</b> In which newspapers the financial results are normally published (i) Financial Express – Mumbai Edition and (ii) Loksatta – Pune Edition</p>
<p><b>Email Id for Investors Grievances:</b> sekurit.investors@saint-gobain.com</p>
<p><b>Whether it also displays the official news releases; and the presentations made to Institutional Investors and Analysts:</b> No.</p>
<p><b>Whether Management Discussion and Analysis is a part of annual report or not :</b> Yes</p>

**10. GENERAL SHAREHOLDERS' INFORMATION**

**AGM** : 39<sup>th</sup> Annual General Meeting  
**Date** : 28<sup>th</sup> July, 2012  
**Time** : 11.30 a.m.  
**Venue** : Hotel Kalasagar P-4, MIDC, Kasarwadi, Mumbai-Pune Road, Near State Bank of India, Pune 411034.

Financial Calendar for 2012-13	Date(s)
(i) First Quarter Results	28th July, 2012
(ii) Second Quarter and Half-yearly Results	25th Oct.. 2012
(iii) Third Quarter Results	January 2013
(iv) Results for the year ending 31 <sup>st</sup> March, 2013	May, 2013

**Date of Book Closure**  
Monday, 16th July, 2012 to Wednesday, 18th July, 2012, (both days inclusive)

**Date of Payment of Dividend**  
Not Applicable

**Listing on Stock Exchange**  
Bombay Stock Exchange Limited  
The Annual listing fees of Bombay Stock Exchange Limited have been paid for the financial year 2012-2013.

**BSE-Stock Code**  
Physical - 515043

**ISIN No for NSDL & CDSL**  
INE068B01017

**Market Price Data: High, Low during each month in the last financial year**  
Please see Annexure '1'

**Performance in comparison to BSE Sensex, (broad based index)** Please see Annexure '1'

**Registrars and Transfer Agents**

Link Intime India Private Limited (formerly known as Intime Spectrum Registry Limited) C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai 400 078  
Tel : 022-25963838

**Share Transfer System**

All transfers are processed by R & T Agent and approved by the Share Transfer Committee of Directors.

**Distribution of Shareholding and Shareholding Pattern as on 31<sup>st</sup> March, 2012.**

Please see Annexure '2'

**Dematerialisation of Shares and liquidity**

37.45% of the Paid-up capital has been dematerialised as on 31<sup>st</sup> March, 2012. 62.55% (including 61.26% of the paid-up capital held by the Foreign Promoter) has not been dematerialised.

**Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

Not issued

**Plant Locations**

- 1) Bhosari, Pune, Maharashtra
- 2) Chakan, Pune, Maharashtra

**Promoters**

- I a) **Foreign Promoter** Saint-Gobain Sekurit, S.A., France
- b) **Indian Promoter** Saint-Gobain Glass India Limited

**II Other Saint-Gobain Group Companies**

- a) Saint-Gobain Glass, France
- b) Saint-Gobain Seva, France
- c) Grindwell Norton Limited
- d) Saint-Gobain Sekurit (Thailand ) Co. Limited, Thailand
- e) Saint-Gobain Seva Engineering India Limited, India
- f) Saint-Gobain Sekurit Deutschland GmbH & Co. KG, Germany
- g) Saint-Gobain Hanglass Clfg Qingdao Glass Co. Ltd., China
- h) Saint-Gobain Sekurit Italia, Italy
- i) Saint-Gobain Hanglass Sekurit, Shanghai
- j) Hankuk Sekurit Limited, Korea

**Compliance Officer:**

Mr. Anant N. Bavare  
Company Secretary  
T-94, M.I.D.C., Bhosari Industrial Area,  
Pune - 411 026. Maharashtra  
Tel.: (020) 66311600  
Fax: (020) 66311666  
Email id for Investors: [sekurit.investors@saint-gobain.com](mailto:sekurit.investors@saint-gobain.com)  
Website of the Company: [www.sekuritindia.com](http://www.sekuritindia.com)



# Saint-Gobain Sekurit India Limited

## Annexure '1'

### Market Price Data – SGSIL & Sensex :- High- Low

Period	High (Rs.)	Low (Rs.)	Sensex High (Rs.)	Sensex Low (Rs.)
April 2011	27.50	22.40	19811.14	18976.19
May 2011	42.25	24.20	19253.87	17786.13
June 2011	44.00	38.50	18873.39	17314.38
July 2011	48.00	43.55	19131.70	18131.86
August 2011	44.85	38.15	18440.07	15765.53
September 2011	40.45	38.00	17211.80	15801.01
October 2011	40.80	37.50	17908.13	15745.43
November 2011	40.90	35.10	17702.26	15478.69
December 2011	38.40	33.00	17003.71	15135.86
January 2012	39.30	33.05	17258.97	15358.02
February 2012	43.90	36.30	18523.78	17061.55
March 2012	52.30	40.00	18040.69	16920.61

## Annexure '2'

### A. The Distribution of Shareholding as on 31.03.2012

No. of Equity Shares held	No. of Holders	% of Total Holders	No. of Shares	% of Total Shares
1-500	11479	79.22	2300649	2.52
501-1000	1570	10.83	1312704	1.55
1001-2000	680	4.69	1057262	1.16
2001-3000	249	1.72	651518	0.71
3001-4000	129	0.89	470387	0.51
4001-5000	111	0.77	530357	0.58
5001-10000	124	0.85	939112	1.03
10001 and above	148	1.03	83843711	92.02
<b>Grand Total</b>	<b>14490</b>	<b>100</b>	<b>91105700</b>	<b>100</b>
No. of Shareholders in Physical Mode	3820	26.36	56983151	62.55
No. of Shareholders in Electronic Mode	10670	73.64	34122549	37.45

### B. Shareholding Pattern as on 31.03.2012

Category	No. of Shareholders	No. of Shares	%
Promoter :			
Foreign	01	55813526	61.26
Local	01	22325410	24.50
Banks/Financial Institutions	04	13400	0.02
Mutual Funds/Trusts	03	20914	0.03
Non Resident Indians	82	63213	0.07
Domestic Companies	366	3249582	3.57
Resident Individuals	14033	9619655	10.55
<b>Total</b>	<b>14490</b>	<b>91105700</b>	<b>100.00</b>

**11. OTHER INFORMATION:****A. CEO/CFO Certification:**

Pursuant to the provisions of Sub-clause V of Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, the Managing Director (CEO) and the Head-Finance (CFO) have issued a Certificate to the Board of Directors for the financial year ended 31<sup>st</sup> March, 2012

**B. Risk Management Framework:**

The Company has laid down the broad framework of risk identification, assessment, mitigation and review.

**C. Code of Conduct:**

The Company has laid down a Code of Conduct for all its Board Members and Senior Management Personnel of the Company.

**12. DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE WITH CODE OF CONDUCT :**

In accordance with Clause 49 I (D) of the Listing Agreement with the Bombay Stock Exchange Limited, I hereby confirm that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2012.

