

SEKURIT
smart vision

Saint-Gobain Sekurit India Limited



ANNUAL REPORT 2019-20


SAINT-GOBAIN

BOARD OF DIRECTORS (as on 11th May 2020)

Mr. Padmanabha Shetty (Chairman)
 Ms. Isabelle Delphine Hoepfner
 Mr. Joseph Andrew Jude Pereira
 Ms. Padmasudha Chandrasekhar
 Mr. Santhanam
 Mr. A. Dinakar (Managing Director)

CHIEF FINANCIAL OFFICER

Mr. R. Manigandann

COMPANY SECRETARY

Ms. Rukmini Subramanian

BANKERS

Standard Chartered Bank
 Citi Bank
 HDFC Bank
 State Bank of India

STATUTORY AUDITORS

M/s. Kalyaniwalla & Mistry LLP

REGISTRARS & TRANSFER AGENTS

Link Intime India Private Limited
 C 101, 247 Park,
 LBS Marg, Vikhroli West,
 Mumbai 400 083
 Maharashtra
 Tel. No.: +91 22 4918 6000
 Fax No.: +91 22 4918 6060
 E-mail: rnt.helpdesk@linkintime.co.in
 Website: www.linkintime.co.in

REGISTERED OFFICE

CHAKAN WORKS

Plot No. 616 & 617, Village Kuruli,
 Pune-Nashik Road,
 Chakan, Pune 410 510,
 Maharashtra
 Tel. No.: +91 2135 676 400 / 01
 Fax No.: +91 2135 676 444

Email id: sekurit.investors@saint-gobain.com

Website: www.sekuritindia.com

Corporate Identity Number: L26101MH1973PLC018367

CONTENTS

Notice	1
Board's Report	9
Management Discussion and Analysis	30
Corporate Governance Report	32
Auditors' Certificate on Corporate Governance Report	44
Business Responsibility Report	45
Independent Auditor's Report	51
Balance Sheet	57
Statement of Profit and Loss	58
Statement of Changes in Equity	59
Notes Forming Part of the Financial Statements	60
Cash Flow Statement	96



NOTICE

NOTICE is hereby given that the 47th Annual General Meeting of the Members of Saint-Gobain Sekurit India Limited will be held on Saturday, 25th July 2020 at 11:00 a.m. through Video Conferencing / Other Audio Visual Means ("VC") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2020, together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Santhanam (DIN. 00494806) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. To ratify the remuneration of Cost Auditor for the financial year ending 31st March 2021.

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 Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, as amended or re-enacted from time to time, Mr. G. Thangaraj, Cost Accountant (Registration No. M5997), appointed as the Cost Auditor by the Board of Directors of the Company, to conduct audit of the cost accounting records maintained by the Company, for the financial year ending 31st March 2021, be paid remuneration of ₹ 1.50 Lakhs (Rupees One lakh fifty thousand) plus applicable taxes and out of pocket expenses at actuals."

4. To appoint Ms. Isabelle Delphine Hoepfner as Non-Executive Director of the Company, liable to retire by rotation.

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

"RESOLVED THAT Ms. Isabelle Delphine Hoepfner (DIN. 08598846), appointed as an Additional Director by the Board of Directors with effect from 4th November 2019 and who holds office upto the date of this Annual General Meeting in terms of Section 161 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Articles of Association of the Company and being eligible offers herself for appointment, be and is hereby appointed as a Non-Executive Director, liable to retire by rotation."

5. To appoint Ms. Padmasudha Chandrasekhar as an Independent 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 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 16(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Articles of Association of the Company, Ms. Padmasudha Chandrasekhar (DIN. 01843592), appointed as an Additional Director (Independent) of the Company, with effect from 1st April 2020 and holds office until the Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations and is eligible for appointment, be and is hereby appointed as an Independent, Non-Executive Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 1st April 2020 to 31st March 2025."

6. To approve material related party transactions.

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

"RESOLVED THAT pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable provisions including any amendment, modification, variation or re-enactment thereof, approval of the Members be and is hereby accorded to the Board of Directors of the Company to enter into contracts/arrangements/transactions in ordinary course of business and at arms' length basis with Saint-Gobain India Private Limited, a related party in terms of the Listing Regulations and the Companies Act, 2013, for purchase, sale or transfer of products, goods, consumables, materials, assets, services and obligations during the financial year ending 31st March 2021, for an aggregate amount not exceeding ₹100 Crores (Rupees One hundred crores)."

By Order of the Board of Directors

Rukmini Subramanian
Company Secretary

11th May 2020

Registered Office:

Plot No. 616 & 617, Village Kuruli,
Pune-Nashik Road, Chakan,
Pune 410 501, Maharashtra.
Tel: +91 2135 676 400/01
Fax: +91 2135 676 444
Email: sekurit.investors@saint-gobain.com
Website: www.sekuritindia.com
Corporate Identity Number: L26101MH1973PLC018367

NOTES :

1. Pursuant to Ministry of Corporate Affairs ("MCA") has vide its Circular dated 5th May 2020 read with Circulars dated 8th April 2020 and 13th April 2020 and Circular issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), Companies are allowed to hold Annual General Meeting ("AGM") through Video Conferencing / Other Audio Visual Means ("VC"), without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held on 25th July 2020 through VC.
2. The Statement pursuant to Section 102 of the Act relating to Special Business to be transacted at the 47th AGM and the details, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards by The Institute of Company Secretaries of India, of persons seeking appointment/reappointment as Director under Item Nos. 2, 4 and 5 of the Notice, is annexed hereto.
3. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 ("Act"), and the Register of contracts or arrangements in which Directors are interested maintained under Section 189 of the Act will be available for electronic inspection during the AGM.
4. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 18th July 2020 to Saturday, 25th July 2020 (both days inclusive).
5. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held through VC in accordance with the Circulars, the facility for appointment of proxies by the members will not be available.
6. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
7. The participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
8. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI etc.,) are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the board resolution / authorization letter to the Company or upload it on the VC portal / e-voting portal.



9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the AGM.
10. In compliance with the Circulars, the Annual Report 2019-20, the Notice of 47th AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / Depository Participant(s). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website at www.sekuritindia.com, websites of BSE Limited at www.bseindia.com and KFin Technologies Private Limited ("KFintech") at www.kfintech.com.
11. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Services ("NECS"), Electronic Clearing Service ("ECS"), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their Depository Participant(s) ("DP"). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Registrars and Transfer Agents, Link Intime India Private Limited ("Link Intime") to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime.
12. The Securities and Exchange Board of India has mandated registration of Permanent Account Number ("PAN") and bank account details by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit details of PAN and bank account details to DP with whom they have demat accounts. Members holding shares in physical form can submit their PAN and bank account details to Link Intime.
13. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Link Intime/DPs.
14. In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from 1st April 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.
15. Members desirous to seek any further information about the financial statements and/or operations of the Company are requested to send their queries to the Company on or before Thursday, 23rd July 2020 through email at sekurit.investors@saint-gobain.com, so that the information, to the extent practicable, can be made available at the AGM or the same will be replied by the Company suitably.

Remote e-voting process

- i. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2015, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide the facility to its Members to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means through e-Voting provided by KFintech.
- ii. The Members whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, 18th July 2020, being cut-off date, are entitled to vote on the resolutions set forth in the Notice.
- iii. Members may cast their votes on electronic voting system ("remote e-voting"). The remote e-voting period will commence on Tuesday, 21st July 2020 at 9:00 a.m. and will end on Friday, 24th July 2020 at 5:00 p.m. The remote e-voting module shall be disabled by KFintech after Friday, 24th July 2020 (5:00 p.m.). In addition, those Members, who will be present in the AGM through VC and have not cast their vote on the resolutions through remote e-voting shall be eligible to vote through e-voting system during the AGM.
- iv. The Company has appointed Mr. V. N. Deodhar, Practicing Company Secretary, to act as Scrutiniser, to scrutinize the remote e-voting process and votes cast through Ballot Paper at the AGM in a fair and transparent manner.

v. The procedure and instructions for remote e-voting are as under:

- (a) Open your web browser during the remote e-voting period and navigate to <https://evoting.karvy.com>.
- (b) Enter the login credentials (i.e., user-id and password) mentioned in the letter. Your Folio No. / DP ID No. / Client ID No. will be your User- ID.

User-ID For Members holding shares in Demat Form:-

- For NSDL: 8 Character DP ID followed by 8 Digits Client ID
- For CDSL: 16 digits beneficiary ID

User-ID For Members holding shares in Physical Form:-

- Event Number followed by Folio No. registered with the Company

Password:- Your unique password is sent via e-mail forwarded through the electronic notice.

Captcha:- Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons.

- (c) After entering these details appropriately, click on "LOGIN".
- (d) Members holding shares in Demat / Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). Kindly note that this password can be used by the Demat holders for voting in any other Company on which they are eligible to vote, provided that the other company opts for e-voting through KFintech e-Voting platform. System will prompt you to change your password and update your contact details like mobile number, e-mail ID etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (e) You need to login again with the new credentials.
- (f) On successful login, system will prompt you to select the 'Event' i.e. Saint-Gobain Sekurit India Limited
- (g) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and have cast your vote earlier for any company, then your existing login ID and password are to be used.
- (h) On the voting page, you will see Resolution Description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares (which represents the number of votes) under 'FOR / AGAINST / ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. If you do not wish to vote, please select 'ABSTAIN'.
- (i) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (j) Once you 'CONFIRM' your vote on the Resolution whether partially or otherwise, you will not be allowed to modify your vote.



- vi. Corporate Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board or governing body Resolution / Authorisation together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to 'evoting@karvy.com'. The file / scanned image of the Board Resolution / authority letter should be in the naming format 'Corporate Name Event no.'
- vii. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (KFintech Website) or contact Mr. S.V. Raju, Manager of KFin Technologies Private Limited, Selenium, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032 or at einward.ris@kfintech.com and evoting@kfintech.com or call KFintech's toll free number 1-800-3454-001 for any further clarifications.
- viii. The voting rights shall be in proportion to the shares of paid up equity share capital of the Company as on the cut-off date, Saturday, 18th July 2020.
- ix. Members who acquire shares after the dispatch of the Annual Report and are Member as on the cut-off date, Saturday, 18th July 2020, may obtain the login ID and password by sending a request at evoting@karvy.com. However, if you are already registered with Kfintech for remote e-voting then you can use your existing user ID and password for casting your vote.
- x. The result will be declared to the Stock Exchange after the AGM within the prescribed time limit. The result along with the Scrutinizer's Report, shall be placed on the website of the Company.

Instructions for the Members for attending the AGM through Video Conference:

1. Members will be able to attend the AGM through VC or view the live webcast of AGM at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and selecting the 'EVENT' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.
2. The Shareholder may log into <https://emeetings.kfintech.com> and click on "Speaker Registration" by mentioning the demat account number/folio number, city, email id, mobile number and submit. The Speaker Registration shall commence on Tuesday, 21st July 2020 (9:00 a.m.) and ends on Friday, 24th July 2020 (5:00 p.m.).
3. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.
4. Facility of joining the AGM through VC shall open 15 minutes before the time scheduled for the AGM. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM. Facility of joining the AGM through VC shall be available for 1,000 members on first come first served basis.
5. Members who need technical assistance before or during the AGM, can contact KFintech at emeetings@kfintech.com.

General Instructions for best VC experience:

- a. Members can participate in the AGM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops / laptops with Google Chrome and high-speed internet connectivity.
- b. Please note that participants connecting from mobile devices or tablets, or through laptops via mobile hotspot may experience audio / video loss due to fluctuation in their respective networks. It is therefore recommended to use a stable Wi-Fi or LAN connection to mitigate any of the aforementioned glitches.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out the material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Mr. G. Thangaraj, Cost Accountants, (Registration No. M5997), as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March 2021. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, consent of the members is sought by way of an Ordinary Resolution as set out in Item No. 3 of the Notice for ratification of the remuneration amounting to ₹ 1.50 Lakhs plus applicable taxes and out of pocket expenses incurred in connection with the aforesaid audit.

The Board of Directors recommend the Ordinary Resolution set out in Item No. 3 for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in this resolution.

Item No. 4

The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, had appointed Ms. Isabelle Delphine Hoepfner (DIN 08598846) as an Additional Director on the Board of the Company from 4th November 2019, who holds office upto the date of this Annual General Meeting of the Company. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 from a member proposing the candidature of Ms. Isabelle Hoepfner for her appointment to the office of Non-Executive Director.

Brief profile of Ms. Isabelle Delphine Hoepfner is annexed to this Notice.

The Board of Directors consider her association would be of immense benefit to the Company and it is desirable to avail her services as Director of the Company. Accordingly, the Board recommends the Ordinary Resolution for appointment of Ms. Isabelle Delphine Hoepfner as set out in Item No. 4 for approval of the Members of the Company.

Except for Ms. Isabelle Delphine Hoepfner being an appointee, or her relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in this resolution.

Item No. 5

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, had appointed Ms. Padmasudha Chandrasekhar (DIN 01843592) as an Additional Director (Independent) on the Board of the Company from 1st April 2020, who holds office upto the Annual General Meeting. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors have recommended the appointment of Ms. Padmasudha Chandrasekhar as an Independent Non-Executive Director for a term of five consecutive years commencing from 1st April 2020, subject to approval of the Members of the Company.

Ms. Padmasudha Chandrasekhar fulfils the conditions specified in the Companies Act, 2013 ("Act") and the rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for appointment as an Independent Director and that she is Independent of the Management. The Board believes that Ms. Padmasudha Chandrasekhar's induction on the Board will support in broadening the overall expertise of the Board and will bring wide experience in areas of technology, sales and marketing.

The Company has received declaration from Ms. Padmasudha Chandrasekhar confirming that she meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations. She has also given her consent to act as an Independent Director of the Company. In terms of Regulation 25(8) of the Listing Regulations, she has confirmed that she is not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties.

Brief profile of Ms. Padmasudha Chandrasekhar and her other directorships has been included in this Notice.

The Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing the candidature of Ms. Padmasudha Chandrasekhar for her appointment to the office of Independent Director. Copies of the draft letter for appointment as Independent Director setting out the terms and conditions will be available for electronic inspection without any fee by the members.

The Board of Directors recommend the Ordinary Resolution for appointment of Ms. Padmasudha Chandrasekhar as set out in Item No. 5 for approval of the Members of the Company.

Except for Ms. Padmasudha Chandrasekhar being an appointee, or her relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in this resolution.



Item No. 6

Saint-Gobain India Private Limited ("SGIPL") is a "Related Party" within the meaning of Section 2(76) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Transactions for purchase, sale or transfer of products, goods, consumables, materials, assets, services and obligations from/to Saint-Gobain India Private Limited are deemed to be "material" in nature, as per the explanation to Regulation 23 of the Listing Regulations.

The Audit Committee and Board of Directors at their respective meetings held on 13th February 2020, have accorded approval to enter into contracts/arrangements/transactions with SGIPL for an aggregate amount upto ₹100 Crores (Rupees One Hundred Crores) during the financial year ending 31st March 2021.

In terms of Regulation 23(4) of the Listing Regulations, all material related party transactions require approval of the shareholders and the related parties shall not vote to approve such resolutions.

The particulars of the contracts/arrangements/transaction are as under:

Particulars	Information
Name of Related Party	Saint-Gobain India Private Limited.
Name of Director (s) or Key Managerial Personnel who is related	Mr. Santhanam, Director, is the Chairman and Managing Director of SGIPL.
Material terms of the contract/ arrangements/ transactions	Purchase, sale or transfer products, goods, consumables, materials, assets, services and obligations.
Monetary Value	Not exceeding ₹100 Crores.
Are the transaction in the ordinary course of business	Yes.
Are the transaction on an arm's length basis	Yes.
Whether transaction would meet the arm's length standard in the opinion of the Company's Transfer Pricing consultants	Yes.
Whether the transaction have been approved by Audit Committee and the Board of Directors	Yes.

The annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future business projections.

The Board of Directors is of the opinion that the transactions of the purchase, sale or transfer of products, goods, consumables, materials, assets, services and obligations from/to SGIPL are in the best interests of the Company.

The Board of Director recommend the Ordinary Resolution set out in Item No. 6 for the approval of the Members.

Mr. Santhanam is interested and concerned as the Chairman and Managing Director of SGIPL. None of the other Directors or Key Managerial Personnel or their relatives are concerned or interested in this resolution.

By Order of the Board of Directors

Rukmini Subramanian
 Company Secretary

11th May 2020

Registered Office:

Plot No. 616 & 617, Village Kuruli,
 Pune-Nashik Road, Chakan,
 Pune 410 501, Maharashtra.

Tel: +91 2135 676 400/01

Fax: +91 2135 676 444

Email: sekurit.investors@saint-gobain.com

Website: www.sekuritindia.com

Corporate Identity Number: L26101MH1973PLC01836

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ANNUAL GENERAL MEETING

Name of the Director	Mr. Santhanam	Ms. Isabelle Delphine Hoepfner	Ms. Padmasudha Chandrasekhar
Director Identification Number	00494806	08598846	01843592
Date of Birth	2 nd March 1957	16 th June 1974	16 th November 1962
Age	63 years	46 years	58 years
Date of appointment	1 st April 2019	4 th November 2019	1 st April 2020
Qualification	B.Tech in Civil Engineering from Indian Institute of Technology, Madras; Post-Graduation in Management from Indian Institute of Management, Ahmedabad.	Masters in Law.	B Tech from Indian Institute of Technology, Bombay and Post Graduation in Management from Indian Institute of Management, Ahmedabad.
Brief Resume including experience	Mr. Santhanam is the founder Managing Director of the Glass business of Saint-Gobain India Private Limited. Mr. Santhanam started his career with Grindwell Norton Limited in 1981 and served in various positions.	Ms. Isabelle has wide experience in the field of legal field including competition law, anti-bribery and economic sanctions She is the Vice President-Legal Affairs of High Performance Solutions sector of Compagnie de Saint-Gobain.	Ms. Padmasudha has over 30 years of experience, primarily in Technology sector in various leadership roles. She cofounded a technology software company in customer interaction management, handling sales, customer support and organisation building. She has worked in various industries such as FMCG, EPG and IT.
Expertise in specific functional role	Business Strategy, Engineering, Operations, General Management, Manufacturing, Marketing and Product Management, Information Technology.	Legal.	Technology, Sales and Marketing.
Terms and conditions of appointment/ reappointment	Non-Executive Director, liable to retire by rotation.	Non-Executive Director, liable to retire by rotation.	Independent Director for five consecutive years from 1 st April 2020.
Number of Meetings of Board attended during the year	1 (4 held)	None (1 held)	Not Applicable
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	Grindwell Norton Limited Titan Company Limited	None	None
Memberships/Chairmanships of committees of other Companies (included only Audit Committee and Stakeholders' Relationship Committee)	Audit Committee - Titan Company Limited (Member) Stakeholders Relationship Committee - Titan Company Limited (Chairman) Stakeholders Relationship Committee – Grindwell Norton Limited (Member)	None	None
Number of shares held in the Company	Nil	Nil	Nil
Remuneration last drawn	Nil	Nil	Nil

Mr. Santhanam, Ms. Isabelle Delphine Hoepfner and Ms. Padmasudha Chandrasekhar, Directors, do not have any relationship with any other Director or Key Managerial Personnel of the Company in terms of the Companies Act, 2013.



BOARD'S REPORT

The Members

Your Directors present the 47th Annual Report of the Company along with the audited financial statements for the year ended 31st March 2020.

1. Financial Highlights

		(₹ Lakhs)
	2019-20	2018-19
Revenue from operations	13,498.45	15,976.28
Operating Profit	1,802.36	2,293.90
Interest	16.19	30.19
Profit before Tax	1,786.17	2,263.71
Provision for Tax	444.76	655.98
Profit after Tax	1,341.41	1,607.73
Other Comprehensive Income (Net of Tax)	(50.02)	(30.24)
Total Comprehensive Income	1,291.39	1,577.49

The Company does not propose to transfer any amount to the Reserves for the year under review.

2. Dividend

Your Directors have not recommended any dividend for the financial year ended 31st March 2020.

3. Operations

The Indian economy was volatile during 2019-20. The GDP will register lowest growth of 4.5%. The lower growth was mainly due to stagnation in the manufacturing and construction sector. The manufacturing sector led by auto industry witnessed contraction during 2019-20. The tighter credit conditions due to crisis in non-banking financial services accentuated the substantial weakness in the domestic demand. The demand for commercial vehicles and 3 wheelers declined due to tightening of credit, transition of BS-VI emission norms. The supply chain disruption in the fourth quarter of the financial year and temporary suspension of operations due to COVID-19 affected the overall performance. Under these circumstances your Company's revenue from operations and operating profit declined by 16% and 21% respectively.

4. Material changes and commitments after the end of financial year

There have been no material changes and commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year and date of the report.

5. Particulars of loans, guarantees or investment

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 ("Act") are given in the notes forming part of the financial statements.

6. Human Resources

Employee relations were cordial. Your Directors place on record their appreciation for contribution made by all employees of your Company. As on 31st March 2020, there were 119 employees.

The Company follows best practices in hiring and on-boarding of employees. The Company adopts fair and transparent performance evaluation processes. In order to improve the organizational efficiency and employee engagement, various process change initiatives were undertaken during the year. Your Company believes in conducting its business in a highly transparent and ethical way. To ensure this and also to improve skill levels, employees participate in various training programmes and complete mandated e-learning courses. The Company has adopted the Saint-Gobain Attitudes which binds all the employees and provides an environment conducive to fairness and equality of all employees.

Your Company is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that all employees have a right to be treated with dignity and has zero tolerance towards violation of its Code of Conduct and Sexual Harassment Policy. The Company has a Policy on Sexual Harassment which is widely disseminated. During the year under review, no complaint of sexual harassment was received by the Company.

7. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as Annexure 1 to this Report.

8. Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure 2(A) to this Report.

The Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in Annexure 2(B) forming part of this Report. Further, the Annual Report is being sent to the Members excluding the aforesaid Annexure 2(B). Any Member interested in obtaining copy of the same may write to the Company Secretary at sekurit.investors@saint-gobain.com. The full Annual Report including the aforementioned information is available on the website of the Company at www.sekuritindia.com.

9. Public Deposits

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

10. Directors and Key Managerial Personnel

In accordance with the Act and Articles of Association of the Company, Mr. Santhanam, Director, retires by rotation and being eligible offers himself for reappointment. The Nomination and Remuneration Committee and the Board of Directors recommend his appointment.

Mr. M. G. Ramakrishna, Independent Director decided not to seek reappointment for second term and resigned as Director and Chairman with effect from 10th May 2019. The Directors place on record their appreciation for the valuable services rendered by Mr. Ramakrishna.

Mr. Padmanabha Shetty has been appointed as Chairman with effect from 10th May 2019. He was reappointed as an Independent Director of the Company for the second term from 18th July 2019 at the 46th Annual General Meeting held on 3rd August 2019.

Ms. Marie-Armelle Chupin resigned as Director (Non-Executive) with effect from 4th November 2019. The Board of Directors place on record their appreciation for the valuable services rendered by her.

Mr. Anand Mahajan resigned as Director with effect from 1st April 2020. The Board of Directors place on record their appreciation on the enormous contribution made by Mr. Anand Mahajan as the Chairman and as the Director during the past 25 years.

Ms. Isabelle Delphine Hoepfner was appointed as an Additional Director (Non-Executive) from 4th November 2019. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors have recommended appointment of Ms. Isabelle as a Non-Executive Director, liable to retire by rotation. In terms of the provisions of Section 160(1) of the Act, the Company has received a Notice from a Member signifying intention to propose the candidature for the appointment of Ms. Isabelle Delphine Hoepfner as a Non-Executive Director, liable to retire by rotation.

Ms. Padmasudha Chandrasekhar has been appointed as an Additional Director (Independent) from 1st April 2020. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors have recommended appointment of Ms. Padmasudha as an Independent Director for a term of five consecutive years from 1st April 2020, subject to approval of the Members of the Company at the Annual General Meeting. In terms of the provisions of Section 160(1) of the Act, the Company has received a Notice from a Member signifying intention to propose the candidature for the appointment of Ms. Padmasudha Chandrasekhar as an Independent Director.

Pursuant to Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. A. Dinakar, Managing Director, Mr. R. Manigandann, Chief Financial Officer and Ms. Rukmini Subramanian, Company Secretary. During the year, there has been no change in the Key Managerial Personnel.

None of the Directors or Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company, other than salaries and sitting fees.

11. Director's appointment and remuneration

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration. These are set out in the Nomination and Remuneration Policy annexed as Annexure 3 to this Report.



12. Annual evaluation of performance by the Board

The Board, on the recommendation of the Nomination and Remuneration Committee, has adopted a framework for performance evaluation of the Board, its committees, individual directors and the chairperson through a survey questionnaire. The survey questionnaire broadly covers various aspects of board functioning, composition of Board and its committees, culture, execution and performance of specific duties, obligation and governance. The evaluation parameters are based on execution of specific duties, quality of deliberation at the meeting, independence of judgement, decision making, contribution of directors at the meetings and functioning of the Committees.

The performance of the Board, its committees, individual directors and chairperson were reviewed by the Nomination and Remuneration Committee and Board of Directors. The Independent Directors evaluated the performance of Non-Independent Directors, Chairperson and the Board, as a whole. The Board of Directors evaluated the performance of the Independent Directors, their fulfillment of independence criteria in terms of the Act and Listing Regulations and their independence from the management. The Director being evaluated did not participate in the evaluation process.

13. Declaration given by Independent Directors

The Company has received necessary declarations from Independent Directors pursuant to Section 149(7) of the Act confirming that they meet the criteria of independence as under Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

14. Familiarisation programme for Independent Directors

The Company's familiarisation programme for Independent Directors provides orientation and training at the time of joining to enable them to understand the operations, business and other details of the Company. Details of the familiarisation programme for Independent Directors are available on the website of the Company at www.sekuritindia.com. The Independent Directors are regularly briefed on the developments that are taking place in the Company and its operations.

15. Number of meetings of the Board

The Board meets at regular intervals to review the Company's business and to discuss strategy and plans. A tentative annual calendar of the meetings is circulated to the Directors in advance to enable them to plan their schedule and to ensure effective participation.

During the year, four meetings of the Board were held. The maximum interval between the meetings did not exceed the period prescribed under the Act and Listing Regulations.

16. Committees of the Board

During the year, in accordance with the Act and Listing Regulations, the Board has constituted or reconstituted its Committees. Currently, the Board has the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Share Transfer Committee

Details of the Committees along with their constitution and other details are provided in the "Corporate Governance Report".

17. Directors Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained, your Directors make the following statements in terms of Section 134 of the Act,

- i. that in the preparation of the annual financial statements for year ended 31st March 2020, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii. that such accounting policies have been selected and applied consistently and judgments and estimates have been made, that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March 2020, and of the profit of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. that the annual financial statements have been prepared on a 'going concern' basis;
- v. that proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively;
- vi. that systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and are operating effectively.

With reference to the point number (v), the Board believes that the Company has sound Internal Financial Controls ("IFC") commensurate with the nature and size of its business. However, the business is dynamic and IFC are not static, and evolve over time as the business, technology and fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There will therefore be gaps in the IFC as business evolves. The Company has a process in place to continuously identify such gaps and implement newer and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

18. Related Party Transactions

All related party transactions entered during the financial year were in ordinary course of business and on an arm's length basis. The Company has obtained necessary approvals towards the related party transactions, as prescribed by the Act and the Listing Regulations.

The policy on related party transactions, as approved by the Board, is available on the website of the Company at www.sekuritindia.com.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in prescribed Form AOC-2, is annexed as Annexure 4 to this Report.

19. Corporate Social Responsibility

In accordance with Section 135 of the Act, a Corporate Social Responsibility ("CSR") Committee of the Board has been constituted to monitor the CSR policy and the programmes and to ensure that they are in line with the Act, and the Rules made thereunder. The CSR policy and initiatives taken during the year in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, are annexed as Annexure 5 to this Report.

20. Risk management and internal financial controls

Your Company recognises that managing risk is an integral part of good management practice and an essential element of good corporate governance. It aims to have a common, formalised and systematic approach for managing risk and implementing risk management process across the Company. The Company ensures effective communication and management of risk across all risk categories. The Company has identified elements of risk, which may threaten, the existence and financial position of the Company and are set out in Management Discussion and Analysis.

The Company's internal financial control systems are commensurate with the nature of its business, financial statements and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

21. Whistle-Blower Policy and Vigil Mechanism

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In order to provide a secure environment and encourage employees and others, to report unethical, unlawful or improper practices, acts or activities including leak or suspected leak of unpublished price sensitive information, a Whistle Blower Policy has been operational in the Company. The Whistle Blower Policy and Vigil Mechanism are disseminated through the website of the Company at www.sekuritindia.com.

22. Secretarial Standards

The Company complies with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.



23. Auditors

a. Statutory Auditors

M/s. Kalyaniwalla & Mistry LLP (Registration No. 104607W/W100166) were appointed as the Statutory Auditors of the Company at the 44th Annual General Meeting held on 29th July 2017 for a term of five years until the conclusion of 49th Annual General Meeting, subject to ratification by members at every Annual General Meeting in terms of Section 139 of the Act. In accordance with the Companies (Amendment) Act, 2017 enforced on 7th May 2018, by the Ministry of the Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

b. Cost Auditor

The Board of Directors had appointed Mr. G. Thangaraj, Cost Accountant, as the Cost Auditor to conduct audit of cost records of the Company for the financial year 2019-20. The Cost Audit Report for the financial year 2019-20 will be filed with Ministry of Corporate Affairs.

As per Section 148 and other applicable provisions, if any, of the Act, read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company on recommendation of the Audit Committee has appointed Mr. G. Thangaraj, Cost Accountant as the Cost Auditor of the Company for the financial year 2020-21.

Your Company has received consent from Mr. G. Thangaraj to act as the Cost Auditor of your Company for the financial year 2020-21 along with a certificate confirming his independence.

c. Secretarial Auditor

The Company had appointed M/s. V. N. Deodhar & Co., Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year ended 31st March 2020. The Secretarial Audit Report for the financial year ended 31st March 2020 is annexed as Annexure 6 to this Report.

24. Comments on Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Kalyaniwalla & Mistry LLP, Statutory Auditors, in their Auditor's Report and by M/s. V. N. Deodhar & Co., Company Secretaries, in their Secretarial Audit Report.

The Auditors have not reported any incident of fraud to the Audit Committee of the Company during the financial year ended 31st March 2020.

25. Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There has been no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations. All orders received by the Company during the year are routine in nature and have no significant / material impact.

26. Extract of Annual Return

An extract of Annual Return in the prescribed Form No. MGT-9 is annexed as Annexure 6 to this Report. The extract of Annual Return is also available on the website of the Company at www.sekuritindia.com.

27. Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report

In terms of the Regulation 34(2)(e) of the Listing Regulations, the Corporate Governance Report with a Certificate from a Practicing Secretary thereon, Management Discussion and Analysis and Business Responsibility Report are annexed and form part of this Report.

Acknowledgments

Your Directors take this opportunity to acknowledge with sincere gratitude the support of its esteemed customers, the strength it derives from its association with Compagnie de Saint-Gobain and its subsidiaries, the continued support and co-operation from its Bankers and the loyalty of the Company's Suppliers, Dealers and valued Shareholders.

On behalf of the Board of Directors

B Santhanam
Director

A. Dinakar
Managing Director

11th May 2020

ANNEXURE 1

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of energy

Your Company is committed to ensure a pollution free environment and conserve energy by the 3R concepts; Reduce, Reuse and Recycle. It has taken various actions towards conservation of energy and resources by adapting to the newest technologies and exploring alternative high performance materials across its factory. The factory of your Company is certified by ISO 14001:2015 and OHSAS 18001:2007. The Company has invested in water conservation by upgrading the effluent treatment plant and is also committed to reduce the consumption of energy in its operations and reduce pollution by sourcing energy from renewable sources.

B. Technology Absorption

Your Company is committed to adapt and evolve to the industry regulations and requirements continuously. During the year under review, your Company has made good progress in improving its manufacturing capabilities and efficiencies with support of Saint-Gobain. It has taken steps to improve and consolidate its base to meet the future requirements of the industry.

1. Specific areas in which research and development (R&D) was carried out by the Company and benefits thereof

- i. Area: Improvement in efficiency of the furnace for Light Commercial Vehicles.
Benefit: To cater to a wider and complex product segment with improved operational efficiencies.
- ii. Area: Developing new value added and light weight glazing's.
Benefit: To meet the customer demand and reduce the heat load inside the vehicle and thus reduce the energy consumption of the vehicle.

2. Future plans of action:

- i. Digital tools integration and Industry 4.0 upgradation to improve process efficiencies and enhance Customer requirements.
- ii. Added Value Lamination products for End Customer Delight.

3. Expenditure on R&D for the year ended 31st March 2020:

	(₹ Lakhs)
i) Capital	Nil
ii) Recurring	341.82
iii) Total	341.82
iv) Total R&D expenditure as % of total turnover	2.53

C. Foreign exchange earnings and outgo:

Total earnings in foreign exchange : ₹ 41.45 Lakhs.

Total outgo in foreign exchange : ₹ 13,41.03 Lakhs.



ANNEXURE 2

PARTICULARS OF EMPLOYEES

A. Details pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2019-20 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary:

Sr. No.	Name of the Director/ Key Managerial Personnel (KMP) and Designation	% of increase in remuneration in the financial year ended 31 st March 2020	Ratio of remuneration of each director to median remuneration of employees
1.	Mr. Padmanabha Shetty, Chairman, Non-Executive Independent Director	41	>1
2.	Mr. Joseph Andrew Jude Pereira Non-Executive Independent Director	NA	>1
3.	Mr. Manigandann R.* Chief Financial Officer, KMP	13	NA
4.	Ms. Rukmini Subramanian * Company Secretary, KMP	8	NA

* on secondment from group company.

- The percentage increase in the remuneration of median employee in the financial year 2019-20 was around 19%. It may be noted that in the Company's case, the median remuneration is that of a unionized employee. Unionized employees' remuneration increase significantly in the year that a new wage agreement is concluded and, as such, the increase in median remuneration may vary significantly from year to year.
- Number of permanent employees of the Company as on 31st March 2020 : 119
- Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2019-20 and its comparison with the percentage increase in the managerial remuneration are given below:
 - The average increase in salaries/remuneration of all employees (other than key managerial personnel) is around 7% and for Key Managerial Personnel is around 10%.
 - The average increase in remuneration is in line with market trends.
- It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration policy of the Company.

B. Details pursuant to Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. There are no employees receiving remuneration prescribed under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
2. Top ten employees in terms of remuneration drawn.

Name	Age	Designation Nature of duties	Remuneration (₹ Lakhs)	Qualification	Date Of Commencement Of Employment	Total Experience (years)	Previous Employment / Position Held
Mr. Sanjay Karori Sahani	58	Team Leader - Three Wheelers And Commercial Vehicles	28.10	BA - Economics	20-Jul-84	37	Works Supervisor - Hafed
Mr. L Muthupandi	40	Team Leader - Maintenance	22.60	BE- Electrical & Electronics	28-Feb-14	18	Dy Manager - Lear Automotives India Ltd
Mr. Parag Jayawant Jambhulkar	43	Team Leader - Project Management	19.60	BE - Mechanical	3-Nov-14	18	Team Manager – Projects - Saint Gobain Glass India Ltd
Mr. Prasad Nagesh Dandane	42	Team Leader – Quality	18.69	MBA -Operations	1-Aug-17	17.5	Manager - Varroc Polymers Pvt. Ltd
Mr. Vivek G	38	Team Leader - Operations	18.69	MBA - Management	2-May-18	16	Team Leader – Tempered - Saint Gobain India Pvt. Ltd
Mr. Rakesh Kumar Sahu	34	Key Accounts Manager	15.29	MBA - Marketing	2-Aug-14	11	Manager-Marketing - Mindasai Limited
Mr. Manoj Madhukar Patil	35	Team Leader – Finance	15.27	ICWA – Finance	02-Nov-18	9	Huntsman International India Pvt. Ltd
Ms. Rukmini Subramanian*	38	Company Secretary	14.80	ACS, LLB – Legal & Secretarial	18-May-16	14	Reliance Communications Limited
Mr. Babasaheb Janardan Shelke	45	Team Member - Manufacturing	14.03	Diploma - Mechanical	11-Sep-10	22	Assistant Manager - Shree Ashtavinayak Glass
Mr. Chandrakant Natha Katpale	54	Team Leader – Manufacturing	13.04	MBA- Production	09-Nov-90	32	Megasoft Micro Controls Pvt. Ltd.
Ms. Sweety Shah	36	Team Member – Human Resource	12.74	MBA- Human Resource	16-Aug-16	12	Atul Limited

* on secondment from group company.

Notes:

- 1) Total remuneration includes salary, commission, allowances, rent paid for providing accommodation, leave pay, group and accident insurance premium, Company's contribution to provident, superannuation and gratuity funds and also the monetary value of other perquisites.
- 2) All the above employees are employed on contractual basis.
- 3) Experience includes number of years of service elsewhere, if applicable.
- 4) None of the employees are related to any Director of the company.
- 5) None of the employees are covered under Rule 5(3)(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



ANNEXURE 3

POLICY FOR APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT

Appointment Criteria, Performance Evaluation and Removal:

The Director, KMP and Senior Management shall possess adequate qualification, experience and expertise with following attributes/skills:

- a) Cultural fit and Personal values.
- b) Vision and strategic management.
- c) Change management and influencing change.

An independent director shall have impeccable reputation of integrity, deep expertise and insights and complementary skills and shall meet the requirements prescribed under Companies Act and the Listing Agreement.

The Nomination and Remuneration Committee shall carry out an evaluation of performance of every Director, KMP and Senior Management Personnel on a yearly basis.

Due to any reasons for disqualification mentioned in the Companies Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board, with reasons recorded in writing, the removal of a Director, KMP or Senior Management Personnel, subject to the provisions and compliance of the said Act, rules and regulations.

Remuneration Policy for Directors, Key Managerial Personnel and other employees

A. Independent Director (NEID) - other than nominees of Compagnie de Saint-Gobain

Independent Directors shall be paid sitting fee of ₹50,000 for every meeting of the Board or Audit Committee and ₹30,000 for its other committees.

B. Managing Director & Key Managerial Personnel & other employees

The Remuneration Policy of the Company recognizes and is based on position and performance. It is aimed at attracting and retaining high-caliber talent. The quantum of an employee's remuneration and its components varies across grades and is determined by industry practices and comparisons, qualifications, experience, responsibilities and performance. Most employees are covered by an incentive plan which is linked to performance of the Department/Function/ Business/Company against annual objectives. The remuneration system maintains a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The company has no stock option plans. All the employees of the Company are eligible to purchase shares of Compagnie de Saint-Gobain, the ultimate holding Company, under the Employee Share Purchase Plan, which is offered globally.

The above criteria and policy are subject to review by the Nomination and Remuneration Committee and the Board of Directors of the Company.

ANNEXURE 4

Form No. AOC – 2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

- Details of contracts or arrangements or transactions not at arm's length basis – Not applicable**
- Details of material contract or arrangement or transactions at arm's length basis during financial year ended 31st March 2020:**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contract or arrangements including value (₹ Lakhs)	Date(s) of approval by the board / audit committee	Amounts paid as advance, if any	Date on which resolution was passed in general meeting u/s 188(1)(h)
1.	Saint-Gobain India Private Limited, Fellow subsidiary	Purchase of goods	Ongoing basis	2,626.82	5 th February 2019	Nil	3 rd August 2019
		Services received	Ongoing basis	2,65.71		Nil	
		Services rendered	Ongoing basis	1,21.07		Nil	
		Sale of goods	Ongoing basis	19,71.28		Nil	

On behalf of the Board of Directors

B Santhanam
Director

A. Dinakar
Managing Director

11th May 2020



ANNEXURE 5

CORPORATE SOCIAL RESPONSIBILITY POLICY

As a part of the Saint-Gobain Group, Saint-Gobain Sekurit India Limited (SGSIL) has adopted the Group's Corporate Social Responsibility (CSR) policy and adapted it to the Indian context. For the Group, CSR is the heart of its strategy of sustainable development. CSR impacts every aspect of how it conducts its business and of far more than philanthropy.

Saint-Gobain's Corporate Social Responsibility Policy for India (<http://Saint-gobain.co.in>) covers six broad areas of action:

- Inventing and promoting sustainable buildings,
- Limiting our environmental impact,
- Encouraging employees' professional growth,
- Supporting local community development,
- Taking actions across the value chain,
- Ensuring that its business practices meet the highest standards of corporate governance and ethics.

With this, SGSIL's CSR agenda comprises of:

- Limiting the impact of its operations, products and actions on the environment,
- Supporting the Saint-Gobain India Foundation and local community development,
- Ensuring that its business practices meet the highest standards of corporate governance and ethics, and;
- Taking actions across the value chain to limit its impact on the environment and to spread good business practices.

Saint-Gobain India Foundation

The Saint-Gobain India Foundation (SGIF) is funded out of the profits of the Group's businesses in India. Each year, SGSIL will contribute a certain percentage of its operating profit to SGIF. SGIF's primary aim is to enable life and livelihood through education of underprivileged children with a focus on educating the girl child. SGIF partners with NGOs having a proven track record.

Governance mechanism:

SGSIL's CSR policy is framed and governed by the Board of Directors of the Company. The Board has constituted CSR Committee comprising of an Independent Director to monitor the policy and the programs from time to time and to ensure that they are in line with Companies Act, 2013 and the Rules framed thereunder. The CSR Committee is responsible to review such programs and keep the Board apprised of the implementation status.

Implementation:

The Company's CSR programs shall be implemented by the Company Personnel, or through an external agency or through the Saint-Gobain India Foundation or any other trust or foundation.

CSR Expenditure:

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR programmes undertaken in accordance with the approved CSR Plan.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES

1. A brief outline of Company's CSR Policy, including overview of projects and programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects/programs:

As a part of the Saint-Gobain Group, Saint-Gobain Sekurit India limited (SGSIL) has adopted the Group's Corporate Social Responsibility (CSR) policy and adapted it to the Indian context. For the Group, CSR impacts every aspect of how it conducts its business, is about being a responsible corporate citizen and is far more than philanthropy. The Group's view of CSR is broad and covers more than what is envisaged under the Companies Act, 2013. In line with the Group's CSR Policy, SGSIL's CSR agenda comprises of:

- limiting the impact of its operations, products and actions on the environment;
- supporting the Saint-Gobain India Foundation and local community development;
- ensuring that its business practices meet the highest standards of corporate governance and ethics, and
- taking action across the value chain to limit its impact on the environment and to spread good business practices.

The CSR Committee has reviewed this Policy and recommended the same to the Board of Directors. The Board has approved the Policy and the same has been uploaded on the website of the Company at www.sekuritindia.com.

