



SEKURIT
smart vision

Saint-Gobain Sekurit India Limited
Registered Office & Works : Plot No. 616, Village Kuruli,
Pune-Nashik Road, Chakan, Dist. Pune - 410 501
Tel : 91-2135-676 400/01 Fax : 91-2135-676 444

July 12, 2022

**BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Fort
Mumbai 400 001**

Scrip Code No. 515043

Dear Sir/Madam,

Sub: Notice of the Annual General Meeting (“AGM”) and Annual Report 2021-22

The 49th Annual General Meeting (“AGM”) of the Company will be held on Monday, August 8, 2022 at 11:00 a.m. IST through Video Conference (“VC”)/ Other Audio Visual Means (“OAVM”).

Please find enclosed the Annual Report of the Company along with the Notice of AGM for the financial year 2021-22, which is being sent to the Members, who have registered their email addresses with the Company/Depositories, through electronic mode.

The Annual Report containing the Notice is also available on the Company’s website, www.sekuritindia.com.

Yours faithfully,
For **Saint-Gobain Sekurit India Limited**

**Girish T. Shajani
Company Secretary
Membership No. A 22547**

Encl: As above.

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smart vision

Saint-Gobain Sekurit India Limited



ANNUAL REPORT 2021-22


SAINT-GOBAIN

Saint-Gobain Sekurit India Limited

Bankers

Citi Bank
HDFC Bank

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: mt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Registered Office & Works

Plot No. 616 & 617, Village Kuruli
Pune-Nashik Road, Chakan
Pune 410 501, Maharashtra
Tel. No.: +91 2135 676 400 / 01
Fax No.: +91 2135 676 444

E-mail Id

sekurit.investors@saint-gobain.com

Website

www.sekuritindia.com

Corporate Identity Number

L26101MH1973PLC018367

Board of Directors (as on May 20, 2022)

Mr. Padmanabha Shetty
(Chairman)
(Retired with effect from
May 21, 2022)

Mr. Joseph Andrew Jude Pereira
(Appointed as a Chairman with
effect from May 21, 2022)

Ms. Padmasudha Chandrasekhar

Mr. Deepak Chindarkar

Mr. B. Santhanam

Mr. Manigandann R.
(Appointed with effect from
May 21, 2022)

Mr. Venugopal Shanbhag
(Managing Director)

Chief Financial Officer

Mr. Manigandann R.

Company Secretary

Mr. Girish T. Shajani

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NOTICE

Notice is hereby given that the 49th Annual General Meeting of the Members of Saint-Gobain Sekurit India Limited will be held on Monday, August 8, 2022 at 11:00 a.m. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended March 31, 2022.
3. To appoint a Director in place of Mr. B. Santhanam (Director Identification No. 00494806), who retires by rotation and, being eligible, offers himself for re-appointment.
4. Appointment of Statutory Auditors of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Rules framed thereunder, as amended or re-enacted from time to time, and pursuant to the recommendation of the Audit Committee of the Company, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), be and is hereby appointed as the Auditors of the Company in place of the retiring Auditors, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166), to hold office for a period of five (5) consecutive years from the conclusion of 49th Annual General Meeting ("AGM") of the Company, until the conclusion of 54th AGM of the Company to be held in the year 2027, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. Appointment of Mr. Deepak Chindarkar as a Director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Deepak Chindarkar (Director Identification No. 03573562), who was appointed through Circular Resolution by the Board of Directors as an Additional Director of the Company with effect from December 28, 2021 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and the Articles of Association of the Company, and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation."

6. Appointment of Mr. Manigandann R as a Director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Manigandann R (Director Identification No. 09604558), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 21, 2022 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and the Articles of Association of the Company and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

7. Appointment of Mr. Manigandann R as a Whole-Time Director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, ("Act"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded to the appointment and terms of remuneration of Mr. Manigandann R (Director Identification No. 09604558), as a Whole-Time Director for a period of three (3) years with effect from May 21, 2022 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Manigandann R.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and are hereby authorised to do all acts, deeds and things and all take all such steps as may be necessary, proper and expedient to give effect to this resolution."



8. Ratification of Remuneration to Cost Auditor of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended or re-enacted from time to time, the remuneration of ₹1,50,000/- (Rupees one lakh fifty thousand only) plus taxes and out of pocket expenses at actuals payable to Mr. G. Thangaraj, Cost Accountant (Registration No. M5997), who is appointed by the Board of Directors as Cost Auditor of the Company to conduct the audit of the cost records for the financial year ending March 31, 2023, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

9. Approval of Material Related Party Transactions

To consider and, if thought fit, to pass 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”) as amended from time to time, and the applicable provisions, if any, of the Companies Act, 2013 (“Act”) 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 the 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 March 31, 2023, for an aggregate amount not exceeding ₹ 120 crores (Rupees one hundred and twenty crores).

RESOLVED FURTHER THAT the Board of Directors of the Company (‘the Board’, which term shall be deemed to include the Audit Committee) be and is hereby authorised to perform and execute all such acts, deeds, matters and things, including delegation of all or any of the powers conferred herein, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto, and also to settle any issue, question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem fit or desirable, subject to compliance with the applicable laws and regulations, without the Board being required to seek any further consent / approval of the Members.”

By Order of the Board of Directors

Girish T. Shajani
Company Secretary
Membership No. A22547

Chennai, May 20, 2022

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 :

- (a) Pursuant to the General Circulars 2/2022 and 19/2021, other circulars issued by the Ministry of Corporate Affairs (“MCA”) and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of members at a common venue. In compliance with the Circulars, the AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
- (b) The Statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”), relating to Special Business to be transacted at the 49th Annual General Meeting (“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 Standard on General Meetings (“SS-2”) issued by The Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at the AGM are also annexed.
- (c) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by Members during the AGM. All documents referred to in the Notice and Explanatory Statement will also be available for electronic inspection without any fees by the Members from the date of circulation of this Notice upto the date of AGM i.e. Friday, August 8, 2022. Members can write to the Company Secretary at sekurit.investors@saint-gobain.com.
- (d) In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/DPs. Members may note that this Notice and Annual Report 2021-22 will also be available on the Company’s website, www.sekuritindia.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of KFin Technologies Limited (“KFinTech”) at <https://evoting.kfintech.com>.
- (e) The Company has engaged the services of KFin Technologies Limited as the authorized agency for conducting the AGM through VC/OAVM and providing e-Voting facility.
- (f) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (g) Pursuant to the provisions of the Act, 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 this AGM is being held pursuant to the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- (h) The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, August 2, 2022 to Monday, August 8, 2022 (both days inclusive).
- (i) If the Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or from Friday, August 12, 2022, as under:
- i. to all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and Central Depository Service (India) Limited (“CDSL”) as of the close of business hours on Monday, August 1, 2022.
 - ii. to all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Monday, August 1, 2022.
- (j) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios; transmission and transposition.
- (k) SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits for dematerialisation. Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Link Intime, for assistance in this regard.