**For SAINT-GOBAIN SEKURIT INDIA LIMITED**

**Mr. A. DINKAR**  
Managing Director

Date : May 18, 2012

**B.** Non-mandatory requirements have not been adopted.

**ANNEXURE 'B' TO THE DIRECTORS' REPORT,  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012.****AUDITORS' CERTIFICATE ON CORPORATE  
GOVERNANCE**

TO THE MEMBERS OF  
**SAINT-GOBAIN SEKURIT INDIA LIMITED**

We have examined the compliance of conditions of Corporate Governance by Saint-Gobain Sekurit India Limited (the Company) for the year ended on March 31, 2012 as stipulated in Clause 49 of the Listing Agreement of the Company with the Bombay Stock Exchange Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement except to the extent of non-compliance of Clause 40-A of the said agreement. We have been informed that Saint Gobain Glass India Ltd, one of the Promoters of the Company has vide its Letter dated 18<sup>th</sup> May 2011 has expressed the intention of the Promoters to make a Voluntary delisting offer to the Public shareholders of the Company in accordance with Securities & Exchange Board of India Delisting of Equity shares Regulations, 2009. The Company in turn vide its application dated 12<sup>th</sup> April, 2012 applied to the Bombay Stock Exchange Limited for obtaining In-Principal approval for the delisting of shares. The Bombay Stock Exchange Limited vide its letter no. DCS/COMP/HK/34/2012-13 dated 10<sup>th</sup> May, 2012 has granted In-Principal approval to the Company.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of

V.N.DEODHAR & CO

Name : Vinayak Deodhar

Place : Mumbai

Date : May 18, 2012

Membership No. FCS 1880

CP No. 898

# Saint-Gobain Sekurit India Limited

## ANNEXURE 'C' TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012:

### Management Discussion and Analysis Report

(Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited)

#### General Review:

Saint-Gobain Sekurit India Ltd. (SGSIL) is a subsidiary of Saint-Gobain Sekurit S. A. France, which is a part of Compagnie de Saint-Gobain, a transnational Group with its headquarters in Paris and with sales of Euros 42 billion in 2011. Saint-Gobain's business fall into five broad sectors of activity: Construction Products, Flat Glass, Packaging, Building Distribution and High Performance Materials. SGSIL's business is a part of Flat Glass sector. SGSIL is in the business of processing of glasses to cater to the Automobile sector.

A brief outline and a review of the Company's business are provided below:

#### 1. Automotive Segment:

##### (i) Products and Plants:

Automotive Glasses are glasses fitted on the body of any automobile. Typically, these glasses are either Laminated or Tempered. Normally all windshields are Laminated and the other glasses (Backlites and Sidelites) are Tempered. SGSIL has two plants near Pune: one at Bhosari and the other at Chakan. Both these plants were are certified for ISO 14001:2004 and OHSAS 18001 The Laminated Glasses are manufactured in Chakan while the Tempered Glasses are produced in Bhosari.

##### (ii) Industry:

There are two distinct market segments that the Company addresses: the Automobile manufacturers (OEMs) and the Replacement Market.

##### (iii) Broad Characteristics of the Business:

- High Entry Barrier in the form of High Capital Investment.
- Complete dependency on the Auto sector.
- Key success factors are quality, cost, capability to supply in full car sets to Automobile manufacturer and proximity to customers.

#### Development, Outlook, Risks and Concerns:

During the year 2011-12, the automotive market showed a growth of 5% in Passenger Vehicles, 10% growth in Three Wheeler Segment and 20% growth in Light Commercial

Vehicles. Against this backdrop, successes in gaining new business enabled your Company to sustain its growth with at 11% for the year under review. Your Company was partially successful in increasing prices thereby offsetting the significant input cost increases and also the inflationary impact of the depreciating Rupee. Against the backdrop of a slowing economy, the outlook for the Indian automotive market in 2012-13 is uncertain. Notwithstanding this, your Company will make efforts to gain new business with OEMs with a focus on gaining new business from industrial vehicles and buses for which a new furnace is expected to be commissioned during the year.

A risk inherent in the business is that it is wholly dependent on the automotive market. Within this, however, your Company serves a number of OEMs in the passenger car, commercial vehicles, three wheeler segments. Technology is an important differentiating factor in the automotive market and also a risk factor for the business. Being a part of a large global Group, your Company is well placed to anticipate technological changes and take pro-active steps to meet the changing needs of its demanding customers.

The slowdown in growth and inflation are short term concerns. Your Company is monitoring developments closely and, even as it pursues growth, it will work on improving the efficiency of its operations, controlling costs and increasing prices to offset input cost inflation.

#### Overall Performance:

During the year under review, your Company's sales increased by 11%. Growth was even across all segments - commercial vehicles, passenger vehicles and three wheeler.

During the last few years, your Company has made significant investments in both the Bhosari and Chakan plants to modernise the operations, increase capacity and improve efficiency and technical performance to international levels. These efforts have started to yield results and we expect to continue this journey during the year ahead as well. It is largely on account of these efforts that your company has been able to partially offset the impact of the steep input cost increases and maintain its profitability in a market that is also slowing down.

#### Internal Control Systems:

Your Company has an effective internal control environment. The internal checks and control mechanism is in place, which ensures adequate checks and balances. Your Company has a strong audit framework. The Audit Committee meets every quarter to review compliance with internal controls, accounting standards, policies and approve quarterly financial results etc. Group Internal Auditors conduct periodic Internal Audits. Further, during the year, Internal Auditors (external agency) have carried out internal audit covering Inventory, Indirect tax and receivables. These Audit Reports along with action taken report are placed before the Audit Committee for review.



**Applicability of Segmental Financials:**

Your Company recognises Automotive Glass as a single segment.

**Human Resources:**

The Company provides a congenial and productive work environment with an aim to retaining those who are capable of translating challenges into opportunities and weakness into strengths. The Management has continued to empower employees with opportunities to give their suggestions on various matters. The twin objective of improving the quality of human capital available with the Company and harnessing its potential for the benefit of the Company continues to form the cornerstone of the HR policy of your Company.

**CAUTIONARY STATEMENT:**

*The Management Discussion and Analysis Report contains some forward looking statements based upon the information and data available with the Company, assumptions with regard to global economic conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Hence it is cautioned that the actual results may differ from those expressed or implied in this report.*

**On behalf of the Board of Directors,**

**A.Y. MAHAJAN**                      **A. DINKAR**  
Chairman                      Managing Director

Place : Mumbai  
Date : May 18, 2012

**ANNEXURE ‘D’ TO THE DIRECTORS’ REPORT, FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

Information pursuant to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

**Conservation of Energy:**

The Company is taking efforts to conserve energy and improve the process efficiency and reduce wastages.

**Form A for disclosure of particulars with respect to Conservation of Energy:**

	For the 12 months period ended 31.03.2012	For the 12 months period ended 31.03.2011
Electricity purchased from MSEB Units (KWH)	17,006,940	15,058,765
Total Amount (Rs.)	117,045,824	85,032,203
Rate / Unit (Rs.)	6.88	5.65
Consumption per unit of production (Rs. Per Glass)	54.88	46.34

**Form B for disclosure of particulars with respect to Technology Absorption:**

**Technology absorption, adaptation and innovations:**

The Company co-ordinates with Saint-Gobain Sekurit S A France for implementing changes in the process and technologies relating to improvements. The Company also undertakes in house development activities for improvement of yield.

**Future Action Plan:**

The Company endeavours to take steps for the development of the products to meet the requirement of the existing customers and new customers.

**Expenditure on Research & Development:**

	For the year ended 31.03.2012	For the year ended 31.03.2011
Capital (Rs.)	Nil	Nil
Recurring (Rs.)	1,258,951	787, 548
Total Expenditure (Rs.)	1,258,951	787,548
Total Expenditure as a percentage of total turnover	0.12%	0.08%

**Foreign Exchange earnings and outgo:**

Total earnings in foreign exchange was Rs. Nil (Previous Year Rs. Nil) and the total outflow was Rs. 384,802,718/- (Previous Year Rs. 213,134,655/-) including CIF value of Imports. Details are given Notes forming part of financial statements.