2. Composition of CSR Committee: (as on 31st March 2020)

Mr. Padmanabha Shetty	Chairman
Mr. Anand Mahajan	Member
Mr. A. Dinakar	Member

3. Average Net Profit of the Company for last three financial years: ₹ 1799.39 Lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in Item No. 3): ₹ 35.99 Lakhs
5. Details of CSR spend for financial year:
 - (a) Total Amount provided for expenditure on CSR for the financial year: ₹ 5.85 Lakhs
 - (b) Manner in which the amount spent during the financial year is detailed below:

(₹ Lakhs)

Sr. No.	CSR programs/ project/ activity identified	Sector in which the program is covered	Projects/ Programs Area / State	Amount outlay (budget) Project/ program wise	Amount spent on the projects / programs		Cumulative expenditure up to the reporting period	Amount spent	
					Direct Expenditure	Overheads		Direct	Agency
1.	Contribution to the corpus of Saint-Gobain India Foundation	Promotion of education	N.A.	5.85	5.85	-	44.40	Direct	-
	Total			5.85	5.85	-	44.40		



6. Justification for spending lesser than the prescribed CSR expenditure:

SGSIL believes that its main purpose is to invest and to grow its business and while doing so to provide products, services and solutions that meet the needs of its customers, to generate direct and indirect employment, to contribute to the revenue of the Government and to meet the expectations of all other stakeholders. SGSIL also believes that the means are as important as the ends and as such, it will always act as a good corporate citizen and will ensure that its business practices meet the highest standards of corporate governance and ethics. SGSIL believes that it is by acting in this way and by fulfilling its purpose that SGSIL can best serve society. Having said this, SGSIL also considers that it is important to more directly contribute to improve the lives and livelihood of those who are less privileged. With this in mind, a few years ago, SGSIL, along with the other subsidiaries of the Saint-Gobain group in India, set up Saint-Gobain India Foundation ("SGIF"). Each year, SGSIL contributes a certain percentage of its profit to the corpus of the SGIF. SGSIL is represented on the Board of SGIF and its management is involved in the working of SGIF.

7. In 2019-20, the Company has undertaken the implementation and monitoring of CSR Policy as per the CSR Agenda and Policy of the Company.

8. The details of the Program (near the Company's offices or sites) undertaken through the Saint-Gobain India Foundation:

Project Nanhi Kali has been initiated by the K. C. Mahindra Education Trust with an aim to provide primary education to underprivileged girl children in India. It provides primary education to girl children from economically disadvantaged families. Saint-Gobain India Foundation supports around 500 girl children at Pune.

For Saint-Gobain Sekurit India Limited

A. Dinakar
Managing Director

11th May 2020

For and on behalf of
Corporate Social Responsibility Committee of
Saint-Gobain Sekurit India Limited

Padmanabha Shetty
Chairman

ANNEXURE 6

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Saint-Gobain Sekurit India Limited
Plot No. 616 & 617, Village Kuruli,
Pune-Nashik Road, Chakan,
Pune – 410 510.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Saint-Gobain Sekurit India Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Saint-Gobain Sekurit India Limited ("the Company") for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit period); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We have been informed that there are no laws applicable specifically to the Company. Additionally, we have been informed that compliance of various statutes is monitored on monthly basis by the Compliance officer and necessary action is initiated for any non-compliance.



We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange in respect of Issue and Listing of Securities.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **V.N.DEODHAR & CO.,**

V.N.DEODHAR

PROP.

FCS NO.1880

C.P. No.898

Place: Mumbai

Date: 11th May 2020

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

Annexure A

To,

The Members,

Saint-Gobain Sekurit India Ltd.

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of Laws, Rules & Regulations and happening of events, etc.
5. The Compliance of provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **V.N.DEODHAR & CO.,**

V.N.DEODHAR

PROP.

FCS NO.1880

C.P. No. 898

Place: Mumbai

Date: 11th May 2020

ANNEXURE 7

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L26101MH1973PLC018367
ii.	Registration Date	13 th November 1973
iii.	Name of the Company	Saint-Gobain Sekurit India Limited
iv.	Category / Sub-Category of the Company	Company having share capital
v.	Address of the Registered office and contact details	Plot No. 616 & 617, Village Kuruli, Pune-Nashik Road, Chakan, Pune, Maharashtra India – 410 501 Tel: +91 2135 676400/01 Fax: +91 2135 676444 Email: sekurit.investors@saint-gobain.com Website: www.sekuritindia.com
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22 4918 6000 Fax: +91 22 4918 6060 Email: rnt.helpdesk@linkintime.com Website: www.linkintime.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Manufacture of laminated and toughened glass	26101	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Compagnie de Saint-Gobain Les Miroirs 18 Avenue d'Alsace F-92400 Courbevoie, France	Foreign Company	Ultimate Holding*	75.00*	2(46)
	* The Ultimate Holding Company (Saint-Gobain) holds shares in the Company through the following subsidiaries.				
	Saint-Gobain Sekurit France SA BP 60105, rue du Marechal Joffre, 60777 Thourotte Cedex, France	Foreign Company		48.26	
	Saint-Gobain India Private Limited Sigapi Aachi Building, Floor No 7, 18/3, Rukmini Lakshmiopathy Road, Egmore, Chennai, Tamil Nadu	U26109TN1997PTC037875		26.74	



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters										
(1) Indian										
a. Individuals / Hindu Undivided Family		0	0	0	0.00	0	0	0	0.00	0.00
b. Central Government		0	0	0	0.00	0	0	0	0.00	0.00
c. State Government(s)		0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corporate		24359490	0	24359490	26.74	24359490	0	24359490	26.74	0.00
e. Financial Institutions / Banks		0	0	0	0.00	0	0	0	0.00	0.00
f. Any Other (specify)		0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-		24359490	0	24359490	26.74	24359490	0	24359490	26.74	0.00
(2) Foreign		0	0	0	0.00	0	0	0	0.00	0.00
a. Individuals (Non Resident Individuals / Foreign Individuals)		0	0	0	0.00	0	0	0	0.00	0.00
b. Other - Individuals		0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corporate		43969785	0	43969785	48.26	43969785	0	43969785	48.26	0.00
d. Banks / Institutions		0	0	0	0.00	0	0	0	0.00	0.00
e. Any Other (specify)		0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-		43969785	0	43969785	48.26	43969785	0	43969785	48.26	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)		68329275	0	68329275	75.00	68329275	0	68329275	75.00	0.00
B. Public Shareholding										
1. Institutions										
a. Mutual Funds		0	1300	1300	0.00	0	1300	1300	0.00	0.00
b. Financial Institutions / Banks		800	900	1700	0.00	1406	900	2306	0.00	0.00
c. Central Government		0	0	0	0.00	0	0	0	0.00	0.00
d. State Government (s)		0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds		0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Companies		0	0	0	0.00	0	0	0	0.00	0.00
g. Foreign Portfolio Investor (including Foreign Institutional Investors)		807664	0	807664	0.89	1185596	0	1185596	1.30	0.41
h. Foreign Venture Capital Investors		0	0	0	0.00	0	0	0	0.00	0.00
i. Any Other (specify)										
Sub-total (B)(1):-		808464	2200	810664	0.89	1187002	2200	1189202	1.31	0.42
2. Non-Institutions										
a. Bodies Corporate		1708205	23200	1731405	1.90	1249169	23200	1272369	1.40	-0.50
i) Indian		0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas		0	0	0	0.00	0	0	0	0.00	0.00
b. Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh		11043008	940140	11983148	13.15	11850853	903656	12754509	14.00	0.85
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh		5394740	40440	5435180	5.97	5209733	40440	5250173	5.76	-0.21
c. NBFCs registered with RBI		54550	0	54550	0.5	0	0	0	0.00	-0.06
d. Other (specify)										
Non Resident Indian		332644	2000	334644	0.37	234867	2000	236867	0.26	-0.11
Trusts		100	0	100	0.00	100	0	100	0.00	0.00
Clearing Member		416087	0	416087	0.46	72490	0	72490	0.08	-0.38
Hindu Undivided Family		2010647	0	2010647	2.21	2000715	0	2000715	2.20	-0.01
Sub-total (B)(2):-		20959981	1005780	21965761	24.11	20617927	969296	21587223	23.69	-0.42
Total Public Shareholding (B)=(B)(1)+ (B)(2)		21768445	1007980	22776425	25.00	21804929	971496	22776425	25.00	0.00
C. Shares held by Custodian for GDRs & ADRs		0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)		90097720	1007980	91105700	100.00	90134204	971496	91105700	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Saint-Gobain Sekurit France S.A.	43969785	48.26	0.00	43969785	48.26	0.00	0.00
2.	Saint Gobain India Pvt. Ltd.	24359490	26.74	0.00	24359490	26.74	0.00	0.00
	Total	68329275	75.00	0.00	68329275	75.00	0.00	0.00

(iii) Change in Promoters Shareholding:

There is no change in the shareholding of Promoters during the financial year.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors Promoters and Holders of GDRs and ADRs):

Sl. No	Name	Shareholding at the beginning of the year		Date	Reason	No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	KUBER INDIA FUND							
	At the beginning of the year	807664	0.89					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			05.04.2019	Transfer	25406	833070	0.91
				26.04.2019	Transfer	(25070)	808000	0.89
				05.07.2019	Transfer	(772)	807228	0.89
				09.08.2019	Transfer	28772	836000	0.92
				16.08.2019	Transfer	23799	859799	0.94
				23.08.2019	Transfer	11142	870941	0.96
				30.08.2019	Transfer	31453	902394	0.99
				06.09.2019	Transfer	20657	923051	1.01
				20.09.2019	Transfer	1949	925000	1.02
				04.10.2019	Transfer	92223	1017223	1.12
				08.11.2019	Transfer	(13582)	1003641	1.10
				22.11.2019	Transfer	(3641)	1000000	1.10
	14.02.2020	Transfer	185596	1185596	1.30			
At the end of the year						1185596	1.30	
2	KANTILAL M. VARDHAN (H.U.F.)							
	At the beginning of the year	341866	0.38					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			Nil movement during the year				
	At the end of the year						341866	0.38



Sl. No	Name	Shareholding at the beginning of the year		Date	Reason	No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
3	KEWAL KUMAR VOHRA							
	At the beginning of the year	185596	0.20					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			26.04.2019	Transfer	2956	188552	0.21
				04.10.2019	Transfer	2100	190652	0.21
				01.11.2019	Transfer	17995	208647	0.23
	At the end of the year						208647	0.23
4	NARESH UMEDMAL SANGHVI							
	At the beginning of the year	175000	0.19					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer/ bonus/ sweat equity etc.):			20.09.2019	Transfer	7500	182500	0.20
				22.11.2019	Transfer	7500	190000	0.21
				29.11.2019	Transfer	(175000)	15000	0.02
				06.12.2019	Transfer	175000	190000	0.20
				24.01.2019	Transfer	3500	193500	0.21
				31.01.2019	Transfer	500	194000	0.21
				14.02.2020	Transfer	158	194158	0.21
				28.02.2020	Transfer	500	194658	0.21
				06.03.2020	Transfer	5342	200000	0.22
				20.03.2020	Transfer	1000	201000	0.22
				27.03.2020	Transfer	4000	205000	0.23
	At the end of the year						205000	0.23
5	MUSADDILAL RAWAT							
	At the beginning of the year	183954	0.20					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):			Nil movement during the year				
	At the end of the year						183954	0.20
6	VIKAS MEHRA							
	At the beginning of the year	162575	0.18					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):			Nil movement during the year				
	At the end of the year						162575	0.18
7	ARCHANA KHADELWAL							
	At the beginning of the year	147865	0.16					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):			Nil movement during the year				
	At the end of the year						147865	0.16

Sl. No	Name	Shareholding at the beginning of the year		Date	Reason	No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
8	MAYUR SARAF							
	At the beginning of the year	130000	0.14					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			Nil movement during the year				
	At the end of the year						130000	0.14
9	HARISH REWACHAND KHUSHALANI							
	At the beginning of the year	125000	0.14					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			Nil movement during the year				
	At the end of the year						125000	0.14
10	HALLMARK DEALER PRIVATE LIMITED							
	At the beginning of the year	125000	0.14					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			Nil movement during the year				
	At the end of the year						125000	0.14

(v) Shareholding of Directors and Key Managerial Personnel:

None of the Directors and Key Managerial Personnel hold any shares in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lakhs)

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	341.29	Nil	341.29
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	341.29	Nil	341.29
Change in Indebtedness during the financial year				
• Addition	Nil	202.18	Nil	202.18
• Reduction	Nil	(341.29)	Nil	(341.29)
Net Change	Nil	(139.11)	Nil	(139.11)
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	202.18	Nil	202.18
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	202.18	Nil	202.18



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Mr. A. Dinakar, Managing Director is not drawing any remuneration from the Company.

B. Remuneration to other directors:

(₹ Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
3.	Independent Directors	M. G. Ramakrishna	Padmanabha Shetty	Joseph Andrew Jude Pereira	
	Fee for attending board / committee Meetings	1.60	5.80	3.60	11.00
	Commission				
	Others, please specify				
	Total (1)	1.60	5.80	3.60	11.00
4.	Other Non-Executive Directors				
	Mr. Anand Mahajan, Ms. Isabelle Delphine Hoepfner and Mr. Santhanam, Directors, are nominees of Saint-Gobain and do not draw any remuneration / sitting fees from the Company.				
	Total Managerial Remuneration				11.00
	Overall Ceiling as per the Act			11% of net profits	

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.44	14.80	27.24
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission			
	- As % of profit			
	- Others, specify			
5.	Others, please specify			
	Total (A)	12.44	14.80	27.24

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/Court]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment			NIL		
Compounding					
C. Other officers in default					
Penalty					
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL REVIEW:

Saint-Gobain Sekurit India Limited ("SGSIL") is a subsidiary of Compagnie de Saint-Gobain ("Saint-Gobain"), a transnational group with its headquarters in Paris and with sales of Euros 42.6 billion in 2019. Saint-Gobain's businesses fall in two broad areas: regional construction or building related businesses and global businesses providing High Performance Solutions. SGSIL's business is part of High Performance Solutions. SGSIL is in the business of processing of glasses to manufacture windshields for the automobile sector.

BUSINESS ENVIRONMENT:

2019-20 has been a very difficult and challenging year. The consumption demand which has been the principal growth driver disappeared and India's GDP growth witnessed a rapid decline led by the contraction in auto sector. GDP is expected to be at 4.5% in 2019-20 as against 6.1% in 2018-19.

During the year the automotive market had a sharp decline across all segments, passenger vehicles by 13.27%, commercial vehicles by 26.3% and 3 wheelers by 11%. In line with overall market decline of 14.3%, the Company's sales declined by 16%. We continue to make progress in our plant operations performance and efficiencies. We have significantly improved our product quality and service levels to all OEMs across the board.

Automotive Segment:

The automotive glasses are broadly classified as laminated and tempered.

Products and Plants

Automotive Glasses are glasses fitted on the body of automobiles. Generally, these glasses are either laminated or tempered. As mandated by law and safety requirements, all windshields are laminated and the other glasses (backlites and sidelites) are tempered. The Company's factory at Chakan, Pune, which manufactures laminated glasses, is certified under ISO 14001:2015 and OHSAS 18001:2007.

Industry

Broadly, there are two major market segments – Automobile Manufacturers (OEMs) and the Replacement Market. Within OEMs, there are three sub-segments: passenger vehicles, commercial vehicles and 3 wheelers. There is only one major player, other than SGSIL, supplying to the OEMs. There are however, a number of smaller players and imports in the Replacement Market.

Broad Characteristics of the Business

- Significant entry barrier in the form of high capital investment.
- Complete dependency on the auto sector.
- Key success factors are quality, cost, capability to supply full car sets to the OEMs and also proximity to customers.
- Stringent contractual obligations with the OEMs.

Development, Outlook, Risks and Concerns

The auto sector contracted during the current year. The situation has turned uncertain due to the on-going Covid-19 pandemic crisis. The manufacturing operations at the Company's plant has been suspended from 25th March 2020 onwards, for well over a month now. With a depressed market demand very likely, volumes are not expected to improve in the financial year 2020-21 due to the pandemic and uncertainty over the date on which the Company will be permitted to start of its production operations. Implementation of the revised emission norms and other statutory regulations could have a positive impact on commercial vehicle sales.

The Company's prospects are completely dependent on the growth and performance of the commercial vehicles and 3 wheeler segments of the auto sector. Besides normal business risks, in a rapidly changing world environment, risks associated with use of hazardous materials, pollution and security of electronic data have also become important as any one of these factors can expose the Company to potential legal and social liabilities. The Company is alert in tracking all such risks and taking suitable mitigating actions wherever warranted or necessary.



Risks and Concerns – Others

1. Financial

SGSIL's financial management has always been governed by prudent policies, based on conservative principles. SGSIL's foreign currency exposure on account of imports and exports are appropriately hedged. SGSIL has a well-defined and structured treasury operation, with the emphasis being on security.

2. Legal & Statutory

- (i) Contingent Liabilities: Details of Contingent Liabilities are in the Notes forming part of the Financial Statements.
- (ii) Statutory Compliance: SGSIL ensures statutory compliance of all applicable laws and is committed to timely payment of all statutory dues.

Human Resources:

The Company provides a congenial and productive work environment with an aim to retain those who are capable of translating challenges into opportunities and weaknesses into strengths. The Management continually empowers employees with opportunities to give their suggestions on various business and operational matters. The twin objectives of improving the quality of human capital available within the Company and harnessing its potential for the benefit of the Company continues to form the cornerstone of the HR policy of your Company. SGSIL will continue to invest in training people in Environment, Health and Safety and World Class Manufacturing and to provide an opportunity for employees to give their best and realize their full potential.

Overall Performance:

SGSIL's sales declined by 16% while the operating profit decreased by 21%.

Significant changes in key financial ratios along with detailed explanation:

The variation in Interest coverage ratio was 47% mainly due to during the reduction in bank charges, increase in interest cost on gratuity and leave encashment and decrease in notional charges on imports by Bank.

Return on Net Worth reduced by 25% due to decrease in net income during the financial year ended 31st March 2020.

Internal Control Systems:

SGSIL has an effective internal control environment which ensures business and operations are managed efficiently and effectively, assets are safeguarded, regulatory requirements are complied with and all transactions are recorded after appropriate authorisations. The Company's strong and independent internal audit function performs regular audits. All internal controls are constantly upgraded based on internal audit recommendations.

Every quarter the reports of the internal audits, significant audit findings, and corrective steps recommended and their implementation status are presented to the Audit Committee.

Segmental Financials:

Your Company recognises Automotive Glass as a single segment.

CAUTIONARY STATEMENT:

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

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Saint-Gobain Sekurit India Limited ("SGSIL"), a member of the 'Saint-Gobain' group, is committed to the highest standards of fair, ethical and transparent governance practices. The corporate governance policies followed by SGSIL are intended to ensure transparency in all its dealings. The Company recognizes the importance of strong corporate governance which is a vital mechanism for investor protection.

2. BOARD OF DIRECTORS

Composition:

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors, which is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As on 31st March 2020, the Company had six directors comprising one Executive Director and five Non-Executive Directors (of which two are Independent Directors). In compliance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has appointed a woman Independent Non-Executive Director from 1st April 2020, thereby the Board of Directors comprises of six directors, one Executive Director and five Non-Executive Directors (three Independent Directors). The Chairman of the Board is an Independent, Non-Executive Director. The Board has an optimal mix of professionalism, knowledge and experience. None of the directors are related to each other. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16 of the Listing Regulations and Section 149 of the Companies Act, 2013 ("Act"). The maximum tenure of the Independent Director is in compliance with the Act. None of the Independent Directors holds office as an independent director in more than seven listed companies and serves as whole time director in any listed company. The Company has familiarisation programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates etc.

The details of the familiarisation programme imparted to independent directors are available on the website of the Company at www.sekuritindia.com.

Mr. Anand Mahajan, Non Executive Director of the Company has resigned w.e.f. 1st April 2020 due to his personal reasons. He confirmed that there is no other material reason for his resignation.

Ms. Padmasudha Chandrasekhar has been appointed as an Additional Director (Independent) from 1st April 2020. The Board of Directors has recommended her appointment as Independent Director for a term of five consecutive years from 1st April 2020, subject to the approval of members at the Annual General Meeting.

Meetings of the Board:

Four Board Meetings were held during the year and the gap between two consecutive meetings did not exceed one hundred and twenty days.

The dates on which the said meetings were held are as follows:

9th May 2019; 3rd August 2019; 4th November 2019 and 13th February 2020.

Necessary quorum was present for all the meetings.

During the year, information as mentioned in Schedule II, Part A of the Listing Regulations has been placed before the Board for its consideration.



The names and category of the directors, their attendance at Board Meetings and Annual General Meeting held during the year and number of directorships and committee chairmanships/ memberships held by them in other public and private companies as on 31st March 2020 are given below:

Name of the Director	Category	Number of Board Meetings during the year 2019-20		Whether attended last AGM held on 3 rd August 2019	Number of Directorship held (including SGSIL) [#]		Number of Committee positions held in public companies (including SGSIL) ^{##}	
		Held	Attended		Public	Private	Chairman	Member
Mr. Padmanabha Shetty DIN 00433761 (Chairman)	Independent, Non-Executive	4	4	Yes	1	2	-	2
Mr. Anand Mahajan DIN 00066320	Promoter, Non-Executive	4	4	Yes	3	1	1	3
Ms. Isabelle Delphine Hoepfner* DIN 08598846	Promoter, Non-Executive	1	-	NA	1	-	-	-
Mr. Joseph Andrew Jude Pereira** DIN 00130239	Independent, Non-Executive	3	3	Yes	1	-	1	1
Mr. Santhanam DIN 00494806	Promoter, Non-Executive	4	1	Yes	3	4	1	2
Mr. A. Dinakar DIN 00193129 (Managing Director)	Executive Director	4	4	Yes	1	1	-	2

[#] Excluding foreign companies and companies under Section 8 of the Act.

^{##} Includes only Audit Committee and Stakeholders Relationship Committee.

* Appointed as an Additional Director w.e.f. 4th November 2019.

** Appointed as an Non Executive, Independent Director w.e.f. 9th May 2019.

Notes:

- Ms. Padmasudha Chandrasekhar (DIN 01843592) has been appointed as an Additional Director (Independent) from 1st April 2020.
- Mr. Anand Mahajan (DIN 00066320) has resigned as Director from 1st April 2020.

Directorships in listed entities

The details of other listed entity(ies), where the Director of the Company is a director as on 31st March 2020 and their category of directorships are:

Name of the Director	Listed entity	Category of directorship
Mr. Anand Mahajan	Grindwell Norton Limited Unichem Laboratories Limited	Managing Director Independent, Non Executive
Mr. Santhanam	Grindwell Norton Limited Titan Company Limited	Director Independent, Non Executive

Mr. Padmanabha Shetty, Mr. Joseph Andrew Jude Pereira, Ms. Isabelle Delphine Hoepfner and Mr. A. Dinakar do not hold directorship in any listed entity except the Company.

3. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The Audit Committee is constituted in line with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations.

Terms of Reference:

- To act in accordance with the terms of reference specified in writing by the Board.
- To recommend the appointment, re-appointment and if required, the replacement or removal of the various auditors of the Company and the remuneration and terms of appointment thereof.
- To approve payment to statutory auditors for any other services rendered by the statutory auditors.
- To review and monitor the auditor's independence and performance, and effectiveness of the audit process.
- To examine the financial statement and the auditors' report thereon.
- To approve transactions of the Company with related parties and any subsequent modification thereof.
- To scrutinise inter-corporate loans and investments.
- To undertake valuation of undertakings or assets of the Company, wherever it is necessary.
- To evaluate internal financial controls, risk management systems and internal controls on insider trading.
- To review/monitor 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 utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors.
- To review financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.
- To have oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
 2. Changes, if any, in accounting policies and practices and reasons for the same;
 3. Major accounting entries involving estimates based on the exercise of judgment by management;
 4. Significant adjustments made in the financial statements arising out of audit findings;
 5. Compliance with listing and other legal requirements relating to financial statements;
 6. Disclosure of any related party transactions; and
 7. Qualifications in the draft audit report.
- To review with the management, the quarterly financial statements before submission to the Board for approval.
- To review, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.



- To review 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.
- To discuss with internal auditors any significant findings and follow-up there on.
- To review 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.
- To discuss with statutory auditors, before the audit commences about the nature and scope of audit and post-audit, to ascertain any area of concern.
- To look 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.
- To review the functioning of the Whistle Blower mechanism.
- To approve the 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 and background, etc. of the candidate.
- To carry out any other function as is mentioned in the terms of reference of the Audit Committee.
- To review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- To have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.

Composition:

The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2019-20	
		Held	Attended
Mr. Joseph Andrew Jude Pereira (Chairman)*	Independent, Non-Executive	3	3
Mr. Padmanabha Shetty**	Independent, Non-Executive	4	4
Mr. M. G. Ramakrishna***	Independent, Non-Executive	1	1
Mr. A. Dinakar	Executive	4	4

* Appointed as Chairman of the Committee w.e.f. 10th May 2019.

** Ceased to be the Chairman of the Committee w.e.f. 10th May 2019.

*** Ceased to be Director of the Company w.e.f. 10th May 2019.

Mr. Joseph Andrew Jude Pereira, Independent Director, is the Chairman of the Committee. He is a Post Graduate in Management from Indian Institute of Management, Calcutta, a Fellow member of the Indian Institute of Cost Accountants of India and has a Post Graduate Certification in Managerial Maths from St. Xaviers Institute, Mumbai. He has experience of over four decades in finance, human resources and corporate services.

The members of the Committee are well-versed in finance matters, accounts and general business practices. The Vice President – Finance & IT of the Saint-Gobain group in India, Internal Auditor and Statutory Auditors are invitees to the meetings of the Committee. The Company Secretary acts as the secretary to the Audit Committee.

Mr. Joseph Andrew Jude Pereira, Chairman of the Committee was present at the previous Annual General Meeting ("AGM") of the Company held on 3rd August 2019.

Meetings of the Audit Committee:

During the year ended 31st March 2020, four Audit Committee meetings were held. The meetings were held on:

9th May 2019; 3rd August 2019; 4th November 2019 and 13th February 2020.

Necessary quorum was present for all the meetings.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in line with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

Terms of Reference:

- To formulate criteria for appointment of directors and remuneration including criteria for determining qualification, positive attributes and independence of a director.
- To formulate evaluation criteria for assessment of performance of Board and its committees.
- To formulate, review and recommend nomination and remuneration policy to the Board.
- To recommend to the Board, the commission payment to non-whole time directors (other than the nominee directors of Compagnie de Saint-Gobain ("CSG")) and to the executive directors.
- To identify candidates who are qualified to become directors or who may be appointed in senior management positions and recommending to the Board their appointment and/or removal.
- To review and determine all elements of the remuneration package of executive directors.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.
- Such other matters as the Board may, from time to time, request the committee to examine and recommend/ approve.

Composition:

The composition of the Nomination and Remuneration Committee and details of the meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2019-20	
		Held	Attended
Mr. Joseph Andrew Jude Pereira (Chairman)*	Independent, Non-Executive	2	2
Mr. Padmanabha Shetty**	Independent, Non-Executive	3	3
Mr. M. G. Ramakrishna***	Independent, Non-Executive	1	1
Mr. Anand Mahajan	Promoter, Non-Executive	3	3

* Appointed as Chairman of the Committee w.e.f. 10th May 2019.

** Ceased to be the Chairman of the Committee w.e.f. 10th May 2019.

*** Ceased to be Director of the Company w.e.f. 10th May 2019.

Meetings of the Nomination and Remuneration Committee:

During the year ended 31st March 2020, three Nomination and Remuneration Committee meetings were held. The meetings were held on:

9th May 2019; 4th November 2019 and 13th February 2020.

Nomination and Remuneration Policy:

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy and the same is annexed as Annexure 3 to the Board's Report.

Core skills/expertise/competencies identified by the Board of Directors for it to function effectively and those available with the Board:

The Directors shall possess adequate qualification, experience and expertise with following attributes/skills:

- Cultural fit and Personal values
- Vision and strategic management
- Change management and influencing change

An independent director shall have impeccable reputation of integrity, deep expertise and insights and complementary skills and shall meet the requirements as prescribed under Act and the Listing Regulations.



The Directors of the Company including Independent Directors are well qualified and experienced. They possess the above mentioned attributes/skills and have expertise in the field of finance, banking, human resource, manufacturing and governance.

Performance evaluation criteria for Independent Directors:

The Board, on the recommendation of the Nomination and Remuneration Committee, has adopted a framework for performance evaluation of the Board, its committees, individual directors and the chairperson through a survey questionnaire which broadly covers various aspects of board functioning, composition of Board and its committees, culture, execution and performance of specific duties, obligation and governance. The evaluation parameters are based on execution of specific duties, quality of deliberation at the meeting, independence of judgment, decision making, contribution of Directors at the meetings and functioning of the Committees.

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

Apart from receiving sitting fees, the Non-Executive Independent Directors of the Company do not have any pecuniary relationships or transactions with the Company. Mr. Anand Mahajan, Ms. Isabelle Delphine Hoepfner and Mr. Santhanam, Non-Executive Directors, are nominees of Compagnie de Saint-Gobain and do not have any pecuniary relationship or transaction with the Company.

Details of the remuneration to the Directors for the financial year ended 31st March 2020 are given below:

Executive Directors:

Mr. A. Dinakar, Managing Director does not draw remuneration from the Company.

Non-Executive Directors:

The Non-Executive Independent Directors are paid sitting fees of ₹50,000 per meeting of the Board and Audit Committee and ₹ 30,000 for its other committees.

The details of sitting fees paid during 2019-20 to Non-Executive Independent Directors are as follows:

(₹ Lakhs)

Name	Sitting Fees
Mr. M. G. Ramakrishna*	1.60
Mr. Padmanabha Shetty	5.80
Mr. Joseph Andrew Jude Pereira	3.60

* Ceased to be director of the Company w.e.f. 10th May 2019.

Equity Shares held by Non-Executive Directors:

None of the Non-Executive Director hold any equity shares in the Company.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted in line with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

Terms of Reference:

- To resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review of measures taken for effective exercise of voting rights by shareholders.
- To review of adherence to the service standards adopted in respect of various services being rendered by the Registrar and Share Transfer Agent.
- To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.
- Such other matters as the Board may, from time to time, request the committee to examine and recommend/ approve.

Meetings of the Stakeholders Relationship Committee:

During the year ended 31st March 2020, two meetings of the Stakeholders Relationship Committee were held. The meetings were held on 9th May 2019 and 4th November 2019.

Necessary quorum was present for all the meetings.

Ms. Rukmini Subramanian, Company Secretary also functioned as the Compliance Officer of the Company.

Composition:

The composition of the Stakeholders Relationship Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2019-20	
		Held	Attended
Mr. Anand Mahajan (Chairman)	Promoter, Non-Executive	2	2
Mr. Padmanabha Shetty	Independent, Non-Executive	2	2
Ms. Marie-Armelle Chupin*	Promoter, Non-Executive	2	-
Mr. A. Dinakar	Executive	2	2

* Ceased to be Director of the Company w.e.f. 4th November 2019.

Details of investor complaints received and redressed during the year 2019-20 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
0	4	4	0

All complaints have been resolved to the satisfaction of shareholders.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility ("CSR") Committee is constituted in line with the provision of Section 135 of the Act. The Committee monitors the CSR policy and programs and ensures that they are in line with the Act and Rules framed thereunder. The CSR policy and initiatives taken during the year are annexed as Annexure 5 to the Board's Report and also disseminated through the website of the Company at www.sekuritindia.com.

Meetings of the CSR Committee:

During the year ended 31st March 2020, one meeting of the CSR Committee was held. The meeting was held on 9th May 2019.

Composition:

The composition of CSR Committee and details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2019-20	
		Held	Attended
Mr. M. G. Ramakrishna (Chairman)*	Independent, Non-Executive	1	1
Mr. Padmanabha Shetty (Chairman)**	Independent, Non-Executive	1	1
Mr. Anand Mahajan***	Non-Executive	-	-
Mr. A. Dinakar	Executive	1	1

* Ceased to be a Director of the Company w.e.f. 10th May 2019.

** Appointed as Chairman of the Committee w.e.f. 10th May 2019.

*** Appointed as Member of the Committee w.e.f. 10th May 2019.

E. SHARE TRANSFER COMMITTEE

The Company has constituted a Share Transfer Committee comprising of Mr. Anand Mahajan as the Chairman and Mr. A. Dinakar as member.

The Share Transfer Committee meets as often as required to approve share transfers, issue of duplicate share certificate, issue of share certificate in lieu of request for renewal by the shareholders and transmission, which are noted at subsequent board meetings.



F. SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the independent directors was held on 13th February 2020 without the attendance of non-independent directors and members of the management. The said meeting was attended by all the independent directors of the Company.

4. GENERAL BODY MEETINGS

a. Annual General Meetings:

Date and Time	Venue	Special Resolutions passed
29 th July 2017 at 3:00 p.m.	Hotel Kalasagar, P-4, MIDC, Kasarwadi, Mumbai-Pune Road, Near State Bank of India, Pune 411 034	None
4 th August 2018 at 11:00 a.m.	Hotel Kalasagar, P-4, MIDC, Kasarwadi, Mumbai-Pune Road, Near State Bank of India, Pune 411 034	1. Reappointment of Mr. M. G. Ramakrishna as Non-Executive Independent Director.
3 rd August 2019 at 11:00 a.m.	Courtyard by Marriot, Plot P-7 MIDC, Chakan Industrial Area Phase 1, Khalumbre, Pune 410 501	1. Reappointment of Mr. Padmanabha Shetty as Independent Director. 2. Appointment of Mr. Joseph Andrew Jude Pereira as Independent Director.

b. Postal Ballot:

No Postal Ballot was conducted during the year 2019-20. No Special Resolution is proposed to be passed through Postal Ballot at the ensuing Annual General Meeting.

5. MEANS OF COMMUNICATION

The unaudited quarterly, unaudited half-yearly and audited annual financial results are approved by the Board of Directors and published in The Financial Express and Loksatta.

The results are also displayed on the website of the Company at www.sekuritindia.com. The Company has not made any presentations to institutional investors and analysts during the year.

6. GENERAL SHAREHOLDERS' INFORMATION

a) Annual General Meeting ("AGM"):

Day & Date	Saturday, 25 th July 2020
Time	11.00 a.m.
Venue	The Company is conducting meeting through Video Conferencing / Other Audio Visual Means and as such there is no requirement to have a venue for the AGM.

b) Financial Year:

The Company's financial year begins on 1st April and ends on 31st March of the following year.

(i) First Quarter Results	:	July/August 2020
(ii) Half-yearly Results	:	October/November 2020
(iii) Third Quarter Results	:	January/February 2021
(iv) Results for the year ending 31 st March 2021	:	April/May 2021

c) Date of Book Closure:

Saturday, 18th July 2020 to Saturday, 25th July 2020 (both days inclusive).

d) Date of payment of Dividend:

The Board of Directors have not recommended any dividend for the financial year ended on 31st March 2020.

e) Listing on Stock Exchange(s):

BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

The annual listing fee of BSE has been paid for the year 2020-21.

f) Stock Code/Symbol/International Securities Identification Number ("ISIN"):

BSE : 515043

ISIN FOR NSDL / CDSL : INE068B01017

g) Corporate Identity Number ("CIN") of the Company: L26101MH1973PLC018367

h) Market Price Data: High, Low during each month in the last financial year and Performance in comparison to S&P BSE Sensex (broad based index):

Month	BSE		S&P BSE Sensex	
	High (₹)	Low (₹)	High	Low
April 2019	59.40	55.95	39,275.64	38,564.88
May 2019	57.75	51.90	39,831.97	37,090.82
June 2019	57.05	49.95	40,267.62	38,960.79
July 2019	51.10	40.90	39,908.06	37,397.24
August 2019	44.40	38.35	37,641.27	36,472.93
September 2019	45.90	39.55	39,097.14	36,093.47
October 2019	45.20	40.45	40,129.05	37,531.98
November 2019	48.80	43.95	41,130.17	40,116.06
December 2019	56.20	49.60	41,681.54	40,239.88
January 2020	60.60	48.05	41,952.63	40,676.63
February 2020	60.05	47.75	41,565.90	38,297.29
March 2020	48.00	28.05	38,623.70	25,981.24

i) Registrars and Transfer Agents:

Link Intime India Private Limited

C 101, 247 Park,

L B S Marg, Vikhroli West, Mumbai 400 083

Telephone : +91 22 4918 6000

Fax : +91 22 4918 6060

E-mail : rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

j) Share Transfer System:

The dematerialised shares are transferred through the depository participants in electronic mode. The physical transfers received are processed by the Registrar and Transfer Agent.

Securities and Exchange board of India ("SEBI") vide its Circular No. SEBI/LAD-NRO/ GN/2018/24 dated 8th June 2018, amended Regulation 40 of Listing Regulations, pursuant to which after 1st April 2019, transfer of securities could not be processed unless the securities are held in dematerialized form with a depository. The Company has sent letters to those shareholders holding shares in physical form advising them to dematerialize their holding.

As per SEBI norms, efforts are underway to update Permanent Account Number ("PAN") and Bank account details of the concerned Shareholders and communications have been sent by the Company to eligible shareholders in this regard. It is requested to update these details with Company's Registrar and Transfer Agents viz., Link Intime India Private Limited .



k) Shareholding Pattern as on 31st March 2020:

Category	Number of Shares	Percentage
Foreign Promoters	43969785	48.26
Indian Promoters	24359490	26.74
Financial Institutions / Banks	2306	0.00
Mutual Funds	1300	0.00
Foreign Portfolio Investors	1185596	1.30
Non Resident Indians	236867	0.26
Domestic Companies, Trusts and others	3345674	3.67
Resident Individuals	18004682	19.77
Total	91105700	100.00

l) Distribution of Shareholdings:

Holding	Shareholders		Shares	
	Number	Percentage	Number	Percentage
Upto 250	16069	58.92	1696508	1.87
251 to 500	5241	19.22	2144322	2.36
501 to 1000	3030	11.11	2575344	2.83
1001 to 5000	2397	8.79	5582019	6.12
5001 to 10000	303	1.11	2290915	2.51
10001 to 100000	220	0.80	5481814	6.01
100001 and above	14	0.05	71334778	78.30
Total	27274	100.00	91105700	100.00

m) Dematerialisation of shares and liquidity:

98.94% of the paid-up capital are held in dematerialised form as on 31st March 2020.

n) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on 31st March 2020, the Company does not have any outstanding GDRs/ADRs/ Warrants or any convertible instruments.

o) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not have any exposure hedged through commodity derivatives.

The Company's financial management has always been governed by prudent policies, based on conservative principles. Its foreign currency exposure on account of imports and exports are appropriately hedged. The Company has a well-defined and structured treasury operation, with the emphasis being on security.

p) Plant Locations:

The Company's plant is located at Chakan, Pune.

q) Address for correspondence:

Saint-Gobain Sekurit India Limited

Plot No. 616 & 617,

Village Kuruli, Pune Nashik Road,

Chakan, Pune – 410 510, Maharashtra.

Tel. No. +91 2135 676 400/01

Designated e-mail address for Investor Services: sekurit.investors@saint-gobain.com

Website: www.sekuritindia.com

SEBI tollfree helpline service for investors: 1800 22 7575 or 1800 266 7575 (available on all days from 9:00 a.m. to 6:00 p.m. excluding declared holidays).

SEBI investors' contact for feedback and assistance contact No. 022-2644 9000

e-mail: sebi@sebi.gov.in

r) Credit Ratings:

The Company has neither issued any debt instruments nor has any fixed deposit programme or any scheme or proposal involving mobilisation of funds, whether in India or abroad. Therefore, it was not required to obtain any credit ratings during the relevant financial year.

7. DISCLOSURES

a) Materially Significant Related Party Transactions:

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. Transactions with related parties, as per the requirements of Accounting Standard (AS) – 18, are disclosed in Note 36 of Notes forming part of financial statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at www.sekuritindia.com.

b) Compliance:

The Company has complied with the requirements of Stock Exchange, Securities and Exchange Board of India and other statutory authorities on all matters relating to capital markets, and no penalty or strictures were imposed on the Company during the last three years, 2017-18; 2018-19 and 2019-20.

The Audit Committee periodically reviews compliance reports of all laws applicable to the Company and assess the steps taken by the Company to rectify instances of non-compliance, if any.

c) Whistle Blower Policy and Vigil Mechanism:

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In order to provide a secure environment and encourage employees and others to report unethical, unlawful or improper practices, acts or activities including leak or suspected leak of unpublished price sensitive, a Whistle Blower Policy has been operational in the Company.

The Whistle Blower Policy and Vigil Mechanism are disseminated through the website of the Company at www.sekuritindia.com. We affirm that no employee of the Company was denied access to the Audit Committee.

d) Certificate from practicing company secretary:

V. N. Deodhar & Co., Company Secretaries, vide Certificate dated 11th May 2020 has confirmed that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

e) Mandatory and Non-mandatory requirements:

The Company has complied with all the mandatory requirements of Schedule II of the Listing Regulations. The Company has fulfilled the following non-mandatory requirements as prescribed in Part E of Schedule II of the Listing Regulations:

- i) The financial statements of the Company are unmodified.
- ii) The Internal Auditor directly reports to the Audit Committee.
- iii) The Company has complied with all the mandatory requirements under the Listing Regulations.

f) Policy for determining 'material' subsidiaries

The Company does not have any subsidiary therefore no policy was required to be framed in this regard.

g) Disclosure of commodity price risks and commodity hedging activities

The Company does not indulge in any commodity hedging activities.

h) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year ended 31 st March 2020	Nil
Number of complaints disposed of during the financial year ended 31 st March 2020	Nil
Number of complaints pending as on 31 st March 2020	Nil



- i) During the financial year ended 31st March 2020, the Board of Directors have accepted the recommendations made by the Committees constituted by the Board
- j) The fees paid to Kalyaniwalla & Mistry LLP, Statutory Auditors has been disclosed in Note 30 of the Notes forming part of financial statement.

8. Compliance with Corporate Governance:

The Company has complied with the requirements of the Corporate Governance and has made disclosures to the extent required and applicable to it, as stipulated in the Listing Regulations. These are the following:-

- Regulations 17 to 27; and
- Regulation 46(2)(b) to (i).

9. PROMOTERS

i) **Ultimate Holding Company:**

Compagnie de Saint-Gobain, France

ii) **Foreign Promoter:**

Saint-Gobain Sekurit France S.A., France

iii) **Indian Promoter:**

Saint-Gobain India Private Limited

iv) **Other Saint-Gobain Group of Companies in India:**

Grindwell Norton Limited

Saint-Gobain Industries India Private Limited

Saint-Gobain India Foundation (Section 8 Company)

10. OTHER INFORMATION

a) **CEO/CFO certification:**

Pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director ("CEO") and Chief Financial Officer have issued a certificate to the Board of Directors, for the financial year ended on 31st March 2020.

b) **Code of Conduct:**

The Company has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of conduct is available on the website of the Company at www.sekuritindia.com. Internally, all employees of the Company are expected to strictly follow Saint-Gobain's Principles of Conduct and Action and the Code of Conduct for Saint-Gobain employees in India.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to 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 31st March 2020.

For **Saint-Gobain Sekurit India Limited**

A. Dinakar
Managing Director

11th May 2020

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

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 31st March 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility:

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility:

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

Opinion:

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-Regulation (2) of Regulation 46 and paragraph C and D of Schedule V of SEBI Listing Regulations during the year ended 31st March 2020.

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

For **V. N. Deodhar & Co.**

Company Secretaries

V. N. Deodhar

PROP.

FCS NO.1880

C.P. No. 898:

Place: Mumbai

Date: 11th May 2020



BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L26101MH1973PLC018367
2.	Name of the Company	Saint-Gobain Sekurit India Limited
3.	Registered address	Plot No. 616 & 617, Village Kuruli, Pune-Nashik Road, Chakan, Pune, Maharashtra India – 410 501
4.	Website	www.sekuritindia.com
5.	E-mail id	sekurit.investors@saint-gobain.com
6.	Financial Year reported	2019-2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	
	NIC Code	Product description
	26101	Manufacture of laminated and toughened glass
8.	List of key products/services that the Company manufactures/provides (as in balance sheet)	
	• Laminated windshields	
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations	Nil
	(b) Number of National Locations	The Company has its registered office and manufacturing plant located at Chakan, Pune.
10.	Markets served by the Company – Local/ State/National/International	Pan India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

No.	Particulars	Financial Year 2019-2020 ₹ in Lakhs
1.	Paid up Capital	9,110.57
2.	Total Turnover	13,498.45
3.	Total profit after taxes	1,341.41
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.44%
5.	List of activities in which expenditure in 4 above has been incurred	Education of underprivileged children, activities relating to sustainability of environment.