- (l) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (“PAN”) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to their DP with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime.
- (m) Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, 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, to provide efficient and better services.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF / JPG Format) by e-mail to saintgobaindivtax@linkintime.co.in or update the same at the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on Friday, July 29, 2022.

Members holding shares in physical form are requested to intimate such changes to Link Intime.

- (n) Members holding shares in physical form in identical order of names, in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be issued to such Members after making requisite changes thereon.
- (o) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- (p) Members desirous of seeking any further information about the financial statements and/or operations of the Company are requested to address their queries to the Company on or before Friday, August 5, 2022, through email on 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.
- (q) Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (“IEPF”):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

The information in respect of the dividend is as follows:

| Financial Year | Date of declaration of Dividend | Due date for transfer to IEPF |
|----------------|---------------------------------|-------------------------------|
| 2020-21 | July 29, 2021 | September 1, 2028 |

Members who are yet to encash their dividend are advised to send requests for duplicate dividend warrants in case they have not received/ not encashed the dividend warrants for any of the above mentioned financial years and/ or send for revalidation of the un-encashed dividend warrants still held by them to Mr. Girish T. Shajani, Company Secretary or rt.helpdesk@linkintime.co.in of Link Intime.

- (r) Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from the dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares are held in electronic form) and Company/ Link Intime (if shares are held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to saintgobaindivtax@linkintime.co.in or update the same at the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> by 11:59 p.m. IST on Friday, July 29, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail of beneficial rates under the tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF / JPG Format) by e-mail to saintgobaindivtax@linkintime.co.in or update the same at the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on Friday, July 29, 2022.

- (s) Since the AGM will be held through VC/OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

Instructions for e-Voting and joining the AGM are as follows:

AGM PARTICIPATION AND VOTING THROUGH ELECTRONIC MEANS

Instructions for e-Voting:

- I. In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (“SS-2”) issued by The Institute of Company Secretaries of India, the Members are provided with the facility to cast their vote electronically, through the e-Voting services (“remote e-Voting”) provided by KFinTech on all the resolutions set forth in this Notice.
- II. The remote e-Voting period shall commence on Friday, August 5, 2022 (9:00 a.m. IST) and will end on Sunday, August 7, 2022 (5:00 p.m. IST). During this period Members of the Company holding shares either in physical form or in dematerialised form as on the cut-off date, Monday, August 1, 2022 may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by KFinTech after Sunday, August 7, 2022 (5:00 p.m. IST). Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM. A Member will not be allowed to vote again on any Resolution on which vote has already been cast.
- III. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if a person is already registered with KFinTech for remote e-Voting then the existing User-ID and password can be used for casting the vote.
- IV. Members who have cast their vote by remote e-Voting prior to the AGM may also attend/ participate in the AGM through VC /OAVM but shall not be entitled to cast their vote on such resolution again.
- V. **The procedure and instructions for remote e-Voting are as follows:**

Login method for remote e-Voting for Individual shareholders holding securities in demat form

Pursuant to SEBI circular no. SEBI/HO/ CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (“ESP”) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.



Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

| Individual Shareholders holding securities in demat form with NSDL | Individual Shareholders holding securities in demat form with CDSL |
|---|---|
| 1. User already registered for IDeAS facility | 1. Existing user who have opted for Easi/Easiest |
| <ul style="list-style-type: none"> i. URL: https://eservices.nsd.com ii. Click on the “Beneficial Owner” icon under ‘IDeAS’ section iii. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” iv. Click on Company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period | <ul style="list-style-type: none"> i. URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com ii. Click on New System Myeasi iii. Login with user id and password iv. Option will be made available to reach e-Voting page without any further authentication v. Click on e-Voting service provider name to cast your vote |
| 2. User not registered for IDeAS e-Services | 2. User not registered for Easi/Easiest |
| <ul style="list-style-type: none"> i. To register click on link: https://eservices.nsd.com ii. Select “Register Online for IDeAS” iii. Proceed with completing the required fields | <ul style="list-style-type: none"> i. Option to register is available at https://web.cdslindia.com/myeasi/Registration/ EasiRegistration ii. Proceed with completing the required fields. |
| 3. User not registered for IDeAS e-Services | 3. By visiting the e-Voting website of CDSL |
| <ul style="list-style-type: none"> i. To register click on link: https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp ii. Proceed with completing the required fields | <ul style="list-style-type: none"> i. URL: www.cdslindia.com ii. Provide demat Account Number and PAN No. iii. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account iv. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress |
| 4. By visiting the e-Voting website of NSDL | |
| <ul style="list-style-type: none"> i. URL: https://www.evoting.nsd.com/ ii. Click on the icon “Login” which is available under ‘Shareholder/Member’ section iii. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen iv. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page v. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period | |

Individual Shareholders (holding securities in demat form) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important Note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

| Members facing any technical issue - NSDL | Members facing any technical issue - CDSL |
|--|--|
| Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43 |

Login method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat form and shareholders holding securities in physical form

- a. Open your web browser during the remote e-Voting period and navigate to “<https://evoting.kfintech.com>”.
- b. Enter the login credentials (i.e., User-id and Password) mentioned in the email. 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:-

- EVEN (E-Voting Event Number) followed by Folio No. registered with the Company

Password will be your unique password which is sent via e-mail along with the Notice of AGM.