# Saint-Gobain Sekurit India Limited

## AUDITORS' REPORT

### To The Members of Saint-Gobain Sekurit India Limited

1. We have audited the attached Balance Sheet of Saint-Gobain Sekurit India Limited (the "Company") as at March 31, 2012, and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards

referred to in sub-section (3C) of Section 211 of the Act;

- (e) On the basis of written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
  - (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
  - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For Price Waterhouse**  
Firm Registration Number:012754N  
Chartered Accountants

**Mehul Desai**  
Partner  
Membership  
Number 103211

Place : Mumbai  
Date : May 18, 2012

## ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph [3] of the Auditors' Report of even date to the members of Saint-Gobain Sekurit India Limited on the financial statements as of and for the year ended March 31, 2012]

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of income tax, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including investor education and protection fund, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2012, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Income Tax	Minimum Alternate tax (MAT) including interest thereon	10,528,934	2010-11	Various	Not Paid
	Interest on above MAT upto September 2011	601,367	2011-12	-	Not Paid

## Saint-Gobain Sekurit India Limited

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales tax and excise duty as at March 31, 2012 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty and penalty	9,358,884	1989-1990 1990-1992 1999-2000	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)
The Central Excise Act, 1944	Excise Duty	12,620,169	2003-2004 2004-2005	Commissioner of Central Excise
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	292,692	2000-2001	Additional Commissioner of Commercial Taxes, Hyderabad.
Central Sales Tax Act, 1956	Sales Tax	2,874,795	2005-06	Commissioner of Sales Tax, Maharashtra

10. The accumulated losses of the Company did not exceed fifty percent of its net worth as at March 31, 2012 and it has not incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. The Company has not obtained any term loans.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion, and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures during the year; and does not have any debentures outstanding as at the year end.
20. The Company has not raised any money by public issues during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

**For Price Waterhouse**  
Firm Registration Number:012754N  
Chartered Accountants

**Mehul Desai**  
Partner  
Membership  
Number 103211

Place : Mumbai  
Date : May 18, 2012



## BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	911,057,000	911,057,000
Reserves and Surplus	3	(185,951,274)	(254,351,351)
		<b>725,105,726</b>	<b>656,705,649</b>
<b>Non-Current Liabilities</b>			
Long-term provisions	4	15,815,247	15,883,036
		<b>15,815,247</b>	<b>15,883,036</b>
<b>Current Liabilities</b>			
Short-term borrowings	5	43,968,936	2,820,217
Trade payables	6	128,587,652	132,830,088
Other current liabilities	7	71,630,076	55,335,766
Short-term provisions	8	12,936,948	10,945,259
		<b>257,123,612</b>	<b>201,931,330</b>
<b>Total</b>		<b>998,044,585</b>	<b>874,520,015</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	572,690,174	464,467,707
Intangible assets	9	727,771	1,815,717
Capital work-in-progress		77,459,052	4,522,025
		<b>650,876,997</b>	<b>470,805,449</b>
Deferred Tax Asset (Net)	10	20,420,507	53,246,585
Long term loans and advances	11	50,709,565	58,820,745
		<b>71,130,072</b>	<b>112,067,330</b>
<b>Current assets</b>			
Current Investments	12	-	17,861,636
Inventories	13	101,817,740	86,965,930
Trade receivables	14	139,263,446	169,806,798
Cash and Bank Balances	15	4,911,195	2,261,691
Short-term loans and advances	16	29,353,933	14,417,763
Other current assets	17	691,202	333,418
		<b>276,037,516</b>	<b>291,647,236</b>
<b>Total</b>		<b>998,044,585</b>	<b>874,520,015</b>
General Overview and Significant Accounting Policies	1		
Notes forming part of Financial Statements	2 to 34		

The notes are an integral part of these financial statements

### For Price Waterhouse

Firm Registration Number: 012754N  
Chartered Accountants

**Mehul Desai**  
Partner  
Membership No: 103211

Place : Mumbai  
Date : May 18, 2012

**A.Y. Mahajan**  
Chairman

Place : Mumbai  
Date : May 18, 2012

**A. Dinakar**  
Managing Director

### For and on behalf of the Board

**Anant Bavare**  
Company Secretary



# Saint-Gobain Sekurit India Limited

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
<b>REVENUE:</b>			
Revenue from Operations- Sale of Products (Gross)		1,150,811,734	1,037,294,529
Less: Excise Duty		108,701,014	97,847,218
Revenue from Operations- Sale of Products (Net)		1,042,110,720	939,447,311
Other Income	18	11,364,471	5,480,041
<b>Total Revenues</b>		<b>1,053,475,191</b>	<b>944,927,352</b>
<b>EXPENSES:</b>			
Cost of materials consumed	19(a)	495,771,662	469,164,875
Purchases of stock-in-trade		3,550,996	11,041,048
Changes in inventories of finished goods, work-in-progress and stock-in-trade	19(b)	(7,440,646)	(4,529,059)
Employee benefits expense	20	80,424,290	75,321,841
Finance costs	21	4,947,248	4,104,191
Depreciation and amortization expense	9	75,410,884	60,287,600
Other expenses	22	299,584,602	227,161,544
<b>Total Expenses</b>		<b>952,249,036</b>	<b>842,552,040</b>
Profit before tax		101,226,155	102,375,312
Tax expense:			
Current tax (Minimum Alternate Tax)		20,482,775	10,022,783
Less: MAT credit entitlement		20,482,775	10,022,783
Net Current Tax		-	-
Deferred Tax		32,826,078	2,319,281
		<b>32,826,078</b>	<b>2,319,281</b>
<b>Profit after tax for the year</b>		<b>68,400,077</b>	<b>100,056,031</b>
Earnings per equity share:			
Basic and Diluted	26	0.75	1.10
(Face Value Rs.10 per share)			
General Overview and Significant Accounting Policies	1		
Notes forming part of Financial Statements	2 to 34		

The notes are an integral part of these financial statements

### For Price Waterhouse

Firm Registration Number: 012754N  
Chartered Accountants

**Mehul Desai**  
Partner  
Membership No: 103211

Place : Mumbai  
Date : May 18, 2012

**A.Y. Mahajan**  
Chairman

Place : Mumbai  
Date : May 18, 2012

**A. Dinakar**  
Managing Director

### For and on behalf of the Board

**Anant Bavare**  
Company Secretary



## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### Note 1 - GENERAL INFORMATION AND STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### 1. GENERAL INFORMATION:

Saint-Gobain Sekurit India Limited (the 'Company') is engaged primarily in business of automotive glass. The Company has two manufacturing plants in Pune at Bhosari and Chakan and sells primarily in India. The Company is a public limited company and is listed on the Stock Exchange, Mumbai (BSE).

#### SIGNIFICANT ACCOUNTING POLICIES:

#### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

#### 3. TANGIBLE ASSETS AND DEPRECIATION

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated amortization losses, if any. All costs relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, upto the date the asset is put to use. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on fixed assets has been provided as under:

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets or the rates prescribed under Schedule XIV of the Companies Act, 1956, whichever is higher, as follows:

- a) Moulds, pallets and trolleys are depreciated over a period of four years
- b) Computers and vehicles are depreciated over a period of four years

Fixed Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase.

Leasehold land is amortized over the period of lease.

#### 4. INTANGIBLE ASSETS AND AMORTIZATION

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. The amortisation rates used are:

- a) Computer software is amortized over a period of five years

#### 5. BORROWING COSTS

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

# Saint-Gobain Sekurit India Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### 6. IMPAIRMENT

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

### 7. INVESTMENTS

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

### 8. INVENTORIES

- a) Raw materials, components, stores and spares are valued at cost or net realizable value, whichever is lower. Cost is determined using the standard cost adjusted for variance from actual costs on weighted average basis.
- b) Finished goods and work-in-process are valued at cost or net realizable value, whichever is lower. Finished goods and work-in-process includes cost of conversion incurred in bringing the inventories to its present location and condition.

### 9. REVENUE RECOGNITION

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

### 10. OTHER INCOME

Dividend: Dividend income is recognised when the right to receive dividend is established.

### 11. FOREIGN CURRENCY TRANSACTIONS

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

Forward Exchange Contracts

The premium or discount arising at the inception of Forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.