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	No.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not applicable.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	While the business associates do not participate in the business responsibility initiatives of the Company, the Company encourages them to adopt these principles through the Supplier/Purchaser Charter and Responsible Development.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

No.	Particulars	Details
1.	DIN Number	00193129
2.	Name	Mr. A. Dinakar
3.	Designation	Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00193129
2	Name	Mr. A. Dinakar
3	Designation	Managing Director
4	Telephone number	+91 2135 676 400
5	e-mail id	dinakar.a@saint-gobain.com

2. Principle-wise (as per National Voluntary Guidelines (NVGs)) Business Responsibility Policy/policies

Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics, Transparency and Accountability	Product Life Cycle and sustainability	Employees well being	Stakeholders Welfare	Human Rights	Environment	Public and Regulatory Policy	Inclusive Growth and Equitable Development	Customer Responsibility
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company's policies are formulated in line with the regulatory requirements, applicable laws and international standards.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.sekuritindia.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company's Whistle Blower Mechanism enables to report any adverse event. The Stakeholders Relationship Committee monitors the grievances of the shareholders.								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Periodic review of the working of the Company's policies is carried by the Internal Auditor of the Company.								



3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The frequency of assessment of BR performance by the Board of Directors is on an annual basis.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has published its Business Responsibility Report for financial year ended 31st March 2020, which forms part of the Annual Report. The same is also available on the Company's website at www.sekuritindia.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

The Company believes in conducting its affairs in a fair and transparent manner by adopting to the highest standards of professionalism, honesty, integrity and ethical behavior. Being part of Saint-Gobain group in India, Saint-Gobain's General Principles of Conduct and Action is applicable to the Company. The Principles are universal and have global scope and relevance. Further, the Code of Conduct is an elaboration of the Saint-Gobain Principles of Conduct and Action and sets out what is expected of the Company's employees including trainees and temporary staff. The objective of the Code is to ensure that every employee of the Company is aware of acceptable conduct and behaviour, in consonance with Saint-Gobain's Principles of Conduct and Action.

The Code of Conduct provides guidelines on equal opportunity for all, enabling work environment, compliance, managing confidential information, procurement practices, free and fair competition and environment, health and safety. New employees are provided with the Code of Conduct during the induction process and on a continuous process, the employees have to undergo training at periodic intervals. These policies and guidelines are also communicated to various other stakeholders such as suppliers, customers and associates and it is expected that they will follow the same in their dealings with the Company.

The Company also has a Whistle Blower Policy which allows employees to bring to the attention of the Management, promptly and directly, any unethical behaviour, insider trading, leak or suspected leak of unpublished price sensitive information of the Company, suspected fraud or irregularity in the Company practices or any behaviour, which is not in line with the Code of Conduct. This policy is widely communicated to all the stakeholders. The Company has provided a dedicated e-mail address: sekurit.compliance@saintgobain.com for reporting such grievances. The policy also encourages the employees to write directly to the Senior Management and the Compliance Officer. Employees may communicate in writing, by e-mail, by speaking over the phone or face-to-face. Employees are encouraged to raise any concerns without any fear or threat of being victimised. In addition, as per the Saint-Gobain Group's Whistle Blower Policy, all employees may also write directly to the Saint-Gobain Group's Compliance Officer in Paris.

During the financial year 2019-20, no cases were reported under the Code of Conduct framework.

All cases registered under Code of Conduct and Whistle Blower Policy of the Company are reported to the Management and are reviewed by the Managing Director.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company is engaged in initiatives aimed at ensuring that its products are safe in terms of their composition and their usage/application and contribute to sustainability throughout their life cycle. For example, the products offered help to reduce energy consumption, provide protection, improve comfort and sustain the environment. The Products offered by the Company help to reduce the energy consumption eg. Windeshield such as TSa 3+ improve comfort and reduce energy consumption by reducing the total heat load inside the vehicle. The Company has also introduced low weight glazings that improve fuel usage for commercial vehicles

The Company is committed to responsible purchasing. This purchasing approach is based on the Suppliers Charter which sets out the Company's expectations and requirement from its suppliers, among other things, on protection of the environment, on health and safety of their employees, on compliance with all laws and regulations and on human rights. Responsible purchasing is built on two pillars, Purchase Charter and Supplier Charter. It comprises of three stages,

- Mapping the risks; human rights, anti-corruption, and environment, health and safety risks;
- Evaluating the performance of suppliers to classify the risks;
- Action plan based on internal and external audits.

Suppliers who violate the Charter are black-listed and the Company stops dealing with them.

The Company is aimed at reducing the generation of waste and increasing the recycling of waste at its Plant. Saint-Gobain Group's sustainable water management policy has been implemented in India. The Company has undertaken rain water conservation upto 400 KL during the rainy season thus reducing the overall water consumption by 2%. The Plant has upgraded the effluent treatment plant to recycle and reuse a significant part of their water consumption. The water conserved from this process is used for non-human consumption and domestic process. The Company follows a process of sustainable sourcing and recycles its key strategic raw materials such as raw glass and polyvinyl butyral resin ("PVB") after usage to the point of source for regeneration. The Company is committed to provide products which are safe and to innovate on the basis of sound technology and applying rigorous standards of product safety.

Principle 3 Businesses should promote the well-being of all employees

The aim of the Company's human resources policy is to provide each employee with a working environment that is safe and hygienic and that fosters personal and professional fulfillment and growth, as these are fundamental aspects of well-being and performance at the workplace. The Company has adopted the "Saint-Gobain Attitudes" which sets out the behaviours expected from its employees. There is a clearly defined career philosophy which revolves around job rotation and diversity of experiences at all stages of the individual career.

Health and Safety:

The health and safety of its employees is deeply embedded in Saint-Gobain Group's EHS and HR policies. The Group's Environment, Health and Safety ("EHS") Charter, communicated to all employees, sets out the objectives which include zero loss-time accidents and zero occupational illness. Saint-Gobain Group has drawn up standards and recommendations with regard to specific EHS concerns. The standards are mandatory and applies to all sites of the Group, even if the country or local legislation is less stringent. The Company's EHS policy states that as a responsible corporate citizen and employer, we have an obligation to the public, in general, and to our employees, in particular, to operate our facilities and to conduct our business in such a way as to:

- (1) ensure the health and safety of all our employees and
- (2) to protect the environment.

The Company's management, at every level, from the top to the shop-floor, monitors and reports accidents (loss-time and non-loss-time), first aid cases and near misses. The Company also continuously identifies and reduces risks and offers itself for periodic audits. The health and safety policies apply to everyone (employees, service providers, participants of onsite initiatives viz. interns, apprentices, visitors) at the Company's plant. The Company emphasises the importance of healthy living to all the employees and facilitates the same by providing regular health check-ups (and other medical advisory interventions) to all its employees. The Company has also implemented Safety and Health Risk assessment tool to assess and monitor the industrial hygiene and safety risks to which any person working on the Company's plant may be exposed. This tool helps the Company to identify the risk and provide sufficient training to the employees and also to set the improvement in processes to eliminate/reduce the risk.

Diversity:

Globally, diversity is an important HR priority. Increasing diversity (gender, age, regional, economic and cultural background, people with different abilities etc..) in the workforce is a challenge, an opportunity and is a major objective for the Company.

Total number of employees (permanent/temporary/contractual/casual)	371
Total number of permanent employees	119
Total number of employees hired on temporary/contractual/casual basis	252
Number of permanent women employee	06
Number of permanent employees with disabilities	01
Whether the employee association is recognized by the Management	Yes
Percentage of your permanent employees are the members of this recognized employee association	42%
Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	0
Percentage of the employees were given safety & skill up-gradation training in the last year	100%

Awareness (web-based) programmes are carried out to raise awareness on the issue of sexual harassment at workplace, which is assigned to all employees, new joiners, trainees, interns.



Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The success of the business enterprises is always measured in terms of value it creates in the society. The main purpose of any business is to fully meet the needs of its customers. In addition, the value a business creates can be measured in terms of employee development, supplier development, returns to shareholders, taxes paid to the government and community development. The Company contributes to the economic development in the regions in which it operates by creating several upstream and downstream indirect jobs. The responsible purchasing approach is designed to extend the Company's good business practices to partners all the way up and down the value chain. The Company is an equal opportunity employer and provides equal opportunities to differently-abled, marginalized people and people from economically weaker background. The internal and external stakeholders mapped are identified and disadvantaged, vulnerable and marginal stakeholders are provided with opportunity. The Company is engaged in providing skill development training to these stakeholders through Learn while Earn Programme. Currently, four people are undergoing training with the Company under this programme. The Company contributes to the Saint-Gobain India Foundation whose main objective is the education of underprivileged children and protecting the environment.

Principle 5: Businesses should respect and promote Human Rights

The aim of the Company's human resources policy is to provide each employee with a working environment that is safe and hygienic and that fosters personal and professional fulfillment and growth, as these are fundamental aspects of well-being and performance in the workplace. The commitment to human rights is embedded in the Code of Conduct adopted by the Company.

The Company ensures that employees' rights are respected, even as it promotes active dialogues with all its employees. The Company also prohibits any form of recourse to forced labour, compulsory labour or child labour - whether directly or indirectly or through sub-contractors where the latter are working on a Group or Company's site/plant. The Company also refrains from any form of discrimination of whatever kind with respect to its employees whether in the recruitment process, at hiring, or during or at the end of the employment relationship. The Company protects the rights of the employees engaged indirectly or through sub-contractors by monitoring and ensuring that the sub-contractors comply with payment of social security dues properly and in a timely manner and provide safe and healthy working conditions.

In addition, as per the Suppliers' Charter, suppliers are required to declare and to ensure that they strictly respect the human rights of their employees. In particular, they must declare and ensure that they refrain from any form of recourse to forced labour, compulsory labour or child labour - whether directly or indirectly or through their sub-contractors. Some of the major suppliers are subject to periodic audits and are evaluated on the EHS and labour practices, and business ethics followed by them.

No complaint pertaining to Human Rights violation, Child Labour and Forced Labour during the financial year 2019-20 has been received by your Company.

Principle 6: Business should respect, protect, and make efforts to restore the environment

The Company strives to ensure the preservation and availability of all natural resources and to meet the expectations of all its stakeholders in this regard. More specifically, the Company's EHS policy states that as a responsible corporate citizen and employer, we have an obligation to the public, in general, and our employees, in particular, to operate our facilities and to conduct our business in such a way as to; (1) ensure the health and safety of all our employees and (2) to protect the environment. Moreover, Saint-Gobain's EHS Charter states "before let's commit ourselves every day to achieving our objectives: zero work-related accidents, zero occupational illnesses, zero environmental accidents and to minimize the impact of our activities on the environment". The Company's policy on environment extends to its business partners including suppliers, vendors and contractors. The Company strives to reduce business risk by securing sustainable sources of supply for raw materials, by reducing the usage of packaging materials and improving manufacturing efficiencies. The Company has a mechanism to recycle products and waste generated during processing. The water resources are recycled using special water treatments and boilers. Woods received during inbound packaging are recycled and used for outbound packaging. Product wastes and resource waste during manufacturing are recycled.

In line with the Group's Charter, the Company's objective is to achieve zero environmental accidents and the maximum possible reduction of the impact of its activities. Also, there are specific certifications such as ISO 14001:2015 and OHSAS 18001:2007 that govern the Environment Management Systems.

The Company assesses the environmental impact through its Aspect/Impact assessment activity and Hazard Identification and Risk Assessment technique as a part of our Environment Management System certifications of ISO 14001 and Occupational Health and Safety Management System certification of OHSAS 18001. The emission norms are well within the permissible limits and, as a part of the global strategy, the Company strives to reduce the emission norms below the legally permissible limits. The Company does not have pending show cause or legal notice under pollution control legislations.

It is the endeavor of the Company to commit to Clean Development. At present the Company has not registered any project under Clean Development Mechanism. The Company is, however, committed to drive energy efficiency. This is achieved through operating its plant and offices efficiently and driving Green Initiatives and Resource Conservation. The Company focuses on improving the energy efficiency of its operations and using renewable energy wherever it is viable. The various steps that have been taken towards the reduction in direct energy consumption. In its continuous effort to move towards adopting Renewable Energy sources, the Company has initiated purchase of solar power during 2019-20. This, and other measures of energy conservations in your Company, resulted in reducing the CO2 emissions by 38.50% over the previous year.

The Company has, over the years, taken various initiatives to reduce energy consumption in their manufacturing process.

The Saint-Gobain Group's sustainable water management policy has been implemented in India. The Company has taken steps to reduce the amount of withdrawals and discharges. The Company has undertaken rain water conservation upto 400 KL during the rainy season thus reducing the overall water consumption by 2%. The Plant has upgraded the effluent treatment plant to recycle and reuse a significant part of their water consumption. The waste conserved from this process is used for non-human consumption and domestic process.

Currently, the Company recycles its waste water, besides ensuring "zero discharge" of industrial water.

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

As a responsible corporate citizen, the Company is associated and engaged with associations/chambers like Mahratta Chamber of Commerce, Industries and Agriculture and Society of Indian Automobile Manufacturers which provide a forum for exchanging views on economic legislation and governance and making representations when required.

Principle 8 : Businesses should support inclusive growth and equitable development

The Company has adopted the Group's Corporate Social Responsibility ("CSR") policy and adapted it to the Indian context. For the Group, CSR is at the heart of its strategy of sustainable development. CSR impacts every aspect of how it conducts its business and is far more than philanthropy.

The Company, along with the other subsidiaries of the Saint-Gobain Group in India, has set up Saint-Gobain India Foundation ("SGIF"). Through SGIF, the Company has taken on the task of improving living conditions of the disadvantaged sections of the population by supporting projects related to education of the underprivileged, particularly of the girl child and environment sustainability and healthcare initiatives. It is also active in providing skill development opportunities. Each year, the Company contributes a certain percentage of its profit to the corpus of SGIF. The Company is represented on the Board of SGIF and its management is involved in the working of SGIF. SGIF funds projects undertaken by various Non-Government Organisations (NGO).

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The Company seeks to maintain a relationship of trust with its OEMs, dealers and customer. The Company works closely with the OEMs to understand their needs and make products as per their changing needs and demands.

The Company has deployed the World Class Manufacturing ("WCM") programme, an integrated management system to improve the business performance through industrial excellence, in accordance with world standards. This enables the Company to serve the customer with targeted response time and improved quality.

The Company's businesses regularly obtains feedback from OEM and its customers to enable the Company to improve upon its products. Consumers are provided multiple options to connect with the Company through e-mail, telephone and through the website.

The customer complaints are reviewed by senior personnel. All the complaints received during the year were resolved successfully and there were no pending complaints at the end of the year.

The Company's products meet the highest standards of quality and safety and comply with the various regulations such as Legal Metrology Act, Trademark Act and Copyright Act, ISO 14001 and OHSAS 18001, wherever applicable.

The employees of the Company are expected to comply at all times with Competition Law and follow fair practices. Relevant employees are required to do a mandatory e-learning course on compliance with Competition Law. This has to be completed every two years. The Management of the Company regularly reiterates Saint-Gobain's policy of zero tolerance on any violation of Competition Law. During the year, there were no anti-competitive, abuses of dominant position or unfair practices complaints against the Company and there are no cases pending against the Company.



INDEPENDENT AUDITOR'S REPORT

To The Members of Saint-Gobain Sekurit India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **SAINT-GOBAIN SEKURIT INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity, the Statement of Cash Flow for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profits, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key audit matter description	How the scope of our audit addressed the key audit matter
1	<p>Revenue recognition and measurement</p> <p>Refer to Note 2 (Accounting policies) for revenue recognition and measurement, Note 25 of the Financial Statements for aggregate revenue from sale of products recognised as required by the applicable Ind AS. For the year ended March 31, 2020, the Company recognised revenues aggregating to ₹ 13,498.45 lakhs.</p> <p>The Company recognises revenue from sale of goods when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and the products have been delivered to the customer.</p> <p>Amounts disclosed as revenue are net of customer returns, trade allowance, rebates, goods and services tax and amount collected on behalf of third parties.</p> <p>Risk identified:</p> <p>Revenue is recognised when control of the underlying goods is transferred to the customer. There may be a risk of revenue being overstated due to pressure from Management to achieve performance targets at the reporting period end.</p>	<p>Our procedures included:</p> <p>Accounting policies: Assessing the Company's revenue recognition policies, including those related to discounts, rebates and returns by comparing with the applicable Ind AS.</p> <p>Tests of controls: Evaluating the design and testing the operating effectiveness of controls over the accuracy of discounts, incentives and rebates and correct timing of revenue recognition.</p> <p>Tests of details:</p> <ul style="list-style-type: none"> - Verifying the supporting documentation for determining that the revenue was recognised in the correct accounting period (cut-off testing). - Comparing the discounts, incentives and rebates with the prior year and, where relevant, performed further inquiries and testing. - Verifying the manual journals posted to revenue to identify unusual or irregular items. - To assess the recoverability of trade receivables, our procedures included an assessment of whether the provision against, or write off of, impacted our view as to the initial recognition of the related revenue. <p>Performing substantive analytical procedures:</p> <p>Developing an expectation of the current year revenue based on trend analysis and recent market conditions and growth of the Company and compared the same with the actuals, accompanied with further inquiries and testing.</p> <p>We also assessed as to whether the disclosures in respect of revenue were adequate.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance but does not include the financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the Directors of the Company as on March 31, 2020 and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2020, from being appointed as a Director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Auditor's Report) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Financial Statements disclose the impact of pending litigations on the financial position of the Company. Refer Note 37 to the Financial Statements.
 - ii) The Company has made provision, as required under the applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Notes 2(e) and Note 33 to the Financial Statements.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS

Firm Reg. No.: 104607W / W100166

Daraius Z. Fraser

PARTNER

M. No.: 42454

UDIN: 20042454AAAAB12104

Mumbai: May 11, 2020.

Annexure A to the Independent Auditor's Report

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended March 31, 2020:

Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016:

1. Fixed Assets:

- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- The Company has a program for physical verification of fixed assets at periodic intervals. The Company had planned to conduct physical verification of fixed assets according to the program mentioned above in the month of March 2020, however, due to shutdown of its plant following the nationwide lockdown imposed by the Government of India in view of the COVID-19 pandemic, the same could not be conducted. Consequently, in the absence of physical verification being conducted during the year, we have carried out alternative procedures to access the accuracy of fixed assets as reported in the financial state taking into account the internal control followed by Management in the area of fixed assets.
- According to the information and explanations given to us and on the basis of the records of the Company examined by us, the title deeds of immovable properties are held in the name of the Company or in the erstwhile name of the Company.

2. Inventory:

The Management has conducted physical verification of inventory at reasonable intervals except goods in transit. The discrepancies noticed on physical verification were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

- The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable.
- According to the information and explanations given to us, the Company has not advanced any loans or given guarantee or provided any security to parties covered under section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us and records examined by us, the provisions of section 186 of the Companies Act, 2013, in respect of investments made have been complied with by the Company. The Company has not given any loans or guarantees.
- In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76, or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.
- We have broadly reviewed the books of account and records maintained by the Company in respect of the product covered under the Rules prescribed by the Central Government for the maintenance of cost records, under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- Statutory Dues:**
 - According to the information and explanations given to us and on the basis of the records examined by us, the Company is regular in depositing undisputed statutory dues, including dues pertaining to Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities wherever applicable. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year, for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us, there are no dues of Income-tax, Goods and Service Tax, Duty of Customs or Cess outstanding on account of any dispute, other than the following :

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944.	Excise Duty and Penalty (Refer Note below)	2,593,035	1989-90	Custom, Excise and Service Tax Appellate Tribunal (CESTAT)
		24,290,338	2003-04 and 2004-05	
The Andhra Pradesh General Sales Tax Act, 1957.	Sales Tax	278,462	2000-01	Additional Commissioner of Commercial Taxes, Hyderabad.
Central Sales Tax Act, 1956 & Value Added Tax Act.	Value Added tax Input Tax credit disallowances	913,244	2006-07	Joint Commissioner of Sales Tax (Appeals), Chakan.

Note: The amount does not include the amount of interest in respect of certain matters as the same has not been quantified in the order from the Department.



8. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions, debenture holders and Government.
9. According to the information and explanations given to us, the Company has neither raised money through initial public offer or further public offer (including debt instruments) nor taken any term loans, hence the provisions of paragraph 3 (ix) of the Order are not applicable.
10. During the course of our examination of the books of account and records of the Company, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud by, or on the Company by its officers or employees, has been noticed or reported during the year.
11. According to the information and explanations given to us and on the basis of the records examined by us, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated with the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with him.
16. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **KALYANIWALLA & MISTRY LLP**

CHARTERED ACCOUNTANTS

Firm Reg. No.: 104607W / W100166

Daraius Z. Fraser

PARTNER

M. No.: 042454

UDIN: 20042454AAAAB12104

Mumbai: May 11, 2020.

Annexure B

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **SAINT-GOBAIN SEKURIT INDIA LIMITED** ("the Company") as of March 31, 2020, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act" or the "Companies Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our knowledge and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
 Firm Reg. No.: 104607W / W100166
Daraius Z. Fraser
PARTNER
 M. No.: 042454
 UDIN: 20042454AAAAB12104

Mumbai: May 11, 2020.