- 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’ and click on ‘Saint-Gobain Sekurit India Limited’.
- g. If you are holding shares in Demat form and had logged on to “<https://evoting.kfintech.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, enter the number of shares (which represents the number of votes as on cut-off date, Monday, August 1, 2022 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 the Member does not indicate either “FOR” or “AGAINST”, it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- i. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- j. You may then cast your vote by selecting an appropriate option and click on “Submit”.
- k. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted all the resolution(s).
- l. Once you ‘CONFIRM’ your vote on the Resolution whether partially or otherwise, you will not be allowed to modify your vote.

VI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to access the link <https://evoting.kfintech.com> and upload a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote and attend AGM. Also send these relevant documents to the Scrutinizer by e-mail to scrutinizer.saintgobain@gmail.com.

VII. The voting rights of the Members shall be in proportion to the number of shares held by them in the equity share capital of the Company as on the cut-off date being Monday, August 1, 2022.

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

VIII. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password” or “Physical User Reset Password” option available on <https://evoting.kfintech.com> to reset the password.



- IX. 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.kfintech.com> (KFintech Website) or contact Mr. S.V. Raju, Deputy General Manager of KFin Technologies Limited, Selenium, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032 or at einward.ris@kfintech.com and evoting@kfintech.com or call KFin's toll free no. 1800 309 4001 for any further clarifications.

Instructions for attending AGM:

1. Members may access the platform to attend the AGM through VC/OAVM at <https://emeetings.kfintech.com> by using their remote e-Voting credentials. The link for the AGM will be available in the Shareholder/Members login where the "EVENT" and the "Name of the Company" can be selected. Please note that the Members who have not registered their e-mail address or 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 this Notice. Further, Members can also use the OTP based login for logging into the e-Voting system.

If e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com> the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

2. Members who may want to express their views or ask questions at the AGM may visit <https://emeetings.kfintech.com> and click on the tab "Posting your Queries", to post your queries in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window shall remain active during the remote e-Voting period.
3. Members who may want to express their views or ask questions at the AGM may visit <https://emeetings.kfintech.com> and click on tab "Speaker Registration" during the remote e-Voting period. Members shall be provided a 'queue number' before the AGM.

The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM. The window shall remain active during the remote e-Voting period.

4. Facility for joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM. Facility for joining AGM will be closed on expiry of 15 minutes from the scheduled time of the AGM.
5. Facility for joining the AGM through VC/OAVM shall be available for 1,000 Members on first-come-first-served basis. However, the participation of Members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first-come-first-served basis.
6. Members who may require any technical assistance or support before or during the AGM are requested to contact KFin Technologies Limited at toll free number 1800 309 4001 or write to them at evoting@kfintech.com.

General Instructions for best VC experience:

- a. **Members can participate in the AGM through their desktops/smartphones/laptops etc. However, for a better experience and smooth participation, it is advisable to join the meeting through desktops/laptops with Google Chrome/Safari/ Firefox 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.**
- X. The Board of Directors has appointed Mr. V. N. Deodhar, Practising Company Secretary, to act as Scrutinizer, to scrutinize the voting during AGM and remote e-Voting process in a fair and transparent manner.
- XI. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast through remote e-voting) and make, not later than two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

XII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, www.sekuritindia.com, and on the website of the KFinTech at <https://evoting.kfintech.com>. The results shall also be immediately forwarded to the Stock Exchange, where the equity shares of the Company are listed.

In order to enable ease of participation of the Members, we are providing below the key details regarding the Annual General Meeting:

| Particulars | Details |
|--|---|
| Date and Time of AGM | Monday, August 8, 2022 at 11:00 a.m. IST |
| Link for live webcast of the AGM and for participation through VC/OAVM | https://emeetings.kfintech.com/ |
| Link for remote e-Voting | https://evoting.kfintech.com/ |
| Username and Password for VC/OAVM | Members may attend the AGM through VC/OAVM by accessing the link https://emeetings.kfintech.com by using the login credentials. Please refer to the instructions forming part of the Notice of AGM |
| Helpline number for VC/OAVM participation and e-Voting | Contact KFin Technologies Limited at 1800 309 4001 or write to them at evoting@kfintech.com |
| Cut-off date for e-Voting | Monday, August 1, 2022 |
| Time period for remote e-Voting | Friday, August 5, 2022 at 9:00 a.m. IST and will end on Sunday, August 7, 2022 at 5:00 p.m. IST |
| Last date for publishing results of the e-Voting | Wednesday, August 10, 2022 |
| Book closure dates | Tuesday, August 2, 2022 to Monday, August 8, 2022 (both days inclusive) |
| Rate of dividend | ₹ 3/- per equity share (This dividend of ₹ 3/- per equity share includes ₹ 1.50/- per equity share as a onetime special dividend, consequent to exceptional gains reported during the year) |
| Dividend payment date | Friday, August 12, 2022 |
| Cut-off date for submission of TDS on dividend related exemption forms | Friday, July 29, 2022 |
| Email ID where the TDS on dividend related exemption forms to be submitted | saintgobaindivtax@linkintime.co.in |



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. 5

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. Deepak Chindarkar (Director Identification No. 03573562) as an Additional Director of the Company with effect from December 28, 2021.

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, he holds the office of Additional Director only upto the date of this Annual General Meeting (“AGM”) of the Company and is eligible to be appointed as Non-Executive Director, whose office shall be liable to retire by rotation. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing his candidature for the office of Director.

Further details of Mr. Deepak Chindarkar have been given in the Annexure to this Notice.

The Board recommends the Ordinary Resolution set out at Item No.5 of this Notice for approval of the Members.

Except Mr. Deepak Chindarkar and his relatives, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the Resolution set out at Item No. 5 of this Notice.

Item No. 6 and 7

The Board of Directors at its meeting held on May 20, 2022 appointed Mr. Manigandann R (Director Identification No. 09604558), as an Additional Director of the Company with effect from May 21, 2022. The Board of Directors, at the same meeting, also appointed him as a Whole-Time Director with effect from May 21, 2022, for a period of three (3) years, subject to the approval of the Members. His appointment has been recommended by the Nomination and Remuneration Committee. As per the provisions of Section 161(1) of the Act, he holds the office of Additional Director upto the date of this Annual General Meeting of the Company, and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing his candidature for the office of Director. Mr. Manigandann R continues to act as a Chief Financial Officer of the Company. Further details of Mr. Manigandann R have been given in the Annexure to this Notice.