### 12. EMPLOYEE BENEFITS

Provident Fund: Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

**Gratuity:** The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

**Compensated Absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

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

### 13. TAXATION

- (i) Provision for current tax is made in accordance with and at the rates specified under the Income-tax Act, 1961, as amended.
- (ii) In accordance with Accounting Standard 22 – 'Accounting for taxes on Income', issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date.

Deferred tax assets arising from the timing differences are recognized to the extent there is reasonable certainty that the assets can be realized in future.

Deferred tax assets are recognized for tax loss and depreciation carried forward to the extent that the realization of the related tax benefit through the future taxable profits is virtually certain.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 14. PROVISIONS AND CONTINGENCIES

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

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

### 15. CASH AND CASH EQUIVALENTS

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

### 16. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

# Saint-Gobain Sekurit India Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 2 - SHARE CAPITAL

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
<b>Authorised:</b> 92,000,000 (March 31, 2011: 92,000,000) equity shares of Rs. 10/- each	920,000,000	920,000,000
	<u>920,000,000</u>	<u>920,000,000</u>
<b>Issued:</b> Equity Share Capital 91,105,700 (March 31, 2011: 91,105,700) Equity Shares of Rs. 10/- each	911,057,000	911,057,000
	<u>911,057,000</u>	<u>911,057,000</u>
<b>Subscribed and Paid up:</b> Equity Share Capital 91,105,700 (March 31, 2011: 91,105,700) Equity Shares of Rs. 10/- each fully paid up	911,057,000	911,057,000
	<u>911,057,000</u>	<u>911,057,000</u>

#### Notes:

#### 1. Rights, preferences and restrictions attached to the shares

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

#### 2. Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

	As at 31st March, 2012 No of shares	As at 31st March, 2012 (Rs)	As at 31st March, 2011 No of shares	As at 31st March, 2011 (Rs)
No of shares outstanding at the beginning of the year	91,105,700	911,057,000	91,105,700	911,057,000
- Equity shares				
Add: Additional shares issued during the year				
- Equity shares	-	-	-	-
Less: Shares Redeemed during the year				
- Equity shares	-	-	-	-
No of shares outstanding at the end of the year				
- Equity shares	91,105,700	911,057,000	91,105,700	911,057,000

#### 3. Shares held by holding company and subsidiary of ultimate holding company :

Particulars	Number of shares as at 31st March, 2012	Number of shares as at 31st March, 2011
<b>Equity Shares:</b>		
Saint-Gobain Sekurit S.A., France	55,813,526	55,813,526
Saint-Gobain Glass India Limited	22,325,410	22,325,410

#### 4. Number of shares held by each shareholder holding more than 5% shares in the Company are as follows:

Particulars	Number of shares as at 31st March, 2012	Number of shares as at 31st March, 2011
<b>Equity Shares:</b>		
Saint-Gobain Sekurit S.A., France	55,813,526	55,813,526
Saint-Gobain Glass India Limited	22,325,410	22,325,410

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 3 - RESERVES AND SURPLUS

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
<b>Capital Redemption Reserve</b> As per last Balance Sheet	11,000	11,000
<b>Securities Premium Account</b> As per last Balance Sheet	113,247,720	113,247,720
<b>Surplus</b> As per last Balance Sheet	(367,610,071)	(467,666,102)
Add: Profit for the year	68,400,077	100,056,031
	<u>(299,209,994)</u>	<u>(367,610,071)</u>
	<u>(185,951,274)</u>	<u>(254,351,351)</u>

### NOTE 4 - LONG-TERM PROVISIONS

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Provision for Employee Benefits		
Provision for Compensated Absences (Refer Note 8)	2,967,017	2,756,404
Provision for Gratuity (Refer Notes 8 and 23)	10,138,150	10,213,739
Others:		
Provision for Litigations/ Disputes (Refer Note 8)	2,710,080	2,912,893
	<u>15,815,247</u>	<u>15,883,036</u>

#### Note:

Details of provisions and movements in each class of provisions as required by the Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets (Accounting Standard-29):

Provision for litigation/disputes represents claims against the Company not acknowledged as debts that are expected to materialise in respect of matters in litigation

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Carrying Amount at the beginning of the year	2,912,893	2,912,893
Additional Provision made during the year	-	-
Amounts Used during the year	-	-
Unused amounts reversed during the year	-	-
Carrying Amounts at the end of the year	<u>2,912,893</u>	<u>2,912,893</u>
Bifurcation of the Carrying amount:		
- Current Portion	202,813	-
- Non-current Portion	2,710,080	2,912,893

# Saint-Gobain Sekurit India Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 5 - SHORT-TERM BORROWINGS

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Buyers Line of Credit from Bank (Secured)	43,968,936	-
Cash Credit Facility from Banks (Unsecured)	-	2,820,217
	<u>43,968,936</u>	<u>2,820,217</u>

#### Notes:

- Buyers' Line of Credit and Cash Credit Facilities from banks are secured by hypothecation of stocks & book debts on a pari passu basis.
- Interest rates on the above loans range between 3.00% to 15.50%.

### NOTE 6 - TRADE PAYABLES

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Trade payables	<u>128,587,652</u>	<u>132,830,088</u>
	<u>128,587,652</u>	<u>132,830,088</u>

#### Note:

Disclosure under Micro, Small & Medium Enterprises Development Act, 2006:

Sl. No.	Particulars	Year ended 31st March, 2012 (Rs.)	Year ended 31st March, 2011 (Rs.)
1	Amount outstanding on account of - principal amount - interest due	<b>1,469,029</b> <b>265,042</b>	867,028 205,282
2	Total interest paid on all delayed payments during the year under the provisions of the Act Payments made to suppliers beyond the appointed day	<b>Principal Rs.</b> <b>1,516,490</b> <b>NIL</b>	Principal Rs. 3,802,047 NIL
3	Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act	<b>85,285</b>	85,035
4	Interest accrued but not paid	<b>668,341</b>	318,014

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

### NOTE 7 - OTHER CURRENT LIABILITIES

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Amounts received on behalf of group companies	19,958,649	7,736,414
Statutory dues (including Provident Fund and Tax Deducted at Source)	10,872,045	10,327,322
Employee benefits payable	9,902,517	5,966,020
Security deposits	105,000	-
Advances from customers	331,572	88,998
Other Sundry Liabilities	<u>30,460,293</u>	<u>31,217,012</u>
	<u>71,630,076</u>	<u>55,335,766</u>

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 8 - SHORT TERM PROVISIONS

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Provision for Employee Benefits:		
Provision for Compensated Absences	411,520	528,766
Provision for Gratuity (Refer Note 23)	590,947	351,530
Others:		
Provision for Litigations/ Disputes	202,813	-
Tax provision less payments	11,731,668	10,064,963
	<u>12,936,948</u>	<u>10,945,259</u>

### NOTE 9 - FIXED ASSETS

(Amount in Rupees)