BALANCE SHEET AS AT 31ST MARCH 2020

(Amounts in ₹ lakhs)			
Particulars	Notes	As at 31 st March 2020	As at 31 st March 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	2,520.99	3,232.41
Right of use Assets	3(A)	8.25	-
Capital Work-in-Progress		6.61	29.50
Other Intangible Assets	4	2.03	-
Financial Assets			
(i) Other Financial Assets	5 (A)	22.30	13.21
(ii) Loans to Employees	5 (B)	22.81	1.75
Deferred Tax Assets (net)	31	118.47	83.21
Income Tax Assets (net)	23	79.11	52.73
Other Non-Current Assets	6	37.23	31.39
Total Non-Current Assets		2,817.79	3,444.20
Current Assets			
Inventories	7	1,103.54	1,285.25
Financial Assets			
(i) Investments	8	9,669.38	5,132.37
(ii) Trade Receivables	9	1,775.73	2,188.05
(iii) Cash and Cash Equivalents	10 (A)	39.63	171.62
(iv) Bank Balances other than (iii) above	10 (B)	-	1,500.00
(v) Other Financial Assets	11 (A)	31.79	14.45
(vi) Loans to Employees	11 (B)	15.08	15.26
Other Current Assets	12	87.26	309.84
		12,722.41	10,616.84
Assets Held for Sale	3(B)	209.09	-
Total Current Assets		12,931.50	10,616.84
TOTAL ASSETS		15,749.29	14,061.04
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	9,110.57	9,110.57
Other Equity	14	3,812.49	2,521.11
Total Equity		12,923.06	11,631.68
Liabilities			
Non-Current Liabilities			
Financial Liabilities	15		
- Lease Liabilities		8.57	-
- Other Financial Liabilities		121.80	112.55
Provisions	16	5.03	5.03
Employee Benefit Obligations	17	196.06	112.88
Government Grants	18	5.72	15.02
Total Non-Current Liabilities		337.18	245.48
Current Liabilities			
Financial Liabilities			
(i) Borrowings	19	202.18	341.29
(ii) Trade Payables	20		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		33.86	9.99
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,567.15	1,432.76
(iii) Other Financial Liabilities	21	141.64	109.16
Other Current Liabilities	24	460.05	175.95
Provisions	22	17.82	47.42
Employee Benefit Obligations	17	57.04	46.12
Government Grants	18	9.30	9.30
Current Tax Liabilities (Net)	23	-	11.89
Total Current Liabilities		2,489.04	2,183.88
Total Liabilities		2,826.22	2,429.36
TOTAL EQUITY AND LIABILITIES		15,749.29	14,061.04

The above balance sheet should be read in conjunction with the accompanying notes.

1 to 42

In terms of our report of even date

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No.: 104607W / W100166

Daraius Z. Fraser

Partner

Membership No. 042454

Place : Mumbai

Date : 11th May 2020

For and on behalf of the Board

B Santhanam

Director

DIN. 00494806

Manigandann R

Chief Financial Officer

Place : Mumbai

Date : 11th May 2020

A. Dinakar

Managing Director

DIN. 00193129

Rukmini Subramanian

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

(Amounts in ₹ lakhs)

Particulars	Notes	Year ended 31 st March 2020	Year ended 31 st March 2019
REVENUE			
Revenue from Operations	25	13,498.45	15,976.28
Other Income	26	666.72	566.70
Total Revenue (A)		14,165.17	16,542.98
EXPENSES			
Cost of Materials Consumed	27(a)	6,051.57	7,413.92
Purchases of Stock-in-Trade		1.95	50.74
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27(b)	80.49	(152.34)
Employee Benefit Expenses	28	1,237.78	1,198.17
Finance Costs	29	16.19	30.19
Depreciation and Amortisation Expense	3, 3A, 4	757.67	850.27
Other Expenses	30	4,233.35	4,888.32
Total Expenses (B)		12,379.00	14,279.27
Profit Before Tax (C = (A-B))		1,786.17	2,263.71
Income Tax Expense	31		
Current Tax		463.19	751.96
Deferred Tax		(18.43)	(93.94)
Tax Adjustments related to earlier years		-	(2.04)
Total Tax Expense (D)		444.76	655.98
Profit for the year (E = (C-D))		1,341.41	1,607.73
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on net defined benefit plans		(66.85)	(42.66)
Tax relating to above		16.83	12.42
Other comprehensive income for the year, net of tax (F)		(50.02)	(30.24)
Total Comprehensive Income for the year (E+F)		1,291.39	1,577.49
Earnings per share (Not Annualised) attributable to owners of Saint-Gobain Sekurit India Limited			
Basic & Diluted earnings per share (Face Value ₹ 10 each)	39	1.47	1.76
The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.	1 to 42		

In terms of our report of even date

For Kalyaniwalla & Mistry LLP
Chartered Accountants

Firm Registration No.: 104607W / W100166

Darius Z. Fraser

Partner

Membership No. 042454

Place : Mumbai

Date : 11th May 2020

For and on behalf of the Board

B Santhanam

Director

DIN. 00494806

A. Dinakar

Managing Director

DIN. 00193129

Manigandann R

Chief Financial Officer

Rukmini Subramanian

Company Secretary

Place : Mumbai

Date : 11th May 2020



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

A. Equity share capital

(Amounts in ₹ lakhs)

Particulars	Notes	No. of shares	Amount
Balance as at 1 st April 2018		9,11,05,700	9,110.57
Changes in Equity Share Capital	13	-	-
Balance as at 31 st March 2019		<u>9,11,05,700</u>	<u>9,110.57</u>
Changes in equity share capital	13	-	-
Balance as at 31st March 2020		<u>9,11,05,700</u>	<u>9,110.57</u>

B. Other Equity (Note 14)

Particulars	Securities Premium	Retained Earnings	Capital Redemption Reserve	Total Other Equity
Balance as at 1 st April 2018	1,132.48	(188.96)	0.11	943.63
Profit for the year	-	1,607.73	-	1,607.73
Other Comprehensive Income for the year	-	(30.24)	-	(30.24)
Total Comprehensive Income for the year (Net of tax)	-	1,577.49	-	1,577.49
Balance as at 31 st March 2019	<u>1,132.48</u>	<u>1,388.52</u>	<u>0.11</u>	<u>2,521.11</u>
Profit for the year	-	1,341.41	-	1,341.41
Other Comprehensive Income for the year	-	(50.02)	-	(50.02)
Total Comprehensive Income for the year (Net of tax)	-	1,291.39	-	1,291.39
Balance as at 31st March 2020	<u>1,132.48</u>	<u>2,679.90</u>	<u>0.11</u>	<u>3,812.49</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

In terms of our report of even date

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No.: 104607W / W100166

Daraius Z. Fraser

Partner

Membership No. 042454

Place : Mumbai

Date : 11th May 2020

For and on behalf of the Board

B Santhanam

Director

DIN. 00494806

Manigandann R

Chief Financial Officer

Place : Mumbai

Date : 11th May 2020

A. Dinakar

Managing Director

DIN. 00193129

Rukmini Subramanian

Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

NOTE 1: CORPORATE INFORMATION

Saint-Gobain Sekurit India Limited ("the Company") having CIN No. L26101MH1973PLC018367 is a limited company incorporated on 13th November 1973 and domiciled in India. The Company has its registered office at Plot No. 616 & 617, Village Kuruli, Pune-Nashik Road, Chakan, Pune 410 501. The Company's ultimate holding company is Compagnie de Saint Gobain, a transnational group with its headquarters in Paris. The Company is engaged primarily in business of manufacture and sale of automotive glass. The Company has its manufacturing facility in Pune and sells primarily in India. The Company is a public limited company and listed on the BSE Limited (BSE).

NOTE 1A: BASIS FOR PREPARATION AND MEASUREMENT

A) Basis of Preparation

The financial statements comply with all material aspects with the Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs in pursuant to Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended thereon and other relevant provisions of the Act, as applicable.

The financial statements have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis at the end of each reporting period, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- assets held for sale – measured at lower of cost or fair value less cost to sell; and
- defined benefit plan assets measured at fair value.

B) Measurement of Fair Value

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant inputs and valuation adjustments. If third party information, such as Government approved valuer, broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy, in which such valuations should be classified.

While measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels, in a fair value hierarchy, based on the inputs used in the valuation techniques as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

C) Current Versus Non-Current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

D) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020****E) Critical estimates and judgements**

The preparation of financial statements in conformity with Ind AS requires Management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision if it affects both current and future periods.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

a) Useful lives of property, plant and equipment and intangible assets

The useful lives and residual values of Property, Plant and Equipment and intangible assets are determined by Management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on technical advice considering historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology, manufacturer's warranties and maintenance support.

b) Estimation of defined benefit obligation

In determining the valuation of defined benefit schemes' assets and liabilities, a number of key assumptions have been made. The key assumptions, which are given below, are largely dependent on factors outside the control of the Company:

- expected rate of return on assets ;
- life expectancy;
- discount rate; and
- salary growth rates;

The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. The Company is exposed to risks through its defined benefit schemes if actual experience differs to the assumptions used and through volatility in the plan assets. Details of the assumptions used, and associated sensitivities, are included in Note 17.

c) Taxation

The Company's tax charge on ordinary activities is the sum of the total current, deferred tax charges and other adjustments in respect of earlier year's assessments. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits / losses and / or cash flows.

d) Recognition of deferred tax assets

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

e) Provision and Contingent Liabilities

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities (refer Note 16 and 37). Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

Management estimates and judgements are continuously evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

f) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

g) Discontinued operations

The disposal of assets at Bhosari plant does not qualify as a discontinued operation as defined under Ind AS 105 "Non-current assets held for sale and discontinued operations" as these do not represent a separate major line of business or geographical area of operations. The operating results for the Bhosari plant are not reviewed separately by the Management of the Company and the revenue generated from goods produced from these assets is not considered to be a significant portion of total revenue.

h) Measurement of Fair valuation of financial instruments

Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

i) Employee Incentives, Sales Incentives Schemes and Turnover Discount

The provision for employee incentives is calculated based on the parameters set in the Scheme, sales incentive schemes and turnover discounts are calculated based on the relevant schemes and estimate of likely sales eligible for such discounts and schemes.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Property Plant and Equipment

Freehold land is carried at historical cost. All other Property, Plant and Equipment (PPE) are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use less accumulated depreciation and less accumulated impairment losses, if any. Cost includes expenses directly related to acquisition and installation of the concerned assets, borrowing cost during the construction period and excludes any duties / taxes recoverable.

Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under "Other Non-Current Assets" and assets which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work in Progress".

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes all costs incurred to bring the assets to their present location and condition. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred. When significant identifiable parts of PPE are required to be replaced, the Company de-recognises the replaced parts and recognises the new part with its own associated useful life and it is depreciated accordingly. In other cases, expenses are charged off to Statement of Profit and Loss.



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

Depreciation methods, estimated useful lives and residual value

Based on technical evaluation and Management judgement, depreciation is provided on pro-rata basis on the straight-line method over the following estimated useful lives of the assets in order to reflect the actual usage of the assets and past experience:

Assets	Useful Life (in years) followed by the Company	Useful Life (in years) prescribed under Schedule II of the Companies Act, 2013
General Plant and Machinery *	15	15
Pallets, Racks and Trolleys	4	15
Moulds and Toolings	4	8
Machinery Spares	2-13	15
Furniture and Fixtures	10	10
IT Hardware (Network / Server)	4	6
Computers (end user devices such as desktops, laptops etc.)	3	3
Motor Vehicles	5	8
Office Equipments	5	5
Buildings (Other than Factory Building)	60	60
Factory Building	30	30

* Useful life for General Plant and Machinery followed by the Company is normally 15 years. Certain items of General Plant and Machinery have a useful life that ranges from 2 - 15 years based on Management estimates of useful life of the asset.

The assets' residual values and useful lives are reviewed, at the end of each reporting period with the effect of any changes in estimate being accounted on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount on the date of disposal. These are included in the Statement of Profit and Loss.

b) Intangible assets

An Intangible asset is recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Computer Software

Computer Software have finite useful life and Management has estimated to amortise using the straight-line method over a period of four to five years.

c) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of an impairment loss. If any such indication exists, the recoverable amounts are estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an assets 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 assets and from its disposal at the end of its useful life. Where an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

d) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials, traded goods and spares comprises cost of purchases. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials and spares is determined using the standard cost adjusted for variance from actual costs on weighted average basis. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary by Management based on the best judgement and estimates.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

e) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in mutual fund, the Company has opted to account for the fair value through profit or loss.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its instruments:

- **Amortised cost:**
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):**
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is de-recognised in its entirety, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:**
Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

iii) Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, are measured at amortised cost e.g., loans, deposits, and bank balance.
- (b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020****iv) De-recognition of financial assets:**

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

f) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Company does not designate any of its derivatives as hedging instruments. Accordingly, such contracts are accounted for at fair value through profit or loss. The gain / (losses) are included in other income and other expenses respectively.

g) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

h) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income and other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

j) Foreign Currency Transaction

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Indian Rupee (₹) is the functional and presentation currency of the Company.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss. Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis.

k) Revenue recognition

The Company recognizes revenue from sale of goods when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and the products have been delivered to the customer. The Company bases its estimates of discount and rebates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are after deduction of returns, trade allowances, rebates, and any taxes or duties collected on behalf of the Government such as Goods and Services tax etc.

Timing of revenue recognition

The Company manufactures and sells a range of glasses to the original equipment manufacturers (OEM's) and free market. Sales are recognized when the products are delivered to OEM's and free market.

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends income

Dividends are recognised in Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

l) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

m) Employee Benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund, superannuation fund.

Defined benefit plans - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020**

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the Statement of changes in equity and in the Balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution plans – Provident fund

The Company contributes to Provident Fund, Employee pension Scheme 1995 and Superannuation fund under the relevant approved Schemes and / or Statutes. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current and non-current liabilities in the balance sheet based on the actuarial's report.

iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits as and when incurred. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

n) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank balances, other short-term deposits, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

o) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale and the assets of a disposal group classified as "Assets held for sale" are presented separately from the other assets in the balance sheet.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company is engaged in the business of "Automotive Glass" and constitutes a single reportable business segment. The Company's sales are predominantly in India and accordingly there is no other geographical reportable segment. Refer Note 35 for segment information presented.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

q) Government Grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all of the attached conditions.

Government grants relating to the purchase of Property, Plant and Equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

r) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

s) Leases

The Company's assets taken on lease primarily consist of leases for buildings. The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether there is an identified asset, whether the Company has the right to direct the use of the asset and whether the Company obtains substantially all the economic benefits from the use of that asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the country, term and currency of the contract. Generally, the company uses its incremental borrowing rate as the discount rate.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Lease liability is accounted at amortised cost. The lease liabilities are adjusted for the lease payments made by the Company. Lease payments are allocated between principle and finance cost. Finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. In case of changes in the future lease payments due to renegotiation, changes of an index or rate, the lease liability is re-measured (with a corresponding adjustment to the related right-of-use asset).



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

t) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised when the Company has 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 when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

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 the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities not provided for as above, but are disclosed in notes forming part of the Financial Statements.

A Contingent Asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

u) Earning per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ Lakhs)

Particulars	Freehold Land	Buildings	Plant and Equipments (Refer Note)	Office Equipments	Furniture and Fixtures	Computers	Total
Gross carrying amount							
Balance as at 1 st April 2018	28.67	1,070.54	4,989.08	32.53	55.99	38.32	6,215.14
Additions	-	4.80	243.93	1.81	3.16	12.16	265.85
Disposals	-	-	-	-	-	(0.04)	(0.04)
Balance as at 31 st March 2019	28.67	1,075.33	5,233.01	34.34	59.14	50.44	6,480.96
Additions	-	33.95	177.30	7.52	0.07	15.43	234.27
Assets classified as held for sale (Refer Note 3(B))	-	(269.88)	-	-	-	-	(269.88)
Disposals	-	-	-	-	-	-	-
Balance as at 31st March 2020	28.67	839.40	5,410.31	41.86	59.21	65.87	6,445.35
Accumulated Depreciation							
Balance as at 1 st April 2018	-	(135.76)	(2,206.54)	(8.78)	(30.72)	(18.18)	(2,399.98)
Depreciation charge for the year	-	(65.57)	(757.74)	(9.44)	(8.39)	(7.47)	(848.61)
Depreciation on Disposals	-	-	-	-	-	0.04	0.04
Balance as at 31 st March 2019	-	(201.33)	(2,964.28)	(18.22)	(39.11)	(25.61)	(3,248.55)
Depreciation charge for the year	-	(61.06)	(653.03)	(5.06)	(5.27)	(12.17)	(736.59)
Assets classified as held for sale (Refer Note 3(B))	-	60.79	-	-	-	-	60.79
Balance as at 31st March 2020	-	(201.60)	(3,617.31)	(23.28)	(44.38)	(37.78)	(3,924.35)
Net carrying amount as at 31 st March 2019	28.67	874.00	2,268.73	16.12	20.03	24.83	3,232.41
Net carrying amount as at 31st March 2020	28.67	637.80	1,793.00	18.58	14.82	28.09	2,520.99

NOTE 3(A) - RIGHT TO USE ASSETS

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019, except those which are exempted under this standard, using the modified retrospective approach. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The Company has elected to measure the right-of-use asset equal to the lease liability, with the result of no net impact on retained earnings and no restatement of prior period comparatives.

Right of use assets and lease liabilities of ₹ 29.17 Lakhs have been recognised as on 1st April 2019.

Carrying value of right of use assets at the end of the reporting period by class

Particulars	Building
Right to use Asset as on transition date	29.17
Depreciation charge for the year	(20.92)
Net carrying amount as at 31st March 2020	8.25



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 3(B) - ASSETS HELD FOR SALE

The carrying amount of the assets held for sale as at the year-end are as follows:

Particulars	As at 31 st March 2020	As at 31 st March 2019
Property, Plant & Equipment		
Admin Building	57.58	-
Factory Buildings	151.51	-
Total	209.09	-

As it was economically unviable to continue the operations at the Bhosari plant of the Company, the Board of Directors, decided to discontinue these operations with effect from 1st September 2015 and the plant was closed with effect from 30th November 2015. Since then, the company has been evaluating various alternative uses for the assets at that location. During the year, it was concluded that there is no feasible use for these assets and consequently, Property, Plant & Equipment, Factory Buildings and Admin Building having a book value of ₹ 209.09 Lakhs as at 30th September 2019 has been classified as "Assets held for sale". These assets have been valued at lower of cost or net realizable value.

The fair value of the assets was determined using the sales comparison approach. This is a level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures (Refer Note 32). The key inputs under this approach are market value of the buildings and available quotes from the prospective buyers.

NOTE 4 - INTANGIBLE ASSETS

Particulars	Computer Software
Gross carrying amount	
Balance as at 1 st April 2018	8.28
Balance as at 31 st March 2019	8.28
Addition	2.19
Balance as at 31st March 2020	10.47
Accumulated Amortisation	
Balance as at 1 st April 2018	(6.66)
Amortisation charge for the year	(1.62)
Balance as at 31 st March 2019	(8.28)
Amortisation charge for the year	(0.16)
Balance as at 31st March 2020	(8.44)
Net carrying amount as at 31 st March 2019	-
Net carrying amount as at 31st March 2020	2.03

Note:

All Intangible assets held by the Company are purchased and not internally generated.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 5 (A) - OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Security Deposits (Unsecured)		
- Considered Good	22.30	13.21
- Considered Doubtful	9.00	9.00
Less: Provision for doubtful deposits	(9.00)	(9.00)
Total	22.30	13.21

NOTE 5 (B) - OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Loans to employees (Unsecured and considered good)	22.81	1.75
Total	22.81	1.75

NOTE 6 - OTHER NON-CURRENT ASSETS

Particulars	As at 31 st March 2020	As at 31 st March 2019
(Unsecured, Considered Good, unless otherwise stated)		
Prepaid Expenses	4.40	-
Deposits made under protest		
- Considered Good	16.28	28.03
- Considered Doubtful	6.07	31.74
Less: Provision for doubtful deposits	(6.07)	(31.74)
	16.28	28.03
Due from Government Authorities	13.25	-
Prepaid expenses for Leasehold Land (#)	3.30	3.36
Total	37.23	31.39

The Company is in the process of changing the name in the leasehold agreement from erstwhile names of the Company to Saint-Gobain Sekurit India Limited.

NOTE 7 - INVENTORIES

Particulars	As at 31 st March 2020	As at 31 st March 2019
Raw Materials	324.09	418.64
Work in progress	122.08	159.02
Finished Goods	476.51	514.97
Traded Goods	0.43	5.52
Consumables and spares	180.43	187.10
Total	1,103.54	1,285.25

Note:

The Company has recorded inventory write down of ₹ 3.65 Lakhs during year ended 31st March 2020 (₹ 3.87 Lakhs during year ended 31st March 2019) which is included as part of cost of materials consumed.



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 8 - INVESTMENTS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Investment in mutual funds		
Mutual Funds (unquoted) at Fair value through Profit & Loss	9,669.38	5,132.37
Total	<u>9,669.38</u>	<u>5,132.37</u>
Aggregate amount of quoted investment	-	-
Aggregate amount of market value of quoted investment	-	-
Aggregate amount of unquoted investment	9,669.38	5,132.37
Aggregate amount of impairment in value of investment	-	-

NOTE 9 - TRADE RECEIVABLES

Particulars	As at 31 st March 2020	As at 31 st March 2019
Trade Receivables from Others	1,395.30	2,192.48
Receivables from Related Parties (Refer Note 36)	393.43	8.57
Less: Allowance for doubtful debts	(13.00)	(13.00)
Total	<u>1,775.73</u>	<u>2,188.05</u>
Secured, considered good	-	-
Unsecured, considered good	1,775.73	2,188.05
Trade Receivable which have significant increase in credit risk	13.00	13.00
Total	<u>1,788.73</u>	<u>2,201.05</u>
Allowance for doubtful debts	(13.00)	(13.00)
Total	<u>1,775.73</u>	<u>2,188.05</u>

Note :

The carrying amount of Trade Receivable includes receivable amounting to ₹ 202.18 Lakhs (31st March 2019 : ₹ 341.29 Lakhs) against the sale proceeds from Tata Motors Ltd. (TML). The carrying amount reported is based on the balance confirmation received from bank. The outstanding balance with the bank is shown as "Borrowings" under Note 19 till the amounts are cleared by TML.