The terms and conditions of the appointment of Mr. Manigandann R (hereinafter referred to as “**Whole-Time Director**”) are given below:

I) Tenure of Appointment:

The appointment as a Whole-Time Director of the Company is for a period of three (3) years with effect from May 21, 2022.

II) Nature of Duties:

The Whole-Time Director shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him as an employee of the Company.

III) Remuneration:

a) Salary:

Salary of ₹ 3,83,000/- per month.

The annual increments which will be effective from January 1, of each year, will be decided by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

The Board of Directors of the Company (including any Committee of Directors) is hereby authorised to vary and/or revise the existing remuneration of Mr. Manigandann R within the overall limits under the Act and Listing Regulations as amended.

b) Benefits, Perquisites and Allowances:

Details of Benefits, Perquisites and Allowances are as follows:

- Medclaim / Hospitalisation cover for self and family, reimbursement of mobile and telephone expenses and housing loan facility as per the Rules of the Company.
- Other perquisites and allowances including leave travel allowance and/or other allowances, personal accident and term life insurance for self.
- Contribution to Provident Fund, Superannuation Fund or Annuity Fund, National Pension Fund and Gratuity Fund as per the Rules of the Company.
- Leave and encashment of unavailed leaves as per the Rules of the Company.
- Incentive linked to the performance of the Individual and Company against annual objectives.
- Eligible for Performance Shares as per the Nomination and Remuneration Policy of the Company.

c) Commission:

The Whole-Time Director shall not be eligible for remuneration by way of commission.

III) Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, wherein in any financial year during the tenure of the Whole-Time Director has no profits or its profits are inadequate, the Company shall pay remuneration by way of Salary, Benefits, Perquisites and Allowances subject to further approvals as required under Schedule V of the Companies Act, 2013, or any modification(s) thereto.

IV) Other terms of Appointment:

- i. The Whole-Time Director shall not become interested or otherwise concerned, directly or through his spouse and /or children, in any selling agency of the Company.
- ii. The terms and conditions of the appointment of the Whole-Time Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Whole-Time Director, subject to such approvals as may be required.
- iii. The agreement may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.
- iv. All personnel policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Whole-Time Director, unless specifically provided otherwise.
- v. The terms and conditions of appointment of the Whole-Time Director also include a clause pertaining to adherence with the Principles of Conduct and Action and the Company's Code of Conduct, non-solicitation and maintenance of confidentiality.
- vi. No sitting fees shall be paid to the Whole-Time Director for attending the meetings of the Board of Directors or Committees thereof.
- vii. The Whole-Time Director shall not be liable to retire by rotation.

Mr. Manigandann R does not have any relationship with any Director or Key Managerial Personnel of the Company in terms of the Act. The Board of Directors recommends the Ordinary Resolutions set out at Item Nos. 6 and 7 of the Notice for approval of the Members. Except Mr. Manigandann R and his relatives, none of the other Directors or Key Managerial Personnel or their relatives are concerned or interested in the Resolutions set out at Item Nos. 6 and 7 of this Notice.

Item No. 8

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. G. Thangaraj, Cost Accountant, (Registration No. M5997), as "Cost Auditor" of the Company, to conduct the audit of the cost records for the financial year ending March 31, 2023.

In accordance with the provision of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2023.

The Board recommends the Ordinary Resolution set out at Item No. 8 of this Notice, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the Resolution set out at Item No. 8 of this Notice.

Item No. 9

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 SGIPL 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 February 4, 2022, have accorded approval to enter into contracts/arrangements/transactions with SGIPL for an aggregate amount upto ₹ 120 crores (Rupees one hundred and twenty crores) during the financial year ending March 31, 2023.

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 resolution.



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

| Particulars | Information |
|---|--|
| Name of the Related Party | Saint-Gobain India Private Limited ("SGIPL") |
| Nature of Relationship (including nature of its concern or interest (financial or otherwise)) | Indian Promoter (holding 26.74% of the paid-up Equity Share Capital of the Company) |
| Type of proposed transaction | Purchase, sale or transfer of products, goods, consumables, materials, assets, services and obligations from/to SGIPL |
| Tenure of the proposed transaction | April 1, 2022 to March 31, 2023 |
| Value of proposed transaction and percentage of SGSIL annual turnover | Not exceeding ₹ 120 crores 79% of Turnover of the Company as on March 31, 2022 |
| Name of the Director(s) or Key Managerial Personnel who is related | Mr. B. Santhanam, Director, is the Chairman and Managing Director of SGIPL and Mr. Deepak Chindarkar, Director, is also Director of SGIPL |
| Material terms of the contract/arrangements/transactions | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry towards Purchase, sale or transfer of products, goods, consumables, materials, assets, services and obligations from/to SGIPL |
| 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 the 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. Since SGIPL sources the raw material and manufactures the glass at the larger volumes, your Company is able to take advantage of the large volumes at a better negotiated price for its comparatively smaller volume.

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 Directors recommends the Ordinary Resolution set out in Item No. 9 for the approval of the Members. Mr. B. Santhanam is interested and concerned as the Chairman and Managing Director of SGIPL and Mr. Deepak Chindarkar is also interested and concerned as the 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