	Cost				Depreciation / Amortization				Net Block	
	As at 1st April 2011	Additions during the year	Deductions during the year	As at 31st March 2012	Upto 1st April 2011	For the year	On Deductions	Upto 31st March 2012	As at 31st March 2012	As at 31st March 2011
<b>TANGIBLE ASSETS</b>										
Land - Freehold	2,866,677	-	-	2,866,677	-	-	-	-	2,866,677	2,866,677
Land - Leasehold	512,669	-	-	512,669	128,191	6,084	-	134,275	378,394	384,478
Buildings	92,886,696	3,186,225	-	96,072,921	32,796,146	3,033,671	-	35,829,817	60,243,104	60,090,550
Plant & Machinery*	932,129,326	182,698,577	18,354,154	1,096,473,749	541,136,994	68,985,548	8,755,849	601,366,693	495,107,056	390,992,332
Furniture & Fixtures	17,835,039	377,763	563,123	17,649,679	8,132,780	989,537	261,634	8,860,683	8,788,996	9,702,259
Vehicles	225,894	-	-	225,894	225,894	-	-	225,894	-	-
Computers	5,592,514	6,182,634	-	11,775,148	5,161,103	1,308,098	-	6,469,201	5,305,947	431,411
<b>TOTAL TANGIBLE ASSETS</b>	1,052,048,815	192,445,199	18,917,277	1,225,576,737	587,581,108	74,322,938	9,017,483	652,886,563	572,690,174	464,467,707
<b>INTANGIBLE ASSETS</b>										
Goodwill	8,143,000	-	-	8,143,000	8,143,000	-	-	8,143,000	-	-
Computer Software	7,161,872	-	-	7,161,872	5,346,155	1,087,946	-	6,434,101	727,771	1,815,717
<b>TOTAL INTANGIBLE ASSETS</b>	15,304,872	-	-	15,304,872	13,489,155	1,087,946	-	14,577,101	727,771	1,815,717
<b>TOTAL ASSETS</b>	1,067,353,687	192,445,199	18,917,277	1,240,881,609	601,070,263	75,410,884	9,017,483	667,463,664	573,417,945	466,283,424
<b>Previous year</b>	1,024,129,420	49,571,925	6,347,658	1,067,353,687	547,045,195	60,287,600	6,262,532	601,070,263	466,283,424	

**Note:**

\* Plant and Machinery includes Machinery costing Rs. 5,436,927 (March 31, 2011 Rs. 5,436,927) Net block Rs. 12,21,985 (March 31, 2011 Rs. 1,479,886) and depreciation for the year Rs. 257,901 (March 31, 2011: Rs.258,254) given under operating lease arrangement.



# Saint-Gobain Sekurit India Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 10 - DEFERRED TAX ASSET (NET):

(i) BREAK UP OF DEFERRED TAX ASSET AS AT THE YEAR END:	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Unabsorbed Depreciation	74,271,262	103,488,464
	<u>74,271,262</u>	<u>103,488,464</u>
(ii) BREAK UP OF DEFERRED TAX LIABILITY AS AT THE YEAR END:		
Provision for Depreciation	53,850,755	50,241,879
	<u>53,850,755</u>	<u>50,241,879</u>
(iii) DEFERRED TAX ASSET (NET):	<u>20,420,507</u>	<u>53,246,585</u>

During the year, the Company has utilised deferred tax asset of Rs 32,826,078 (March 31, 2011: Rs. 2,319,281). Based on the orders on hand, growth prospects of the automobile industry, the demand for the Company's products, the long term plans of the Company's customers and the history of order fulfillment by the Company's customers, the Company is positive of generating adequate profits in the years to come, to fully set off the balance deferred tax assets. Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

### NOTE 11 - LONG-TERM LOANS AND ADVANCES

(Unsecured)

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Capital Advances (Considered good)	13,595,948	41,505,056
MAT Credit Receivable	30,505,558	10,022,783
Security Deposits		
Considered Good	4,900,458	4,945,429
Considered Doubtful	180,000	180,000
	<u>5,080,458</u>	<u>5,125,429</u>
Less: Provision for doubtful deposits	180,000	180,000
	<u>4,900,458</u>	<u>4,945,429</u>
Taxes paid in advance less provisions (current tax)	1,098,639	1,535,702
Payments/ deposits under protest against litigations	608,962	811,775
	<u>50,709,565</u>	<u>58,820,745</u>

### NOTE 12 - CURRENT INVESTMENTS

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
NIL Units (March 31, 2011: 1,786,038.603 Units) of Rs. 10.0007 each, of Principal Cash Management Fund - Dividend Reinvested Daily.	-	17,861,636
	<u>-</u>	<u>17,861,636</u>
Market Value of Quoted Investments	-	17,861,636

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 13 - INVENTORIES

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Raw materials	35,234,481	29,802,023
Work - in - progress	6,820,040	13,859,642
Finished goods	35,138,950	20,658,702
Stores and spares	24,624,269	22,645,563
	<u>101,817,740</u>	<u>86,965,930</u>

### NOTE 14 - TRADE RECEIVABLES

(Unsecured)

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Debts due for a period exceeding six months		
Considered Good	1,273,508	3,746,502
Considered Doubtful	1,357,218	2,590,134
	<u>2,630,726</u>	<u>6,336,636</u>
Other Debts:		
Considered Good	137,989,939	166,060,297
Considered Doubtful	2,664,296	3,826,070
	<u>140,654,235</u>	<u>169,886,367</u>
Less: Provision for Doubtful Debts	4,021,515	6,416,205
	<u>139,263,446</u>	<u>169,806,798</u>

### NOTE 15 - CASH AND BANK BALANCES

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Cash and Cash Equivalents		
Balances with banks on Current Accounts	4,748,468	2,098,860
Cash on hand	162,727	162,831
	<u>4,911,195</u>	<u>2,261,691</u>

### NOTE 16 - SHORT-TERM LOANS AND ADVANCES

(Unsecured, considered good)

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Excise and Service Tax Receivable	7,853,307	2,870,022
Prepaid Expenses	1,070,305	1,004,764
Deferred Premium on Derivative Contracts	880,197	117,674
Advances to Suppliers	15,694,525	9,197,755
Balances with Excise, Customs, Port trust, etc.	3,051,518	291,643
Advances to Employees	804,081	935,905
	<u>29,353,933</u>	<u>14,417,763</u>

# Saint-Gobain Sekurit India Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 17 - OTHER CURRENT ASSETS

	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
Interest accrued on Security Deposits	488,389	333,418
Deposits for protest against litigations	202,813	-
	<u>691,202</u>	<u>333,418</u>

### NOTE 18 - OTHER INCOME

	For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
Interest on Deposits	347,524	365,237
Provision no longer required written back	6,900,791	-
Dividend Income from current investments	1,193,118	1,135,677
Net gain on foreign currency transaction and translation	-	2,653,268
Rent Income	192,000	192,000
Other	2,731,038	1,133,859
	<u>11,364,471</u>	<u>5,480,041</u>

**Note:**

**THE NET EXCHANGE DIFFERENCES ARISING DURING THE YEAR:**

- (i) Recognised appropriately in the Statement of Profit and Loss - net gain - Rs. NIL (March 31, 2011: Rs.2,653,268).

### NOTE 19 (a) - COST OF MATERIALS CONSUMED

	For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
<b>RAW MATERIALS CONSUMED</b>		
Opening Stock	29,802,023	40,455,093
Add: Purchases (Net)	501,204,120	458,511,805
Less: Closing Stock	35,234,481	29,802,023
<b>Cost of raw materials consumed during the year</b>	<u>495,771,662</u>	<u>469,164,875</u>

### NOTE 19 (b) - CHANGES IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS

	For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
<b>OPENING STOCK :</b>		
- Work in progress	13,859,642	9,513,050
- Finished Goods (Manufactured)	20,658,702	20,476,235
<b>CLOSING STOCK :</b>		
- Work in progress	6,820,040	13,859,642
- Finished Goods (Manufactured)	35,138,950	20,658,702
	<u>(7,440,646)</u>	<u>(4,529,059)</u>

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 20 - EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
Salaries and wages	69,030,525	61,218,919
Contribution to provident and other funds	5,204,044	8,061,242
Staff welfare expenses	6,189,721	6,041,680
	<u>80,424,290</u>	<u>75,321,841</u>

### NOTE 21 - FINANCE COSTS

	For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
Interest on:		
- Term Loans	-	2,530,667
- Working Capital	-	388,322
- Buyers Line of Credit	1,077,608	-
- Others	71,176	87,308
Bank Charges	1,302,207	1,055,713
Interest on MAT	2,496,257	42,181
	<u>4,947,248</u>	<u>4,104,191</u>