NOTE 10(A) - CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Cash in Hand	-	-
Balances with Banks		
- In Current Accounts	39.63	171.62
Total	<u>39.63</u>	<u>171.62</u>

NOTE 10(B) - OTHER BANK BALANCES

Particulars	As at 31 st March 2020	As at 31 st March 2019
Fixed Deposit with original maturity for more than 3 months but less than 12 months	-	1,500.00
Total	<u>-</u>	<u>1,500.00</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 11(A) - OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Other Advances	15.94	5.16
Derivative financial instruments not designated as hedges		
- Forward exchange contracts	15.85	9.29
Total	31.79	14.45

NOTE 11(B) - LOAN TO EMPLOYEES (CURRENT)

Particulars	As at 31 st March 2020	As at 31 st March 2019
Loan to employees (Unsecured and considered good)	15.08	15.26
Total	15.08	15.26

NOTE 12 - OTHER CURRENT ASSETS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Other Receivables	-	16.70
Advance to suppliers - Other than Related parties	12.12	244.76
Advance to suppliers - Related parties	9.01	-
Due from Government Authorities	8.98	1.52
Prepaid expenses	57.15	30.52
Accrued interest receivable	-	16.34
Total	87.26	309.84

NOTE 13 - EQUITY SHARE CAPITAL

Particulars	As at 31 st March 2020	As at 31 st March 2019
Authorised Equity Share Capital		
92,000,000 (31 st March 2019: 92,000,000) equity shares of ₹ 10 each	9,200.00	9,200.00
Total	9,200.00	9,200.00
Issued, subscribed and paid up		
91,105,700 (31 st March 2019: 91,105,700) equity shares of ₹ 10 each fully paid	9,110.57	9,110.57
Total	9,110.57	9,110.57

a) Movement in equity share capital

Particulars	No. of shares	Amount
Authorised share capital		
As at 1 st April 2018	9,20,00,000	9,200.00
Increase / (decrease) during the year	-	-
As at 31 st March 2019	9,20,00,000	9,200.00
Increase / (decrease) during the year	-	-
As at 31st March 2020	9,20,00,000	9,200.00
Issued, subscribed and paid up		
As at 1 st April 2018	9,11,05,700	9,110.57
Changes in Equity Share Capital	-	-
As at 31 st March 2019	9,11,05,700	9,110.57
Changes in Equity Share Capital	-	-
As at 31st March 2020	9,11,05,700	9,110.57



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

b) Terms and rights attached to equity shares

Equity shares have a par value of ₹ 10. They entitle the holder to participate in dividends and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

c) Shares of the Company held by subsidiaries of ultimate holding company, namely Compagnie de Saint-Gobain

Particulars	As at 31 st March 2020	As at 31 st March 2019
(i) Saint-Gobain Sekurit France S.A. (Subsidiary of Ultimate Holding Company). 43,969,785 (31 st March 2019: 43,969,785) equity shares of ₹ 10 each	4,396.98	4,396.98
(ii) Saint-Gobain India Private Limited (Subsidiary of Ultimate Holding Company) 24,359,490 (31 st March 2019: 24,359,490) equity shares of ₹ 10 each	2,435.94	2,435.94
Total	<u>6,832.92</u>	<u>6,832.92</u>

d) Details of shareholders holding more than 5% of shares

Particulars	As at 31 st March 2020		As at 31 st March 2019	
	Number of shares	% of Holding	Number of shares	% of Holding
Saint-Gobain Sekurit France S.A. (Subsidiary of Ultimate Holding Company).	43,969,785	48.26%	43,969,785	48.26%
Saint-Gobain India Private Limited (Subsidiary of Ultimate Holding Company)	24,359,490	26.74%	24,359,490	26.74%

- e) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts.
- f) During the period of five years immediately preceding the date as at which the Balance Sheet is prepared:
- The Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash.
 - The Company has not allotted the fully paid up bonus shares.
 - The Company has not bought back any of its equity shares.
- g) There are no securities convertible into equity / preference shares.
- h) There are no calls unpaid on any of the equity shares.
- i) There are no forfeited shares.

NOTE 14 - OTHER EQUITY

Particulars	As at 31 st March 2020	As at 31 st March 2019
Securities Premium	1,132.48	1,132.48
Retained Earnings	2,679.90	1,388.52
Capital Redemption Reserve	0.11	0.11
Total	<u>3,812.49</u>	<u>2,521.11</u>

Movement in Other Equity:

Retained earnings

Particulars	As at 31 st March 2020	As at 31 st March 2019
Opening balance	1,388.53	(188.96)
Net profit for the year as per the Statement of Profit and Loss	1,341.41	1,607.73
Remeasurements of post employment benefit obligation, net of tax	(50.02)	(30.24)
Closing balance	<u>2,679.92</u>	<u>1,388.53</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

Nature and purpose of Reserves:

Securities Premium

The amount received in excess of face value of equity shares is recognised in Securities Premium. The premium is to be utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve

Capital Redemption Reserve represents amount set aside by the company for future redemption of capital. The reserve is to be utilised in accordance with the provisions of the Companies Act, 2013.

NOTE 15 - NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 st March 2020	As at 31 st March 2019
Liability for Leased Assets	8.57	-
Other Financial Liabilities - Security Deposits Received	121.80	112.55
Total	130.37	112.55

NOTE 16 - NON-CURRENT PROVISIONS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Provisions for litigations and disputes	2.03	2.03
Provisions for indirect tax matters	3.00	3.00
Total	5.03	5.03

Provisions for litigation and disputes represent damages that the Company might have to pay in respect of civil suits and provisions for indirect tax matters represent demands for excise duty under litigation.

Movement in provisions

Particulars	Provisions for litigations and disputes		Provisions for indirect tax matters	
	Year ended 31 st March 2020	Year ended 31 st March 2019	Year ended 31 st March 2020	Year ended 31 st March 2019
Balance at the beginning of the year	2.03	2.03	50.42	53.45
Additions	-	-	-	-
Amounts used / Reversed	-	-	(29.60)	(3.03)
Balance at the end of the year	2.03	2.03	20.82	50.42
Classified as:				
- Current (Note 22)	-	-	17.82	47.42
- Non Current (Note 16)	2.03	2.03	3.00	3.00

NOTE 17 - EMPLOYEE BENEFIT OBLIGATIONS

a) Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as current 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 31st March 2020 are treated as non-current employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary 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.

b) Post Employment Obligations

i) Provident fund – Defined contribution plan

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

ii) Gratuity - Defined benefit plan

The Company provides for Gratuity to employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary of staff and workers. The ceiling of 15 days for workers is only upto 31st December 2006 and 20 days thereafter for workers multiplied for the number of years of service subject to payment ceiling of ₹ 20 lakhs. The gratuity plan is a funded plan and the Company makes contributions to Saint Gobain Sekurit India Limited Employee Group Gratuity Trust. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Non-current

Particulars	As at 31 st March 2020	As at 31 st March 2019
Compensated Absences	79.46	66.36
Gratuity	116.60	46.52
Total	196.06	112.88

Current

Particulars	As at 31 st March 2020	As at 31 st March 2019
Compensated Absences	20.02	13.13
Gratuity	37.02	32.99
Total	57.04	46.12

Amounts recognised in the Statement of Profit and Loss

Particulars	As at 31 st March 2020	As at 31 st March 2019
Defined Contribution Plans		
Provident fund	66.95	48.29
Defined Benefit Plans		
Gratuity	27.18	20.64
Total	94.13	68.93

Amounts recognised in the Statement of Other Comprehensive Income

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Remeasurements for:		
Gratuity gains / (losses)	(66.85)	(42.66)
Total	(66.85)	(42.66)

Amounts recognised as a liability - Gratuity

Particulars	As at 31 st March 2020	As at 31 st March 2019
Present value of funded obligations	477.38	368.13
Fair value of plan assets	(323.76)	(288.62)
Deficit of funded plans	153.62	79.51
Present value of unfunded obligations	-	-
Total deficit of defined benefit obligations	153.62	79.51
Impact of minimum funding requirement / asset ceiling	-	-
Liability in the Balance Sheet	153.62	79.51

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 17 - EMPLOYEE BENEFIT OBLIGATIONS

Gratuity plan

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligations	Fair value of plan assets	Net Amount
As at 1st April 2018	297.34	(262.71)	34.63
Current service cost	17.95	-	17.95
Interest expense / (income)	23.13	(20.44)	2.69
Total amount recognised in Statement of Profit / loss	41.08	(20.44)	20.64
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	3.26	3.26
Liability transferred in / (transferred out)	(4.89)	4.89	-
(Gain) / loss from change in financial assumptions	9.12	-	9.12
Experience (gains) / losses	30.28	-	30.28
Total amount recognised in Other Comprehensive Income	34.51	8.15	42.66
Contributions:			
Employers	-	(18.42)	(18.42)
Benefit payments	(4.80)	4.80	-
As at 31st March 2019	368.13	(288.62)	79.51
Current service cost	21.24	-	21.24
Interest expense / (income)	27.50	(21.56)	5.94
Total amount recognised in Statement of Profit / loss	48.74	(21.56)	27.18
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	(2.84)	(2.84)
Liability transferred in / (transferred out)	1.60	(1.60)	-
(Gain) / loss from change in financial assumptions	23.93	-	23.93
Experience (gains) / losses	45.76	-	45.76
Total amount recognised in Other Comprehensive Income	71.29	(4.44)	66.85
Contributions:			
Employers	-	(19.92)	(19.92)
Benefit payments	(10.78)	10.78	-
As at 31st March 2020	477.38	(323.76)	153.62

Significant actuarial assumptions were as follows:

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Discount rate	6.82%	7.47%
Salary growth rate	9.00%	9.00%
Rate of employee turnover	5.00%	5.00%
Expected average remaining working lives of employees in number of years	10 years	10 years



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 17 - EMPLOYEE BENEFIT OBLIGATIONS

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption (in %)	Impact on defined benefit obligation	
		Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
	As at 31 st March 2020	As at 31 st March 2020	As at 31 st March 2020
Discount rate	0.50%	(25.05)	13.30
Salary growth rate	0.50%	12.80	(24.78)
Claim rates	0.50%	(2.32)	2.42

Comparative Figures

Particulars	Change in assumption (in %)	Impact on defined benefit obligation	
		Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
	As at 31 st March 2019	As at 31 st March 2019	As at 31 st March 2019
Discount rate	0.50%	(16.66)	13.11
Salary growth rate	0.50%	12.82	(16.53)
Claim rates	0.50%	(14.53)	32.03

Major categories of plan assets are as follows:

Particulars	Unquoted	
	As at 31 st March 2020	As at 31 st March 2019
Insurer Managed Funds	323.76	288.62
Total	323.76	288.62

The expected contributions to the fund in the next year is ₹ 37.02 Lakhs (31st March 2019: ₹ 32.99 Lakhs)

Maturity analysis of the Benefit Payments

The expected maturity analysis of undiscounted post-employment defined benefit obligations is as follows:

Particulars	Less than 1 year	Between 1 - 2 years	Between 2 - 5 years	Between 6 - 10 years	Above 10 years	Total
As at 31st March 2020						
Gratuity	63.53	22.94	119.89	239.20	549.59	995.15
Total	63.53	22.94	119.89	239.20	549.59	995.15
As at 31st March 2019						
Gratuity	31.79	42.24	84.79	197.78	484.06	840.66
Total	31.79	42.24	84.79	197.78	484.06	840.66

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 18 - GOVERNMENT GRANTS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Opening balance	24.32	33.62
Less: Released to profit or loss	(9.30)	(9.30)
Closing balance	15.02	24.32
Non-Current portion	5.72	15.02
Current portion	9.30	9.30
Total	15.02	24.32

The Company in 2011 had imported assets under the Export Promotion Capital Goods Scheme (Scheme) whereby it received a benefit of waiver of payment of custom duty amounting to ₹ 287.66 Lakhs. Out of the total duty, the duty which is not refundable/non-cenvatable has been recognised as a Government Grant. According to the terms of the Scheme, the Company has to fulfill an export obligation of ₹ 1,753.94 Lakhs (USD 38.98 Lakhs) over the period of license in order to avail the benefits of the Government Grant. The period of license expired in June 2017 and the Company has sought an extension for fulfilling the export obligation, from the respective authority. The Company has fulfilled export obligation amounting to ₹ 1,666.23 Lakhs (USD 25.83 Lakhs), upto June 2017, against the required export obligation mentioned above. The order from the respective authority for the extension has been received by the company and the export obligation has been met within the extended period and the necessary documents submitted for closure with the department as at the date of Balance Sheet.

NOTE 19 - SHORT TERM BORROWINGS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Unsecured		
Bills discounted with banks (refer Note 9)	202.18	341.29
Total	202.18	341.29

Note: The Company does not have any continuing default in repayment of loans.

NOTE 20 - TRADE PAYABLES

Particulars	As at 31 st March 2020	As at 31 st March 2019
Total outstanding dues of micro enterprises and small enterprises	33.86	9.99
Trade payables to related parties (refer Note 36)	589.81	290.82
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	977.33	1,141.94
Total	1,601.01	1,442.75

Particulars	As at March 31, 2020		As at March 31, 2019	
	Principal	Interest	Principal	Interest
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	33.82	0.04	9.37	0.62
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	24.72	0.76	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Principal	Interest	Principal	Interest
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	0.04	-	0.62
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	12.90

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

NOTE 21 - OTHER FINANCIAL LIABILITIES

Particulars	As at 31 st March 2020	As at 31 st March 2019
Capital creditors	18.44	5.97
Payables in respect of employees	112.07	97.17
Other payables	6.83	6.02
Derivative financial instruments not designated as hedges		
- Forward exchange contracts	4.30	-
Total	141.64	109.16

NOTE 22 - CURRENT PROVISIONS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Provision for indirect tax matters (refer Note 16)	17.82	47.42
Total	17.82	47.42

Provisions for indirect tax matters represent demands for excise duty under litigation and differential sales tax demands on account of non-collection of declaration forms that are expected to materialise.

NOTE 23 - INCOME TAX LIABILITIES/(INCOME TAX ASSETS)

Particulars	As at 31 st March 2020	As at 31 st March 2019
Opening balances		
- Income-tax Liabilities	11.89	82.50
- Income-tax Assets	(52.73)	(83.14)
Add: Current tax payable for the year	463.19	751.96
Less: Tax Adjustments related to earlier years	-	(2.04)
Less: MAT credit utilised	-	(82.27)
Add / (Less): Net Refund received / (Taxes paid)	(501.46)	(626.18)
Closing balance		
- Income-tax Liabilities	-	11.89
- Income-tax Assets	(79.11)	(52.73)

NOTE 24 - OTHER CURRENT LIABILITIES

Particulars	As at 31 st March 2020	As at 31 st March 2019
Other Advance	340.00	-
Advance from customers	45.20	64.22
Statutory dues payable (TDS, VAT, GST and other dues payable)	74.85	111.11
Sundry liabilities	-	0.62
Total	460.05	175.95

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 25 - REVENUE FROM OPERATIONS

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Sales of Products		
Finished goods	13,319.18	15,761.18
Traded goods	2.37	13.35
	<u>13,321.55</u>	<u>15,774.53</u>
Other Operating Revenue		
Scrap Sales	157.66	174.49
Tool Development Income	19.24	27.26
	<u>176.90</u>	<u>201.75</u>
Total	<u><u>13,498.45</u></u>	<u><u>15,976.28</u></u>

NOTE 26 - OTHER INCOME

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Interest Income:		
- on deposit with Bank	104.26	14.24
- on Income-tax refund	2.25	3.52
Net gain on redemption of investments	368.32	486.89
Net gain on investments measured at fair value through profit or loss	109.53	-
Government Grants (refer Note 18)	9.30	9.30
Net foreign exchange gains	-	0.99
Provision no longer required written back	41.86	24.95
Allowance for doubtful debts - Trade receivable written back	-	13.00
Other items	31.20	13.81
Total	<u><u>666.72</u></u>	<u><u>566.70</u></u>

NOTE 27 (A) - COST OF MATERIALS CONSUMED

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Opening stock	418.64	311.47
Add: Purchases	5,957.02	7,521.09
Less: Closing Stock	(324.09)	(418.64)
Total	<u><u>6,051.57</u></u>	<u><u>7,413.92</u></u>

NOTE 27 (B) - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE & WORK-IN-PROGRESS

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Opening stock		
Work in progress	159.02	137.69
Finished goods (Manufactured)	514.97	387.40
Traded goods	5.52	2.08
Closing stock		
Work in progress	122.08	159.02
Finished goods (Manufactured)	476.51	514.97
Traded goods	0.43	5.52
Total	<u><u>80.49</u></u>	<u><u>(152.34)</u></u>



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 28 - EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Salaries, wages and bonus	1,068.86	1,040.61
Staff welfare expenses	80.73	91.32
Contribution to provident and other funds	66.95	48.29
Gratuity contribution/expenses (refer Note 17)	21.24	17.95
Total	1,237.78	1,198.17

NOTE 29 - FINANCE COSTS

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Bank Charges	1.34	3.98
Interest Expense:		
- Lease Liabilities	1.86	-
- Dealer Deposits	6.83	6.05
Other Finance costs	6.16	20.16
Total	16.19	30.19

NOTE 30 - OTHER EXPENSES

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Consumption of stores and spare parts	392.24	601.25
Labour charges	624.32	687.41
Power and fuel	1,288.49	1,528.29
Rental charges (refer Note 38 (b))	6.29	28.47
Repairs and maintenance		
Plant and machinery	89.87	56.34
Buildings	11.25	2.16
Others	17.61	48.98
Travelling and conveyance	38.27	65.42
Communication expenses	10.60	7.87
Rates and Taxes	32.49	32.13
Insurance	19.23	19.70
Environment, health and safety expenses	0.85	13.46
Legal and professional fees	69.42	56.00
Packing costs	213.52	194.45
Freight expense	451.14	508.92
Pool research and development	341.82	331.80
General assistance fees	245.08	326.24
Information technology support fees	75.52	86.00
Net foreign exchange losses	57.81	-
Net loss on investments measured at fair value through profit or loss	-	63.19
Payment to auditors		
Statutory audit	6.90	6.90
Limited review	5.10	5.10
Audit under Tax Statutes	11.20	9.35
Reimbursement of Expenses	-	0.30
Corporate social responsibility expenditure (Refer Note below)	5.85	10.19
Miscellaneous expenses	218.48	198.40
Total	4,233.35	4,888.32

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

Note:

Corporate social responsibility expenditure (CSR)

The Company has made contribution to Saint-Gobain India Foundation towards its CSR Obligation as follows:

Particulars	Construction / Acquisition of Assets	On any other purpose	Total
A. Gross amount required to be spent by the Company	-	35.99	35.99
	-	(30.39)	(30.39)
B. Amount spent during the year			
In cash	-	5.85	5.85
	-	(10.19)	(10.19)

*Figures in brackets pertain to the previous year.

Note - Saint-Gobain India Foundation is a Section - 8 Company promoted by Saint-Gobain group in India. Its primary aim is to enable life and livelihood through education of underprivileged children with a focus on educating the girl child.

NOTE 31 - TAXATION

(a) Income tax expense

Particulars		Year ended 31 st March 2020	Year ended 31 st March 2019
Current tax			
Current tax on Profit for the year		463.19	751.96
Tax Adjustments related to earlier years		-	(2.04)
Total current tax expenses	(A)	<u>463.19</u>	<u>749.93</u>
Deferred tax			
Decrease / (Increase) in deferred tax assets		(46.00)	16.31
(Decrease) / Increase in deferred tax liabilities		27.57	(110.25)
Total deferred tax expenses / (benefit)	(B)	<u>(18.43)</u>	<u>(93.94)</u>
Income tax expense	(A+B)	<u>444.76</u>	<u>655.99</u>

(b) Reconciliation of tax expense and accounting profit multiplies by India tax rate

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Profit from operations before income tax expense	1,786.17	2,263.71
India tax rate	25.17%	29.12%
Tax at India tax rate	<u>449.54</u>	<u>659.19</u>
Tax effect of amounts which are not deductible (not allowable) in calculating taxable income :		
Corporate social responsibility expenditure	0.74	1.48
Other items	(5.52)	(4.68)
Income tax expense	<u>444.76</u>	<u>655.99</u>



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

(c) Deferred tax asset (net)

The balance comprises temporary differences attributable to :

Particulars	As at 31 st March 2020	As at 31 st March 2019
Deferred tax asset:		
Defined benefit obligations	61.59	33.88
Allowance of doubtful debts - trade receivable	3.27	3.79
Allowance of doubtful debts - security deposits	3.79	2.62
WDV on Property, Plant, Equipment and Intangible assets	71.62	13.85
Financial assets at fair value through Profit & Loss	-	18.40
Others	5.77	10.67
Total deferred tax assets	146.04	83.21
Deferred Tax Liability:		
Financial assets at fair value through Profit & Loss	(27.57)	-
Total Deferred Tax Liabilities	27.57	-
Net Deferred Tax Assets	118.47	83.21

Movement in deferred tax assets

Particulars	Property plant and equipment and intangible assets	Financial assets at fair value through profit & loss	Defined benefit obligations	Allowance of doubtful debts - trade receivable	Allowance of doubtful debts - security deposits	Other items	Total deferred tax assets
As at April 1, 2018	-	-	34.95	9.00	3.23	39.91	87.09
(Charged)/credited :							
to Profit and loss	13.85	18.40	(13.49)	(5.21)	(0.61)	(29.24)	(16.31)
to other comprehensive income	-	-	12.42	-	-	-	12.42
As at March 31, 2019	13.85	18.40	33.88	3.79	2.62	10.67	83.21
(Charged)/credited :							
to Profit and loss	57.77	(18.40)	10.88	(0.52)	1.17	(4.90)	46.00
to other comprehensive income	-	-	16.83	-	-	-	16.83
As at March 31, 2020	71.62	-	61.59	3.27	3.79	5.77	146.04

Movement in deferred tax liabilities

Particulars	Property plant and equipment and intangible assets	Financial assets at fair value through profit and loss	Defined benefit obligations	Allowance of doubtful debts - trade receivable	Allowance of doubtful debts - security deposits	Other items	Total deferred tax liabilities
As at 1 st April 2018	88.03	22.22	-	-	-	-	110.25
(Charged)/ credited :							
to Profit and loss	(88.03)	(22.22)	-	-	-	-	(110.25)
to other comprehensive income	-	-	-	-	-	-	-
As at 31 st March 2019	-	-	-	-	-	-	-
(Charged) / credited :							
to Profit and loss	-	27.57	-	-	-	-	27.57
As at 31st March 2020	-	27.57	-	-	-	-	27.57

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

Financial instruments by category

Particulars	As at 31 st March 2020			As at 31 st March 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Investments in mutual funds	9,669.38	-	-	5,132.37	-	-
Trade and other receivables	-	-	1,775.73	-	-	2,188.05
Other non current financial assets	-	-	45.11	-	-	14.96
Cash and Cash equivalents	-	-	39.63	-	-	171.62
Bank Balances other than above	-	-	-	-	-	1,500.00
Derivative financial asset	15.85	-	-	9.29	-	-
Other current financial assets	-	-	31.02	-	-	20.42
Total financial assets	9,685.23	-	1,891.49	5,141.66	-	3,895.05
Financial Liabilities						
Borrowings	-	-	202.18	-	-	341.29
Derivative financial liabilities	4.30	-	-	-	-	-
Trade payables	-	-	1,601.01	-	-	1,442.75
Lease Liabilities	-	-	8.57	-	-	-
Security deposits	-	-	121.80	-	-	112.55
Other financial liabilities	-	-	137.34	-	-	109.16
Total financial liabilities	4.30	-	2,070.90	-	-	2,005.75

Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value

	Level 1	Level 2	Level 3	Total
As at 31st March 2020				
Financial assets				
Investments in mutual funds	-	9,669.38	-	9,669.38
Derivative financial assets	-	15.85	-	15.85
Total	-	9,685.23	-	9,685.23
Financial liabilities				
Derivative financial liabilities	-	4.30	-	4.30
Total	-	4.30	-	4.30
As at 31st March 2019				
Financial assets				
Investments in mutual funds	-	5,132.37	-	5,132.37
Derivative financial assets	-	9.29	-	9.29
Total	-	5,141.66	-	5,141.66
Financial liabilities				
Derivative financial liabilities	-	-	-	-
Total	-	-	-	-

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020***(All amounts in ₹ Lakhs)***Financial assets and liabilities measured at Amortised cost:**

The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rates applicable are equal to the current market rate of interest.