Girish T. Shajani
 Company Secretary
 Membership No. A22547

Chennai, May 20, 2022

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

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Item No. 3

| | |
|--|---|
| Name of the Director | Mr. B. Santhanam |
| Director Identification Number | 00494806 |
| Date of Birth | March 2, 1957 |
| Age | 65 years |
| Date of first appointment on the Board | April 1, 2019 |
| Qualifications | B.Tech in Civil Engineering from Indian Institute of Technology, Madras and Post-Graduation in Management from Indian Institute of Management, Ahmedabad |
| Brief Resume including experience | Mr. B. Santhanam joined Grindwell Norton Limited as a Management Trainee in 1980 and served in various capacities over 18 years. He headed the Sales and Marketing function of Abrasives before moving to the newly formed Group company Saint-Gobain Glass in 1997 as its founder Managing Director. He was instrumental in the Group's investment of over INR 6,000 crores in Flat Glass to create a Pan India manufacturing footprint. Since July 1, 2021, Mr. Santhanam is CEO of Saint-Gobain APAC and India Region and Member of Global Executive Committee of Saint-Gobain, France. Mr. Santhanam has been an elected Member of CII National Council from 2006 to 2019. He has served as the Chairman of CII Southern Region in 2013-14 and as the President of Employers' Federation of India in 2009-10. He has helped to create and develop the "India Women Network" (IWN) under CII and played an active role in shaping India's policies in Human Resources, Skill Development, Sustainability, Manufacturing and Digitization. He has received a number of other awards and recognitions including: Distinguished Alumnus of IIT-Madras in 2004; "les Arches de la Croissance" (Arches of Growth) for Innovation and Growth in 2005; "CEO of the Year" by the National Human Resource Development Network in 2008 |
| Expertise in specific functional role | Business Strategy, Engineering, General Management, Operations, Information Technology, Manufacturing Marketing Management and Project Management |
| Terms and Conditions of Appointment / Re-appointment | As per resolution passed by the Members at the Annual General Meeting held on July 29, 2021. Mr. B. Santhanam was appointed as a Non-Executive Director, liable to retire by rotation As per Item No. 3 of the Notice, the approval of the Members is sought for his reappointment as a Non-Executive Director of the Company, liable to retire by rotation |
| Remuneration last drawn (including sitting fees, if any) | Nil |
| Remuneration proposed to be paid | No Remuneration is payable |
| Relationship with other Directors/Key Managerial Personnel | Not related to any Director/Key Managerial Personnel |
| Number of meetings of the Board attended during the year | 4 |
| Directorships held in other listed companies (excluding foreign companies and Section 8 companies) as on March 31, 2022 | <ul style="list-style-type: none"> • Grindwell Norton Limited • Titan Company Limited |
| Memberships/Chairmanships of Committees of other listed companies (includes only Audit Committee and Stakeholders Relationship Committee) as on March 31, 2022 | <p>Grindwell Norton Limited</p> <ul style="list-style-type: none"> • Audit Committee - Member • Stakeholders Relationship Committee - Member <p>Titan Company Limited</p> <ul style="list-style-type: none"> • Audit Committee - Member |
| Number of equity shares held in the Company as on March 31, 2022 | Nil |



Item No. 5

| Name of the Director | Mr. Deepak Chindarkar |
|--|---|
| Director Identification Number | 03573562 |
| Date of Birth | October 18, 1963 |
| Age | 58 years |
| Date of first appointment on the Board | December 28, 2021 |
| Qualifications | B.Tech., CWA, MBA |
| Brief Resume including experience | Mr. Deepak Chindarkar obtained his Bachelor of Engineering in Mechanical Engineering (1985) from VJTI, Mumbai and Post-Graduation in Management (1987) from Jamnalal Bajaj Institute of Management Studies, Mumbai. Is also a graduate of Institute of Cost Accountants of India. Joined Grindwell Norton Ltd. as Management Trainee (Saint-Gobain group company) and served in various capacities over 10 years. After that worked for the Saint-Gobain Group in different businesses and geographies before returning as CFO of Grindwell Norton Ltd in 2013. Currently serves as CFO of Saint-Gobain India region and as CFO of Grindwell Norton Ltd., overseeing finance function of all SG Businesses in India |
| Expertise in specific functional role | Finance, Information Technology, Finance Strategy |
| Terms and Conditions of Appointment / Re-appointment | Appointed as an Additional Director of the Company with effect from December 28, 2022, to hold office upto the date of this Annual General Meeting of the Company As per Item No. 5 of the Notice, the approval of the Members is sought for his appointment as a Non-Executive Director of the Company, liable to retire by rotation |
| Remuneration last drawn (including sitting fees, if any) | Nil |
| Remuneration proposed to be paid | No Remuneration is payable |
| Relationship with other Directors/Key Managerial Personnel | Not related to any Director/Key Managerial Personnel |
| Number of meetings of the Board attended during the year | 1 |
| Directorships held in other listed companies (excluding foreign companies and Section 8 companies) as on March 31, 2022 | Nil |
| Memberships/Chairmanships of Committees of other listed companies (includes only Audit Committee and Stakeholders Relationship Committee) as on March 31, 2022 | Nil |
| Number of equity shares held in the Company as on March 31, 2022 | Nil |

Item Nos. 6 and 7

| Name of the Director | Mr. Manigandann R |
|--|--|
| Director Identification Number | 09604558 |
| Date of Birth | January 28, 1979 |
| Age | 43 years |
| Date of first appointment on the Board | May 21, 2022 |
| Qualifications | B.com, CWA, PG in Banking Management |
| Brief Resume including experience | Mr. Manigandann R. obtained his Bachelor of Commerce (1999) from The American College, Madurai. Post-Graduation in Banking Management (2001) from Madurai Kamaraj University, Madurai. He is fellow member of the Institute of Cost Accountants of India. Joined Grindwell Norton Ltd. as Manager Finance (Saint-Gobain group company) and served in various capacities over 6 years. He was deputed to Compagnie de-Saint-Gobain, Paris before returning as CFO of Saint-Gobain Sekurit India Limited in 2016 |
| Expertise in specific functional role | Finance, Finance Strategy |
| Terms and Conditions of Appointment / Re-appointment | Appointed as an Additional Director of the Company with effect from May 21, 2022, he holds office of Additional Director upto the date of this Annual General Meeting of the Company, and is eligible to be appointed as a Director of the Company He was also appointed as a Whole-Time Director with effect from May 21, 2022, for a period of three (3) years, subject to approval of the Members Further, terms and conditions of his appointment, refer Item Nos. 6 and 7 of the Statement annexed to the Notice convening Annual General Meeting As per Item Nos. 6 and 7 of the Notice, the approval of the Members is sought for his appointment as a Director and the Whole-Time Director of the Company. He continue to act as a Chief Financial Officer of the Company |
| Remuneration last drawn (including sitting fees, if any) | Nil |
| Remuneration proposed to be paid | Refer Item Nos. 6 and 7 of the Statement annexed to the Notice convening Annual General Meeting |
| Relationship with other Directors/Key Managerial Personnel | Not related to any Director/Key Managerial Personnel |
| Number of meetings of the Board attended during the year | Not Applicable |
| Directorships held in other listed companies (excluding foreign companies and Section 8 companies) as on May 21, 2022 | Nil |
| Memberships/Chairmanships of Committees of other listed companies (includes only Audit Committee and Stakeholders Relationship Committee) as on May 21, 2022 | Nil |
| Number of equity shares held in the Company as on May 21, 2022 | Nil |