### NOTE 22 - OTHER EXPENSES

		For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
Consumption of stores and spare parts		15,942,462	9,109,023
Labour charges		32,269,988	20,330,439
Power and fuel		118,995,705	93,293,041
Rent		1,537,116	1,021,946
Repairs and maintenance - Plant and Machinery	7,558,735		7,109,094
Buildings	1,220,665		3,717,024
Others	14,195,506		6,655,756
		<u>22,974,906</u>	<u>17,481,874</u>
Travelling and Conveyance		5,359,459	4,828,656
Communication Expenses		2,222,324	1,533,429
Rates & Taxes		3,417,207	1,948,074
Insurance		2,494,203	3,338,570
Environment, Health and Safety Expenses		1,550,725	741,922
Legal and Professional Charges		4,053,309	3,340,277
Exchange Fluctuations Loss (net)		5,402,958	-
Loss on sale / write off of Assets (net)		9,892,880	85,126
Freight Octroi and Packing Expenses		39,905,982	34,064,693
Royalty		16,838,363	15,237,349
Auditors Remuneration			
- As Auditors		1,500,000	1,125,000
- Out of Pocket Expenses		42,729	49,307
Software Cost		-	2,748,000
Miscellaneous expenses		15,184,286	16,884,818
		<u>299,584,602</u>	<u>227,161,544</u>

# Saint-Gobain Sekurit India Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### Notes:

#### 1. EXPENDITURE IN FOREIGN CURRENCY

	For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
Research & Development	194,250	174,300
Travelling & Conveyance	286,772	320,781
Technical services	7,220,549	
Repairs & Maintenance: Machinery	-	52,626
Royalty	16,838,363	15,237,349
Others	-	909,361

#### 2. THE NET EXCHANGE DIFFERENCES ARISING DURING THE YEAR:

- (i) Recognised appropriately in the Statement of Profit and Loss - net loss - Rs. 5,402,958 (March 31, 2011: Rs.NIL).

#### Additional Information pursuant to the requirements of Schedule VI and Accounting Standards:

#### NOTE 23 - DETAILS OF EMPLOYEE BENEFITS AS REQUIRED BY THE ACCOUNTING STANDARD 15 (REVISED) EMPLOYEE BENEFITS:

The Company has classified various employee benefits as under:

##### A. Defined Contribution Plans:

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

(Amount in Rupees)

Sl. No.	Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
1	Contribution to Employees' Superannuation Fund	52,584	46,086
2	Contribution to Provident Fund	3,170,696	2,972,750

##### B. Defined Benefit Plans:

Valuation in respect of Gratuity has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Sl. No.	Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
a.	Discount Rate (per annum)	8.50%	8.00%
b.	Rate of increase in Compensation Levels	7.00%	7.00%
c.	Rate of Return on Plan Assets	8.60%	8.00%
d.	Expected Average remaining working lives of employees in number of years	15 Years	16 Years

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### Gratuity

(Rs. in Lakhs)

SI. No.	Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
(i)	Changes in the Present Value of Obligation		
	a. Present Value of Obligation as at the beginning of the year	14,283,432	9,800,442
	b. Interest Cost	1,142,675	784,035
	c. Current Service Cost	1,058,888	802,227
	d. Benefits Paid	(333,592)	(319,792)
	e. Actuarial (Gain)/Loss	(488,536)	3,216,520
	f. Present Value of Obligation as at the end of the year	15,662,867	14,283,432
(ii)	Changes in the Fair value of Plan Assets		
	a. Present Value of Plan Assets as at the beginning of the year	3,718,163	2,701,038
	b. Expected Return on Plan Assets	297,453	216,083
	c. Actuarial Gain/(Loss)	101,162	113,640
	d. Employers' Contributions	1,150,584	1,007,194
	e. Benefits Paid	(333,592)	(319,792)
	f. Fair Value of Plan Assets as at the end of the year	4,933,770	3,718,163
(iii)	Amount recognised in the Balance Sheet		
	a. Present Value of Obligation as at the end of the year	15,662,867	14,283,432
	b. Fair Value of Plan Assets as at the end of the year	(4,933,770)	(3,718,163)
	c. (Asset)/Liability recognised in the Balance Sheet	10,729,097	10,565,269
(iv)	Expenses recognised in the Profit and Loss Account		
	a. Current Service Cost	1,058,888	802,227
	b. Interest Cost	1,142,675	784,035
	c. Expected Return on Plan Assets	(297,453)	(216,083)
	d. Net actuarial (Gain)/Loss	(589,698)	3,102,880
	e. Total Expense / (Credit) recognised in the Profit and Loss Account	1,314,412	4,473,059
(v)	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets		
	Administered by Life Insurance Corporation of India	100%	100%

### (vi) Experience History

(Amount in Rupees)

	Year ended 31st March, 2012	Year ended 31st March, 2011	Year ended 31st March, 2010	Year ended 31st March, 2009
Present Value of Obligation	(15,662,867)	(14,283,432)	(9,800,442)	(6,756,626)
Plan Assets	4,933,770	3,718,163	2,701,038	1,791,533
Surplus / (Deficit)	(10,729,097)	(10,565,269)	(7,099,404)	(4,965,093)
Experience adjustments on plan liabilities (loss) / gain	332,916	1,650,627	2,427,473	(95,686)
Experience adjustments on plan assets (loss) / gain	101,162	113,640	520,604	216,419

### NOTE 24 - SEGMENT INFORMATION

The Company is engaged in the business of "Automotive Glass" which, as per the Accounting Standard - 17 Segment Reporting is considered as the only reportable primary business segment. The geographical segment is not considered as reportable segment as exports are insignificant.

# Saint-Gobain Sekurit India Limited

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 25 - RELATED PARTY DISCLOSURES:

#### Related Party Disclosures:

1 (a) Name of the related party and the nature of relationship where control exists:

Name of the related Party	Nature of Relationship
Compagnie de Saint-Gobain , France	Ultimate Holding Company
Saint-Gobain Sekurit S.A. France	Holding Company

(b) Relationships:

i) **Holding Company**

Saint-Gobain Sekurit S.A., France

ii) **Entity in respect of which the Company is an Associate**

Saint-Gobain Glass India Limited, India

iii) **Fellow Subsidiaries**

Saint-Gobain Glass, France

Saint-Gobain Seva, France

Grindwell Norton Limited, India

Saint-Gobain Sekurit (Thailand) Co. Limited, Thailand

Saint-Gobain Seva Engineering India Limited, India

Saint-Gobain Sekurit Deutschland Gmbh & Co KG, Germany

iv) **Key Managerial Personnel:**

Dr. Sreeram Srinivasan -Managing Director (upto June 11, 2011)

Mr A .Dinakar (w.e.f. October 25, 2011)

**NOTE 25 - RELATED PARTY DISCLOSURES:**

2 The following transactions were carried out in the ordinary course of business with the parties referred to in 1(b) above :