Level 1: This hierarchy includes financial instruments measured using quoted prices. The Company does not have any financial asset in this measurement category.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, mutual funds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Company does not have any financial asset in this measurement category.

Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of net asset value for mutual funds.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

NOTE 33 - FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

A. Credit Risk

Credit risk is the risk of incurring a loss that may arise from a borrower or debtor failing to make required payments. Credit risk arises mainly from outstanding receivables from free market dealers, cash and cash equivalents, employee advances and security deposits. The Company manages and analyses the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered.

The Company considers the probability of default upon recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Especially the following indicators are incorporated:

- Internal credit rating for free market dealers.
- External credit rating (as far as available for OEMs)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations
- Actual or expected significant changes in the operating results of the customer
- Significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customers

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

In general, it is presumed that credit risk has significantly increased since the initial recognition if the payments are more than 120 days past due.

Company has a history of limited write off doubtful debts. Company on a monthly basis review ageing of receivables and rigorous follow-up is performed by credit controller along with the help of key accounts manager. Quality/ breakage claims received from the customer are reviewed and approved by quality manager, accordingly credit memos are issued as per policy of the company. At the end of every month credit memos raised during that month is also reviewed by Chief Financial Officer. Appropriate provision is made for each receivable based on review of supporting documents with credit controller. Any exception is justified and documented.

Credit risk on cash and cash equivalents is limited as company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units.

Debtors ageing

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
As at 31 st March 2020	1,131.67	13.69	456.20	93.82	22.60	57.75	1,775.73
As at 31 st March 2019	1,379.98	713.38	55.56	27.25	5.57	6.30	2,188.05

Reconciliation of loss allowance provision

Loss allowance on 1 st April 2018	26.00
Changes in loss allowance	(13.00)
Loss allowance on 31 st March 2019	<u>13.00</u>
Changes in loss allowance	-
Loss allowance on 31st March 2020	<u>13.00</u>

B. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal requirements and maintaining debt financing plans.

a. Financing arrangements

The Company had access to bank overdraft facilities. These facilities may be drawn at any time and may be terminated by the bank without notice.

b. Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at 31 st March 2020					
	Less than 3 months	3-6 months	6-12 months	1-2 years	2-5 years	Total
Non-Derivatives						
Trade payables	1,601.01	-	-	-	-	1,601.01
Borrowing	202.18	-	-	-	-	202.18
Security deposits	-	-	-	-	121.80	121.80
Lease Liabilities	-	-	-	8.81	-	8.81
Other financial liabilities	137.34	-	-	-	-	137.34
Derivatives						
Forward exchange contracts	4.30	-	-	-	-	4.30
Total	<u>1,944.83</u>	<u>-</u>	<u>-</u>	<u>8.81</u>	<u>121.80</u>	<u>2,075.44</u>

Particulars	As at 31 st March 2019					
	Less than 3 months	3-6 months	6-12 months	1-2 years	2-5 years	Total
Non-Derivatives						
Trade payables	1,442.75	-	-	-	-	1,442.75
Borrowing	341.29	-	-	-	-	341.29
Security deposits	-	-	-	-	112.55	112.55
Other financial liabilities	109.16	-	-	-	-	109.16
Derivatives						
Forward exchange contracts	-	-	-	-	-	-
Total	<u>1,893.20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112.55</u>	<u>2,005.75</u>

The forward contract outstanding as at year end expressed in ₹ here are as follows:

Particulars	As at 31 st March 2020			As at 31 st March 2019	
	Currency	No. of Contracts	Amount	No. of Contracts	Amount
Forward contracts to Purchase (FC - CY 8.78 Lakhs)	EUR	6	736.54	4	388.26
Forward contracts to Purchase (FC - CY 5.59 Lakhs)	USD	4	409.49	4	248.31
Forward contracts to Sell (FC - CY 0.08 Lakhs)	EUR	1	6.55	-	-

C. Market risk

Foreign currency risk

1. Foreign currency exposure

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency sales and purchases, primarily with respect to EUR, USD, CHF and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (₹).

The risk is measured through a forecast of foreign currency sales and purchases for the Company's operations. The Company uses foreign exchange forward contracts to manage its exposure in foreign currency risk.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

As of 31st March 2020, the Company's exposure to foreign currency risk, expressed in ₹, is given in the table below. The amounts represent only the financial assets and liabilities that are denominated in currencies other than the functional currency of the Company.

Net exposure to foreign currency risk assets and liabilities

(a) Foreign Currency Risk Assets

Particulars	As at 31 st March 2020			As at 31 st March 2019		
	EUR	USD	CHF	EUR	USD	CHF
Financial assets						
Trade receivable	5.03	-	-	5.37	-	-
Less: Derivative instruments						
Sell foreign currency	(6.55)					
Net exposure to foreign currency risk assets	(1.52)	-	-	5.37	-	-

(b) Foreign Currency Risk Liabilities

Particulars	As at 31 st March 2020			As at 31 st March 2019		
	EUR	USD	CHF	EUR	USD	CHF
Financial liabilities						
Trade payable	533.94	315.59	1.32	78.66	179.20	2.02
Less: Derivative instruments						
Buy foreign currency	(736.54)	(409.49)		(388.26)	(248.31)	
Net exposure to foreign currency risk liabilities	(202.60)	(93.90)	1.32	(309.60)	(69.11)	2.02

2. Foreign exchange sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The table below shows the sensitivity of profit or loss to a 5% (previous year 5%) change in foreign exchange rates.

Particulars	Decrease/(Increase) in income	
	Year ended 31 st March 2020	Year ended 31 st March 2019
CHF Sensitivity		
Increase by 5% (previous year 5%)	0.07	0.10
Decrease by 5% (previous year 5%)	(0.07)	(0.10)
EUR Sensitivity		
Increase by 5% (previous year 5%)	26.45	3.66
Decrease by 5% (previous year 5%)	(26.45)	(3.66)
USD Sensitivity		
Increase by 5% (previous year 5%)	15.78	8.96
Decrease by 5% (previous year 5%)	(15.78)	(8.96)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company does not have any non-current borrowings, it is not exposed to cash flow interest rate risk.

Investment in Mutual Funds:

The Company's exposure to price risk arises from investments held by the Company and classified in the balance sheet as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 34 - CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The Company's strategy is to maintain a gearing ratio within 1 - 2%. The gearing ratios were as follows:

Particulars	As at 31 st March 2020	As at 31 st March 2019
Gross Debt	202.18	341.29
Less: Cash and cash equivalents	(39.63)	(171.62)
Net Debt	162.55	169.67
Total Equity	12,923.06	11,631.68
Net debt to equity ratio	1.26%	1.46%

NOTE 35 - SEGMENT INFORMATION

The Company's Managing Director (MD) - Mr. A. Dinakar is identified as the Chief Operating Decision Maker, examines the Company's performance on an entity level. The Company has only one reportable segment i.e. 'Automotive Glass'.

Amount of the Company's revenue from external customers broken down by each product and service is shown in the table below

Revenue from external customers	Year ended 31 st March 2020	Year ended 31 st March 2019
Laminated Safety Glass	13,319.18	15,761.18
Tempered Glass	2.37	13.35
Total sales	13,321.55	15,774.53

The Company's revenue from external customer attributed to countries other than India are not material. The Company's non-current assets (other than financial instruments, deferred tax assets, post-employment benefit assets) in countries other than India are not material.

Revenue of approximately ₹ 7099.18 Lakhs (31st March 2019: ₹ 4,091.79 Lakhs) are derived from a single external customer which represents 10% or more of the total revenue for the year ended 31st March 2020 and 31st March 2019.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 36 - RELATED PARTY DISCLOSURES

a) Related parties and their relationship

Parent entities

Name of the company	Type	Place of incorporation	Effective Ownership interest (includes indirect interests)	
			As at 31 st March 2020	As at 31 st March 2019
Compagnie de Saint-Gobain	Ultimate Holding Company*	France	74.99%	74.99%
* The Ultimate Holding Company hold shares in the Company through the following subsidiaries:				
Saint-Gobain Sekurit France S.A.	Fellow Subsidiary	France	48.26%	48.26%
Saint-Gobain India Private Limited	Fellow Subsidiary	India	26.74%	26.74%

Other Relationships (to the extent there were transactions during the year):

i) Fellow Subsidiaries:

Saint-Gobain India Private Limited., India

Saint-Gobain Glass, France

Saint-Gobain Seva, France

Grindwell Norton Limited, India

Saint-Gobain India Foundation, India

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

Saint-Gobain Sekurit Deutschland Gmbh & Co KG, Germany

Saint-Gobain Consulting Information Organisation, France

Saint-Gobain Sekurit - AACHEN, France

ii) Key Managerial Personnel:

Mr. A. Dinakar - Managing Director

iii) Independent Directors:

Mr. M. G. Ramakrishna (upto 10th May 2019)

Mr. Padmanabha Shetty

Mr. Joseph Andrew Jude Pereira (from 9th May 2019)

b) Key Management Personnel compensation

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Sitting fees to Independent Directors	11.00	8.20
Total	11.00	8.20

c) Transactions with Related parties

The following transactions occurred with related parties during the year:

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
From Fellow Subsidiaries:		
Purchase of goods	2743.30	3,939.71
Purchase of consumables & spares	14.64	24.56
IT Support services received	75.52	86.00
General assistance received	245.08	326.24
Services received	248.19	308.80
Pool Research and Development Services	341.82	331.80
To Fellow Subsidiaries		
Sale of goods	2,012.08	1,462.70
Services rendered	121.07	141.63
Other transactions		
CSR expenses paid to Saint-Gobain India Foundation, India	5.85	10.19



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

Significant transaction incurred with related parties during the year

(All amounts in ₹ Lakhs)

Nature of Transactions	Name of the Companies	Year ended 31 st March 2020	Year ended 31 st March 2019
Purchase of Goods	Saint-Gobain India Private Limited., India	2,626.82	3,707.92
Purchase of consumables & spares	Grindwell Norton Limited, India	9.73	19.32
	Saint-Gobain Seva, France	4.91	5.24
IT Support services received	Saint-Gobain Consulting Information Organisation, France	75.52	86.00
General assistance received	Saint-Gobain Glass, France	245.08	326.24
Services received	Saint-Gobain India Private Limited., India	244.59	299.10
Pool Research and Development Services	Saint-Gobain Glass, France	341.82	331.80
Sale of goods	Saint-Gobain India Private Limited., India	1,971.28	1,427.64
Services rendered	Saint-Gobain India Private Limited., India	121.07	141.63
CSR expenses	Saint Gobain India Foundation, India	5.85	10.19

d) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	As at 31 st March 2020	As at 31 st March 2019
Trade payables (for purchase of goods and services)		
Fellow subsidiaries		
Saint-Gobain Sekurit Deutschland Gmbh & Co KG, Germany	24.11	26.30
Saint-Gobain Glass, France	548.18	54.03
Grindwell Norton Limited, India	1.21	-
Saint-Gobain India Pvt. Ltd, India	-	206.89
Saint-Gobain Sekurit, Aachan, France	0.88	-
Saint-Gobain Consulting Information Organization, France	15.43	3.60
Total trade payables to related parties (Refer Note 20)	589.81	290.82
Trade receivables / Advance to Supplier (for sale and advance towards goods and services)		
Fellow Subsidiaries		
Saint-Gobain Sekurit Deutschland Gmbh & Co KG, Germany	5.92	6.85
Saint-Gobain Sekurit S.A., France	4.69	-
Saint-Gobain Seva, France	4.32	1.72
Saint-Gobain India Pvt. Ltd, India	387.52	-
Total trade receivables / Advance to Suppliers from related parties (Refer Note 9 & 12 respectively)	402.45	8.57

Note:

- All outstanding balances are unsecured and settlement will be made through banking channels.
- All related party transactions entered during the year were in ordinary course of business and on arms length basis.
- All related party transactions / balances are subject to reconciliation/ adjustments (if any).

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

NOTE 37 - CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Particulars	As at 31 st March 2020	As at 31 st March 2019
Contingent Liabilities (to the extent not provided)		
Claims against the Company not acknowledged as debt:		
Sales tax matters	15.20	79.73
Excise matters*	280.08	332.26
Other matters	1.70	1.70
Total	296.98	413.69

*Claims not acknowledged as debts with respect to certain excise matters does not include interest since it has not been quantified in the order. It is not practicable for the Company to estimate the timings of each outflow (if any) in respect of the above, pending resolution of the respective proceedings.

NOTE 38 - COMMITMENTS

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at 31 st March 2020	As at 31 st March 2019
Property, Plant and Equipment (net of advances are Nil (previous year ₹ 2.33 Lacs)	16.41	21.34
Total	16.41	21.34

(b) Non-cancellable Operating Leases

The Company has leased a warehouse located at Kuruli (Pune). The lease term are short term i.e. for a period of less than one year, hence, Management have elected to consider the same as exempted assets.

Rental expense relating to these exempted operating leases recognised in Profit and loss

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Rental Charges	6.29	28.47
Total rental expense relating to operating leases	6.29	28.47

NOTE 39 - EARNINGS PER SHARE

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Basic and Diluted earnings per share		
From continuing operations attributable to equity holders of the Company (in ₹)	1.47	1.76
From discontinued operations	-	-
Total basic & diluted earnings per share attributable to equity holders of the Company (in ₹)	1.47	1.76

a) Reconciliation of earnings used in calculating earnings per share

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Basic and Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
From continuing operations (in ₹ Lakhs)	1,341.41	1,607.73
Profit attributable to the equity holders of the company used in calculating basic earnings per share	1,341.41	1,607.73



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2020

(All amounts in ₹ Lakhs)

b) Weighted average number of shares used as the denominator

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	9,11,05,700	9,11,05,700
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	<u>9,11,05,700</u>	<u>9,11,05,700</u>

NOTE 40 - OFFSETTING FINANCIAL ASSETS AND LIABILITIES

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March 2020 and 31st March 2019. The column 'net amount' shows the impact on the Company's balance sheet if all set-off rights were exercised.

Particulars	Effects of offsetting on the Balance Sheet		
	Gross amounts	Gross amounts set off in the Balance Sheet	Net amounts presented in the Balance Sheet
As at 31st March 2020			
Financial assets			
- Trade receivables [#]	2,349.89	(574.16)	1,775.73
Total	<u>2,349.89</u>	<u>(574.16)</u>	<u>1,775.73</u>
Financial liabilities			
- Trade payables [#]	2,175.17	(574.16)	1,601.01
Total	<u>2,175.17</u>	<u>(574.16)</u>	<u>1,601.01</u>
As at 31st March 2019			
Financial assets			
- Trade receivables [#]	2,887.63	(699.58)	2,188.05
Total	<u>2,887.63</u>	<u>(699.58)</u>	<u>2,188.05</u>
Financial liabilities			
- Trade payables [#]	2,142.33	(699.58)	1,442.75
Total	<u>2,142.33</u>	<u>(699.58)</u>	<u>1,442.75</u>

[#] Company has arrangement with the group company, where as per agreed terms company set off its receivable against payable made to such group company. The relevant amounts have therefore been presented net in the balance sheet.

NOTE 41 - SUBSEQUENT EVENTS

There are no subsequent events that would require adjustments or disclosure in the financial statements as on the balance sheet date other than the following:

The Company's operations were impacted from the month of March 2020 till the date of signing of accounts due to shutdown of its plant following nationwide lockdown imposed by the Government of India in view of COVID-19, a pandemic caused by the novel Coronavirus. Operations will commence in a phased manner taking into account the directives issued by the Government.

The Company has evaluated the impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2020. However, the impact assessment of COVID-19 will be a continuing process given the uncertainties associated with its nature and duration.

Note 42 - General

Previous years figures have been regrouped / restated wherever necessary to conform to current years presentation.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2020
(All amounts in ₹ Lakhs)

Particulars	Year ended 31 st March 2020		Year ended 31 st March 2019	
Cash Flow from Operating Activities:				
Profit before Taxation and Exceptional Items		1,786.17		2,263.71
Adjusted for :				
Depreciation and Amortisation Expense	757.67		850.27	
Unrealised Foreign Exchange (Gain)/ Loss (net)	32.82		(9.30)	
Income from Government Grant	(9.30)		(9.30)	
(Gain) / Loss on Sale of Investments	(368.32)		(486.89)	
Changes in Fair Value of Investments at fair value through Profit or Loss	(109.53)		63.19	
Provision no longer required Written back	(41.86)		(24.95)	
Provision / (Reversal of Provision) for Indirect Tax Matters	(29.60)		(3.03)	
Provision / (Reversal of Provision) for Doubtful Debts	-		(13.00)	
Finance Costs	16.19		30.19	
Interest Income	(106.51)		17.75	
		141.57		414.93
Operating Profit before Working Capital Changes		1,927.73		2,678.64
Changes in Working Capital				
Increase/(Decrease) in Trade Payables	167.11		669.36	
Increase/(Decrease) in Provisions and Employee Benefit Obligations	56.85		15.35	
Increase/(Decrease) in Other Financial Liabilities	24.60		(29.85)	
Increase/(Decrease) in Other Current Liabilities	284.10		51.48	
(Increase)/Decrease in Other Financial Assets	(47.31)		8.17	
(Increase)/Decrease in Inventories	181.71		(353.17)	
(Increase)/Decrease in Trade Receivables	412.50		243.81	
(Increase)/Decrease in Other Current Assets	206.24		(219.20)	
(Increase)/Decrease in Other Non Current Assets	(5.84)		2.07	
		1,279.97		388.02
Cash Generated From Operations		3,207.71		3,066.66
Income taxes paid		(501.46)		(707.86)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)		2,706.25		2,358.80
CASH GENERATED FROM OPERATING ACTIVITIES		-		-
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)		2,706.25		2,358.80
CASH FLOW FROM INVESTING ACTIVITIES:				
Payments for Property, Plant and Equipment, Intangible Assets,	(255.20)		(267.95)	
Investment in Fixed Deposit	-		(1,500.00)	
Proceeds from fixed deposit	1,500.00		-	
Interest received	122.85		-	
Payment for Purchase of Investments	(16,452.73)		(9,125.00)	
Proceeds from Sale of Investments	12,393.58		8,749.69	
		(2,691.51)		(2,143.27)
NET CASH USED IN INVESTING ACTIVITIES (B)		(2,691.51)		(2,143.27)
CASH FLOW FROM FINANCING ACTIVITIES:				
Lease liability / (Payment of Lease liability)	8.57		-	
Borrowing from bank	202.18		-	
Repayment of borrowings from bank	(341.29)		(106.10)	
Interest Paid	(16.19)		(30.19)	
		(146.73)		(136.29)
NET CASH GENERATED FROM /(USED) IN FINANCING ACTIVITIES (C)		(146.73)		(136.29)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)		(131.99)		79.24
Cash and cash equivalents (Opening Balance)		171.62		92.38
Cash and cash equivalents (Closing Balance)		39.63		171.62
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(131.99)		79.24

In terms of our report of even date
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No.: 104607W / W100166

Daraius Z. Fraser
Partner
Membership No. 042454

Place : Mumbai
Date : 11th May 2020

For and on behalf of the Board

B Santhanam
Director
DIN. 00494806

Manigandann R
Chief Financial Officer

Place : Mumbai
Date : 11th May 2020

A. Dinakar
Managing Director
DIN. 00193129

Rukmini Subramanian
Company Secretary

Saint-Gobain Sekurit India Limited