BOARD'S REPORT

The Members

Your Directors present the 49th Annual Report of the Company along with the audited financial statements for the year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

| | (₹ lakhs) | |
|---|------------------|----------------|
| | <u>2021-22</u> | <u>2020-21</u> |
| Revenue from operations | 15,128.65 | 10,488.89 |
| Operating Profit | 3,339.95 | 1,560.70 |
| Interest | 48.93 | 49.97 |
| Exceptional Gains | 2789.99 | - |
| Profit before Tax | 6,081.01 | 1,510.73 |
| Tax Expense | 1,311.85 | 369.13 |
| Profit after Tax | 4,769.16 | 1,141.60 |
| Other Comprehensive Income (Net of Tax) | 2.31 | 64.24 |
| Total Comprehensive Income | 4,771.47 | 1,205.84 |

DIVIDEND

Your Directors are pleased to recommend for approval of the Members a dividend of ₹ 3/- per equity share of the face value of ₹ 10/- each for the financial year ended March 31, 2022. This dividend of ₹ 3/- per equity share includes ₹ 1.50/- per equity share as a onetime special dividend, consequent to exceptional gains reported during the year. The dividend on equity shares, if approved by the Members would involve a cash outflow of ₹ 2733.17 lakhs.

TRANSFER TO RESERVES

Your Director do not propose to transfer any amount to the reserves.

OPERATIONS

The recovery of growth of the Indian economy started in the second half of the financial year 2020-21 and continued during the financial year 2021-22. India's real GDP grew by 8.8% in 2021-22 as per NSO estimate. The economic growth continued during the second wave of COVID as there were lesser restrictions imposed for COVID control. This helped the quick recovery of the economy. The last quarter of the financial year 2021-22 witnessed slower growth mainly due to the Omicron wave and supply chain disruptions.

The recovery of the economy and continued growth across all sectors created good demand for commercial vehicles. The increased activity in road construction, mining and increased infrastructure spent by the Government provided growth to the commercial vehicles segment during the year 2021-22. Consequent to this, the SGSIL's sales increased by 44% and profit before tax was increased by 303% including exception (excluding exception the increase in profit before tax was 118%), the increase in sales was due to market recovery across all segments as compared to the previous financial year 2020-21.

FUTURE PROSPECTS

The sales growth is expected to continue and the Company expects ever-increasing customer demands across all segments. Your Company has taken measures to enhance the capacity and capability of the manufacturing to meet the demand. However, the surging cases of Omicron variant and the fear of a fresh wave make it imperative that we remain vigilant and continue with all safety protocols followed to prevent the spread of the disease. While the outlook for the short term is uncertain, your Directors and the Company's Management have immense confidence in your Company's future.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE 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 the date of the Report.

SALE OF LEASEHOLD RIGHTS OF MIDC LAND

The Board of Directors at their meeting held on September 18, 2020, approved to assign/sell/transfer/dispose of the leasehold rights of the land obtained from Maharashtra Industrial Development Corporation ("MIDC") at Bhosari, Pune, and subsequently the Members of the Company approved the same vide Postal Ballot on October 27, 2020.

The Company has executed and registered the Agreement to Assignment and Transfer of leasehold rights with A2IR Industries Private Limited, RPIndospace Private Limited, and Unnati Industrial Estate Co-operative Society Limited for aggregate consideration of ₹ 32.50 crores. During the year, post receipt of approval from MIDC for transfer of lease, your Company has successfully concluded the sale of leasehold rights of MIDC land.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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.

HUMAN RESOURCES

Your Company's employees high degree of dedication, hard work, and commitment to meet the customer requirements during the pandemic and worked collaboratively throughout the year. Your Directors place on record their gratitude for the commendable contribution made by all its employees in these challenging times.

Employee relations were cordial and productive at all sites of your Company. At the end of the financial year, there were 94 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 participates 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 for 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 violations of its Code of Conduct and Sexual Harassment Policy, in particular. The Company has a Policy on Sexual Harassment which is widely disseminated and also constituted an Internal Complaints Committee ("ICC") under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint of sexual harassment was received by the Company.

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

The information on conservation of energy, technology absorption, 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.

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 the 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. The Annual Report including the aforementioned information is available on the website of the Company, www.sekuritindia.com.

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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Cessation

Ms. Isabelle Delphine Hoepfner (Director Identification No. 08598846), Non-Executive Director of the Company relinquished the position of Non-Executive Director with effect from close of business hours of December 27, 2021, due to other professional commitments.

The Board of Directors place on record their appreciation for the valuable contribution made by Ms. Isabelle Delphine Hoepfner during her tenure as a Director.

Retirement

As per the policy of the Company, Mr. Padmanabha Shetty (Director Identification No. 00433761), Independent Director of the Company retired effective May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director. At 46th AGM of the Company, Mr. Padmanabha Shetty was appointed for a second term of five consecutive years commencing from July 18, 2019.



The Board of Directors place on record their deep appreciation for the enormous contributions made by Mr. Padmanabha Shetty, as an Independent Director from the year 2006 to 2019 and thereafter, as Independent Chairman of the Company. As one of the longest serving Director, the Company and the Board benefitted immensely from Mr. Padmanabha Shetty's vast experience, knowledge and insights.

Appointment/Re-appointment

In accordance with the Act and the Articles of Association of the Company, B. Santhanam (Director Identification No. 00494806), Non-Executive Director of the Company, retires by rotation and, being eligible, has offered himself for re-appointment. The Board of Directors recommends the re-appointment of Mr. B. Santhanam.