**(Amount in Rupees)**

Sr.No.	Nature of	Name of Transaction Related Party	Holding	Fellow Subsidiaries	Entity in respect of which the Company is an Associate	Key Managerial Personnel	Total
1	Purchase of Fixed Assets	Saint-Gobain Glass India Limited, India	- (-)	- (-)	- (3,134,945)	- (-)	- (3,134,945)
		Saint-Gobain Sekurit (Thailand) Co Ltd., Thailand	- (-)	- (328,034)	- (-)	- (-)	- (328,034)
		Saint-Gobain Glass France	- (-)	12,305,922 (-)	- (-)	- (-)	12,305,922 (-)
		Saint-Gobain Seva France	- (-)	75,748,149 (-)	- (-)	- (-)	75,748,149 (-)
2	Purchase of Consumables & Spares	Grindwell Norton Limited, India	- (-)	1,588,415 (1,262,849)	- (-)	- (-)	1,588,415 (1,262,849)
		Saint-Gobain Glass India Limited, India	- (-)	- (-)	413,158 (19,322)	- (-)	413,158 (19,322)
		Saint-Gobain Seva, France	- (-)	306,025 (986,158)	- (-)	- (-)	306,025 (986,158)
		Saint-Gobain Seva Engineering Limited, India	- (-)	42,751 (26,501)	- (-)	- (-)	42,751 (26,501)
3	Purchase of Goods	Saint-Gobain Glass India Limited, India	- (-)	- (-)	350,955,566 (306,805,035)	- (-)	350,955,566 (306,805,035)
		Saint-Gobain Sekurit (Thailand) Co. Limited, Thailand	- (-)	- (2,293,770)	- (-)	- (-)	- (2,293,770)
		Saint Gobain Sekurit Deutschland GmBH, Germany	- (-)	10,273,672 (-)	- (-)	- (-)	10,273,672 (-)
4	Royalty	Saint-Gobain Sekurit S.A., France	16,838,363 (15,237,349)	- (-)	- (-)	- (-)	16,838,363 (15,237,349)
5	Services Received	Saint-Gobain Glass India Limited, India	- (-)	- (-)	21,958,401 (16,739,077)	- (-)	21,958,401 (16,739,077)
		Grindwell Norton Limited, India	- (-)	3,379,314 (2,831,933)	- (-)	- (-)	3,379,314 (2,831,933)
		Saint-Gobain Sekurit S.A., France	194,250 (174,300)	- (-)	- (-)	- (-)	194,250 (174,300)
6	Services Rendered	Saint-Gobain Glass India Limited	- (-)	- (-)	9,072,257 (6,148,155)	- (-)	9,072,257 (6,148,155)
7	Sale of Goods	Saint-Gobain Glass India Limited, India	- (-)	- (-)	34,972,215 (75,045,456)	- (-)	34,972,215 (75,045,456)
		Saint Gobain Sekurit Deutschland GmBH, Germany	- (-)	946,435 (-)	- (-)	- (-)	946,435 (-)
		Others	- (-)	- (1,280)	- (-)	- (-)	- (-)



# Saint-Gobain Sekurit India Limited

## 3 Outstanding Balances as on March 31, 2012:

(Amount in Rupees)

Sr.No.	Name of the Related Party	Holding	Fellow Subsidiary	Entity in respect of which the Company is an Associate	Key Managerial Personnel	Total
<b>A</b>	<b>Debtors:</b>					
1	Saint-Gobain Sekurit S.A., France	10,898,066 (191,121)	- (-)	- (-)	- (-)	10,898,066 (191,121)
2	Saint-Gobain Glass India Limited, India	- (-)	- (-)	3,168,125 (35,972,214)	- (-)	3,168,125 (35,972,214)
3	Others	- (-)	378,430 (378,430)	- (-)	- (-)	378,430 (378,430)
<b>B</b>	<b>Current Liabilities:</b>					
1	Saint-Gobain Sekurit S.A., France	194,250 (2,103,046)	- (-)	- (-)	- (-)	194,250 (2,103,046)
2	Grindwell Norton Limited, India	- (-)	83,497 (53,014)	- (-)	- (-)	83,497 (53,014)
3	Saint-Gobain Glass India Limited, India	- (-)	- (-)	28,275,474 (78,556,384)	- (-)	28,275,474 (78,556,384)
4	Saint-Gobain Seva Engineering India Limited, India	- (-)	- (4,000)	- (-)	- (-)	- (4,000)
5	Saint-Gobain Seva, France	- (-)	- (20,231,920)	- (-)	- (-)	- (20,231,920)
6	Saint-Gobain Glass, France	- (-)	4,246,177 (-)	- (-)	- (-)	4,246,177 (-)
7	Others	- (-)	- (139,215)	- (-)	- (-)	- (139,215)

Notes:

1. Figures in brackets pertain to the previous year.

### NOTE 26 - EARNING PER SHARE:

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
a) Profit after taxation as per Profit and Loss Account (Amount in Rupees)	68,400,077	100,056,031
b) Weighted average number of Equity Shares outstanding during the year	91,105,700	91,105,700
c) Nominal value of Equity Shares (Rs.)	10.00	10.00
d) Basic Earnings per Share (Rs.) (a/b)	0.75	1.10

**NOTE 27 - FOREIGN CURRENCY EXPOSURE:**

(a) Forward Contracts outstanding ( for hedging) as at Balance Sheet date:

Currency	Year ended 31st March, 2012	Year ended 31st March, 2011	Type
In USD	313,672	363,176	Buy
Equivalent approximate in Rupees	16,948,001	16,568,316	
In EURO	640,200	-	Buy
Equivalent approximate in Rupees	44,309,226	-	

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Liability (Payables)</b>		
In GBP	142	500
Equivalent approximate in Rupees	11,747	41,925
In EURO	117,243	31,019
Equivalent approximate in Rupees	8,095,651	1,963,662
In CHF	4,611	-
Equivalent approximate in Rupees	264,764	-
In USD	496,834	28,744
Equivalent approximate in Rupees	25,601,844	1,284,031
<b>Debit balance in Creditors</b>		
In Euro	48,960	11,688
Equivalent approximate in Rupees	3,383,993	513,977
In USD	28,101	-
Equivalent approximate in Rupees	1,476,708	-
<b>Assets (Receivables)</b>		
In Euro	94,419	-
Equivalent approximate in Rupees	6,519,622	-

(Conversion done using the respective rates of March 31)

**NOTE 28 - CONTINGENT LIABILITIES AND COMMITMENTS:**

a) Contingent liabilities:

(Amount in Rupees)

Particulars	As at 31st March, 2012	As at 31st March, 2011
a) Bills discounted not matured	39,363,617	78,081,397
b) Claims against the Company not acknowledged as debts	183,384	183,384
c) Bank Gurantees	8,214,850	8,214,850
d) Disputed Central Excise Duty Service Tax	19,879,053	19,879,053
e) Sales Tax Matters	3,460,240	4,294,440
f) Octroi	56,213	56,213

b) Commitments:

- Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.15,199,069 (March 31, 2011: Rs.82,111,360).
- The Company has imported an asset costing Rs. 165,055,220 (March 31, 2011: Rs. 37,074,106) under Export Promotion Capital Goods Scheme and accordingly has an export obligation of Rs. 193,429,188 (March 31, 2011: Rs. 35,724,858). Against the obligation, the Company has met Rs.NIL up to March 31, 2012 and has provided a bond of Rs. 32,238,198 (March 31, 2011: Rs. 5,954,143) to the Commissioner of Customs. In the opinion of the management, the Company will be able to fulfill its obligation over the defined period of 6 years.