In accordance with Section 161(1) of the Act and the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, considering their integrity, expertise and experience, the Board of Directors appointed Mr. Deepak Chindarkar (Director Identification No. 03573562) and Mr. Manigandann R (Director Identification No. 09604558), as an Additional Directors of the Company with effect from December 28, 2021 and May 21, 2022 respectively. Mr. Deepak Chindarkar and Mr. Manigandann R will hold office only upto the date of the forthcoming AGM. Mr. Deepak Chindarkar is liable to retire by rotation. The induction of Mr. Deepak Chindarkar, who has wide experience in Finance, Information Technology and Finance Strategy and Mr. Manigandann R, who has wide experience in Finance and Finance Strategy will benefit your Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee and in accordance with provisions of the Act and Listing Regulations, also appointed Mr. Manigandann R (Director Identification No. 09604558) as a Whole-Time Director for a period of three (3) years with effect from May 21, 2022, subject to the approval of the Members. Mr. Manigandann R, is not liable to retire by rotation.

Notices under Section 160(1) of the Act have been received from Members proposing their candidature for the office of Directors of the Company.

The approval of the Members for their appointment/re-appointment as Directors has been sought in the Notice convening the AGM of your Company.

Mr. Padmanabha Shetty, Mr. Joseph Andrew Jude Pereira and Ms. Padmasudha Chandrasekhar have submitted declarations that each of them meets the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16(1) and 25 (8) of the Listing Regulations. There has been no change in circumstances affecting their status as Independent, Non-Executive Directors of the Company during the year.

The disclosures required pursuant to Regulation 36 of the Listing Regulations, Clause 1.2.5 of the Secretarial Standard on General Meetings are given in the Notice of AGM, forming part of the Annual Report and Schedule V of the Listing Regulations are given in the Corporate Governance Report, forming part of the Annual Report. The attention of the Members is also invited to the relevant items in the Notice of the AGM.

Pursuant to Section 203 of the Act, the Key Managerial Personnel of the Company are: Mr. Venugopal Shanbhag, Managing Director, Mr. Manigandann R, Chief Financial Officer and Mr. Girish T. Shajani, Company Secretary (Mr. Girish T. Shajani was appointed as a Company Secretary with effect from July 14, 2021).

Ms. Rukmini Subramanian, Company Secretary resigned with effect from July 14, 2021. The Board of Directors place on record their appreciation for her contribution as a Company Secretary.

None of the Directors or Key Managerial Personnel has any pecuniary relationships or transactions with the Company, other than salaries, commission, sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

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.

ANNUAL EVALUATION OF PERFORMANCE BY THE BOARD

The Board of Directors, 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, the composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance. The evaluation parameters are based on execution of specific duties, quality of deliberation at the meeting, independence of judgement, decision making, the 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.

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.

NUMBER OF MEETINGS OF THE BOARD

The Board meets at regular intervals to review the Company's business and 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 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.

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
- Risk Management Committee
- Share Transfer Committee

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

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 the year ended March 31, 2022, 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;
- iii. 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 March 31, 2022, and of the profit of the Company for the year ended on that date;
- iv. 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;
- v. that the annual financial statements have been prepared on a 'going concern' basis;
- vi. that proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively;
- vii. 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 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 the 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.

RELATED PARTY TRANSACTIONS

All related party transactions entered during the financial year were in the ordinary course of business and on an arm's length basis. The Company has obtained the necessary approvals towards the related party transactions, as prescribed by the Act and the Listing Regulations. The resolution for seeking approval of the Members on material related party transactions is being placed at the AGM.

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.

The details of the transactions with related parties are provided in the accompanying financial statements.

CORPORATE SOCIAL RESPONSIBILITY

It is your Company's belief that its primary goal is to serve the needs of its customers and, in the process of doing so, to generate employment, livelihood and income for all its stakeholders (suppliers, vendors, service providers, employees, lenders, shareholders etc.) and, at the same time, to contribute to the revenues of the Government. Further, it is your Company's belief that by pursuing its primary goal and by ensuring that its business practices meet the highest standards of corporate governance and ethics, it best fulfills its obligations and responsibility to society. Against the backdrop of this belief, your Company is committed to implementing the agenda set out in its Corporate Social Responsibility ("CSR") policy.

In accordance with Section 135 of the Act, a Corporate Social Responsibility 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.

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 processes 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 Report.

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.

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 a leak or suspected leak of unpublished price sensitive information, a Whistle Blower Policy has been operational in the Company. The Whistle Blower Policy is disseminated on the website of the Company, www.sekuritindia.com.

AUDITORS

a. Statutory Auditors

In accordance with the provision of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No 104607W/W100166), completes its term as the Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting ("AGM") of the Company.

Your Directors on the recommendation of the Audit Committee, seek approval of the Members at the ensuing AGM of the Company, for appointment of M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018), for an initial term of five (5) consecutive years. M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018), have confirmed their eligibility and willingness for appointment as Statutory Auditors of the Company under the provisions of the Companies Act, 2013 and Rules framed thereunder.

Accordingly, a resolution, proposing the appointment of M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018), as the Statutory Auditors of the Company for a term of five (5) consecutive years, from the conclusion of the 49th AGM till the conclusion of the 54th AGM of the Company pursuant to Section 139 of the Companies Act and Rules framed thereunder on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors, as set out in the resolution included in the Notice convening the AGM of the Company for the approval of the Members.

The Board of Directors places on record its appreciation for the services rendered by M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No 104607W/W100166), as the Statutory Auditors of the Company.

b. Cost Auditor

In accordance with Section 148 of the Act and Rules framed thereunder, the cost audit records are maintained by the Company in respect of the products which are required to be audited. Your Directors, on the recommendation of the Audit Committee, appointed Mr. G. Thangaraj, Cost Accountant, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2023. Mr. G. Thangaraj, Cost Accountant, has under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of his eligibility and consent for the appointment.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors have to be ratified by the Members of the Company. Accordingly, an appropriate resolution forms part of the Notice convening the AGM. The Board of Directors seeks your support in approving the proposed remuneration of ₹1,50,000/- (Rupees one lakh fifty thousand only) plus taxes and out of pocket expenses at actuals payable to the Cost Auditor for the financial year ending March 31, 2023. Mr. G. Thangaraj, Cost Accountant, has vast experience in the field of cost audit and has conducted an audit of the cost records of the Company for the past several years.

c. Secretarial Auditor

In accordance with Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, 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 March 31, 2022. The Secretarial Audit Report for the financial year ended March 31, 2022, in Form No. MR-3 is set out in Annexure 6 of this Report.