# Saint-Gobain Sekurit India Limited

## NOTE 29 - SALES OF PRODUCTS AND MOVEMENT IN STOCK OF PRODUCTS:

(Amount in Rupees)

Particulars	Opening stock		Closing stock		Revenue from Sale of Products	
	As at 1st April, 2011	As at 1st April, 2010	As at 31st March, 2012	As at 31st March, 2011	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Laminated Safety Glasses	14,326,922	11,690,792	25,727,768	14,326,922	787,965,794	703,992,990
Tempered Glasses	6,331,781	8,785,433	9,411,182	6,331,780	234,839,345	211,305,290
Sales - Scrap	-	-	-	-	15,582,856	13,285,698
Trading Sales :						
- Laminated Curved Windshields	-	-	-	-	795,231	9,593,302
- Tempered Glasses	-	-	-	-	2,927,494	1,270,031
	20,658,703	20,476,225	35,138,950	20,658,702	1,042,110,720	939,447,311

## NOTE 30 (a) - RAW MATERIAL CONSUMPTION:

(Amount in Rupees)

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Sheet / Float Glasses	317,999,609	295,817,354
P V B Film	159,330,248	154,315,079
Others	18,441,805	19,032,442
	<u>495,771,662</u>	<u>469,164,875</u>

## NOTE 30 (b) - PURCHASE OF TRADED GOODS:

(Amount in Rupees)

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Laminated Curved Windshields	784,920	9,558,324
Tempered Glasses	2,766,076	1,482,724
	<u>3,550,996</u>	<u>11,041,048</u>

## NOTE 31 - CIF VALUE OF IMPORTS:

(Amount in Rupees)

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Raw Material	173,388,574	164,637,860
Capital Goods	179,611,614	27,081,663
Components & Spares	7,262,596	4,720,715
	<u>360,262,784</u>	<u>196,440,238</u>



**NOTE 32 - VALUE OF IMPORTED AND INDIGENEOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED:**

(Amount in Rupees)

Particulars	For the year ended 31st March, 2012		For the year ended 31st March, 2011	
	Value (Amount in Rupees)	%	Value (Amount in Rupees)	%
Raw Material and Components				
i) Imported	174,733,729	35%	152,569,809	33%
ii) Indigenous	321,037,933	65%	316,595,065	67%
	495,771,662	100%	469,164,874	100%
Consumables and Stores				
i) Imported	6,656,019	42%	4,631,757	51%
ii) Indigenous	9,286,443	58%	4,477,266	49%
	15,942,462	100%	9,109,023	100%

**NOTE 33 - MOVEMENT IN STOCK OF WORK IN PROGRESS (WIP):**

(Amount in Rupees)

Particulars	WIP Opening Stock		WIP Closing Stock	
	As at 1st April, 2011	As at 1st April, 2010	As at 31st March, 2012	As at 31st March, 2011
Work in Progress	13,859,642	9,513,050	6,820,040	13,859,642

**NOTE 34** - The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

Signatures to Notes 1 to 34 forming part of Financial Statements

**For Price Waterhouse**

Firm Registration Number: 012754N  
Chartered Accountants

**Mehul Desai**  
Partner  
Membership No: 103211

Place : Mumbai  
Date : May 18, 2012

**For and on behalf of the Board**

**A.Y. Mahajan**  
Chairman

**A. Dinakar**  
Managing Director

**Anant Bavare**  
Company Secretary

Place : Mumbai  
Date : May 18, 2012

# Saint-Gobain Sekurit India Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	(Amount in Rupees)	
	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before taxation	101,226,155	102,375,313
<b>Adjusted for :</b>		
Depreciation	75,410,884	60,287,600
Interest and financial charges	3,645,041	4,104,190
Interest income	(347,524)	(365,237)
Dividend on Short Term Non-trade Investments	(1,193,118)	(1,135,677)
(Profit) / Loss on sale / write off of assets (net)	9,892,880	85,126
	<u>87,408,163</u>	<u>62,976,002</u>
<b>Operating Profit before Working Capital Changes</b>	<b>188,634,318</b>	<b>165,351,315</b>
<b>Changes in Working Capital</b>		
Increase / (Decrease) in Trade Payables	(4,242,436)	44,936,373
Increase in Provisions	257,195	3,703,406
Increase in other current Liabilities	16,294,310	1,125,590
Increase / (Decrease) in Trade Receivable	30,543,345	(50,331,202)
Increase / (Decrease) in Inventories	(14,851,810)	1,304,462
Increase / (Decrease) in Loans and Advances	(14,891,199)	6,521,488
	<u>13,109,405</u>	<u>7,260,117</u>
<b>Cash Generated From Operations</b>	<b>201,743,723</b>	<b>172,611,432</b>
Direct taxes paid	(20,875,264)	(36,057)
	<u>180,868,459</u>	<u>172,575,375</u>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>180,868,459</b>	<b>172,575,375</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(237,473,111)	(92,805,495)
Proceeds from sale of fixed assets	6,914	-
Proceeds from sale of investments	17,861,636	25,264,323
Dividend on Short Term Non-trade Investments	1,193,118	1,135,677
Interest received	192,553	345,535
	<u>(218,218,890)</u>	<u>(66,059,960)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(218,218,890)</b>	<b>(66,059,960)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Interest Paid	(1,148,784)	(4,062,010)
Other borrowings (Net)	41,148,719	-
Repayment of Term Loan	-	(66,666,668)
Short Term Loans (Net)	-	(38,253,923)
	<u>39,999,935</u>	<u>(108,982,601)</u>
<b>NET CASH FROM / (USED) IN FINANCING ACTIVITIES (C)</b>	<b>39,999,935</b>	<b>(108,982,601)</b>
<b>Net increase/(decrease) in Cash and Cash equivalents (A)+(B)+(C)</b>	<b>2,649,504</b>	<b>(2,467,186)</b>
Cash and cash equivalents (Opening Balance)	2,261,691	4,728,877
Cash and cash equivalents (Closing Balance)	4,911,195	2,261,691
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,649,504</b>	<b>(2,467,186)</b>

### NOTES:

1 The above Cash Flow has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

2 Cash and Cash equivalents comprise :	31st March, 2012 Rs.	31st March, 2011 Rs.
Cash on Hand	162,727	162,831
Balances with Scheduled Banks :		
Current Accounts	4,748,468	2,098,860
Total	4,911,195	2,261,691

Previous period figures have been regrouped / rearranged , wherever considered necessary.

This is the Cash Flow Statement referred to in our report of even date.

### For Price Waterhouse

Firm Registration Number: 007568S  
Chartered Accountants

**Mehul Desai**  
Partner  
Membership No. 103211

Place : Mumbai  
Date : May 18, 2011

**A.Y.Mahajan**  
Chairman

Place: Mumbai  
Date : May 18, 2011

**A. Dinakar**  
Managing Director

### For and on behalf of the Board

**Anant Bavare**  
Company Secretary



# Saint-Gobain Sekurit India Limited

## SAINT-GOBAIN SEKURIT INDIA LIMITED

Registered Office: T-94, M.I.D.C. Bhosari Industrial Area, Pune, Maharashtra-411 026.

### ATTENDANCE SLIP FOR THIRTY-NINTH ANNUAL GENERAL MEETING

PLEASE FILL IN THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint Shareholders may obtain additional Attendance Slip on request.

**NAME OF THE SHAREHOLDER** :

**MASTER FOLIO NO. / DP I. D. & CLIENT ID** :

**NO. OF SHARES HELD** :

I hereby record my presence at the THIRTY-NINTH ANNUAL GENERAL MEETING of the Company, being held on Saturday, 28th July, 2012 at 11.30 am at HOTEL KALASAGAR, P-4 MIDC, Kasarwadi, Mumbai-Pune Road, Near State Bank of India, Pune - 411 034.

\_\_\_\_\_  
Signature of the Shareholder / Proxy



-----TEAR HERE-----

### PROXY FORM

## SAINT-GOBAIN SEKURIT INDIA LIMITED

Registered Office: T-94, M.I.D.C. Bhosari Industrial Area, Pune, Maharashtra-411 026.

Master Folio No./DP I. D. & Client I. D. \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ being a memebr/mebers of Saint-Gobain Sekurit India Limited hereby

appoint \_\_\_\_\_ of \_\_\_\_\_ or failing

him \_\_\_\_\_ of \_\_\_\_\_ as my/our Proxy to vote for me/us and on my/our behalf of at the THIRTY-NINTH ANNUAL GENERAL MEETING of the Company to be held on SATURDAY, 28th July, 2012 at 11.30 A. M. at HOTEL KALASAGAR, P-4 MIDC, Kasarwadi, Mumbai-Pune Road, Near State Bank of India, Pune - 411 034 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Re. 1 Revenue Stamp
---------------------------

Signature

**Note :** The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting.

The Proxy need not be a member of the Company.