The Board of Directors have also appointed M/s. V. N. Deodhar & Co., Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year 2022-23.

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 March 31, 2022.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There have been no significant and material orders 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.

ANNUAL RETURN

The Annual Return as on March 31, 2022, pursuant to Section 92(3) read with Section 134(3)(a) of the Act, is available on the Company's website, www.sekuritindia.com.

DISCLOSURE REQUIREMENTS

As per Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis Report are attached, which form part of this Report.

As per Regulation 34 of the Listing Regulations, a Business Responsibility Report is attached and is a part of this Annual Report.

The Dividend Distribution Policy of the Company as required under the Listing Regulations was adopted to set out the parameters and the circumstances that will be taken into account by the Board of Directors in determining the distribution of dividend to its shareholders. The policy is annexed as Annexure 7 of this Report and is also available on the Company's website, www.sekuritindia.com.

Your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by The Institute of Company Secretaries of India and that such systems are adequate and operating effectively.



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 cooperation from its employees, Bankers and the loyalty of the Company's Dealers, Suppliers and valued Shareholders.

On behalf of the Board of Directors

B. Santhanam
Director
DIN 00494806

Venugopal Shanbhag
Managing Director
DIN 08888359

Chennai, May 20, 2022

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 ISO 45001:2018. 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 effectiveness & upgradation of the furnace for Light Commercial Vehicles.
Benefit: To cater to an increased and wider product segment and categories.
- ii. Area: Developing new light weight glazing's and acoustic windscreens.
Benefit: To improve the customer experience inside the vehicle by reducing the heat absorption inside the vehicle and acoustic windscreens to reduce the noise inside the driver cabin for commercial vehicles.

2. Future plans of action:

- i. Upgrade the Industrial Vehicle furnace for heavy commercial segment.
- ii. Enhance the operational effectiveness through process and equipment upgradations.

3. Expenditure on R&D for the year ended March 31, 2022:

| | |
|---------------|-----------|
| | (₹ lakhs) |
| i) Capital | Nil |
| ii) Recurring | 255.13 |
| iii) Total | 255.13 |

C. Foreign exchange earnings and outgo:

Total earnings in foreign exchange : ₹ 61.19 lakhs.

Total outgo in foreign exchange : ₹ 1775.30 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

1. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2021-22 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 March 31, 2022 | Ratio of remuneration of each director to median remuneration of employees |
|---------|---|--|--|
| 1. | Mr. Padmanabha Shetty ^ Chairman, Non-Executive Independent Director | (4%) | >1 |
| 2. | Mr. Joseph Andrew Jude Pereira @^ Chairman, Non-Executive Independent Director | (4%) | >1 |
| 3. | Ms. Padmasudha Chandrasekhar Non-Executive Independent Director | (20%) | >1 |
| 4. | Mr. Manigandann R.* Chief Financial Officer | 18% | Not Applicable |
| 5. | Ms. Rukmini Subramanian ** Company Secretary | Not Applicable | Not Applicable |
| 6. | Mr. Girish T. Shajani** Company Secretary | Not Applicable | Not Applicable |

^ Retired with effect from May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director.

@^ Appointed as a chairman of the Board of Directors with effect from May 21, 2022.

* on secondment from group company.

part of the year.

2. The percentage increase in the remuneration of median employee in the financial year 2021-22 was around 13.5% (it is higher because of higher incentives). 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.
3. Number of permanent employees of the Company as on March 31, 2022 : 94
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2021-22 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 7.1% and for Key Managerial Personnel is around 9%, higher increase is mainly due to performance based compensation.
 - The average increase in remuneration is in line with market trends.
5. 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. L Muthupandi | 42 | Team Leader - Maintenance | 27.23 | BE - Electrical & Electronics | February 28, 2014 | 20 | Dy Manager - Lear Automotives India Ltd |
| Mr. Vivek G | 40 | Team Leader - Operations | 26.33 | MBA - Management | May 2, 2018 | 18 | Team Leader - Tempered - Saint Gobain India Pvt. Ltd |
| Mr. Parag Jayawant Jambhulkar | 44 | Team Leader - Project Management | 22.90 | BE - Mechanical | November 3, 2014 | 20 | Team Manager - Projects - Saint Gobain Glass India Ltd |
| Mr. Prasad Nagesh Dandane | 45 | Team Leader -Quality | 22.80 | MBA - Operations | August 1, 2017 | 21 | Manager - Varroc Polymers Pvt. Ltd |
| Mr. Rakesh Kumar Sahu | 36 | Key Accounts Manager | 19.60 | MBA - Marketing | August 2, 2014 | 13 | Manager- Marketing - Mindasai Limited |
| Mr. Dharmesh Kumar Singh | 39 | Team Leader - Finance | 18.80 | CWA | September 2, 2020 | 12 | Team Leader - Finance Saint Gobain India Pvt. Ltd |
| Ms. Sweety Shah | 38 | Team Member - Human Resource | 18.00 | MBA - Human Resource | August 16, 2016 | 14 | Atul Limited |
| Mr. Chandrakant Natha Katpale | 56 | Team Leader – Manufacturing | 17.27 | MBA - Production | November 9, 1990 | 34 | Megasoft Micro Controls Pvt. Ltd. |
| Mr. Rajesh Wamanrao Manekar | 52 | Team Leader - EHS | 15.50 | MIRPM - HR / Industrial Relations | February 25, 2004 | 28 | Ambuja Cement |
| Mr. Digamber Krishnajirao Dattasamje | 49 | Team Leader - Tool Room (Laminated) | 15.30 | BE / B. Tech - Mechanical | June 18, 2012 | 24 | Head Tool Room Bahubali Electronics Pvt. Ltd. |

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:

1. **Details of contracts or arrangements or transactions not at arm's length basis** - Not applicable
2. **Details of material contract or arrangement or transactions at arm's length basis during financial year ended March 31, 2022:**

| 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 (₹ crores) | Date(s) of approval by the board / audit committee | Amounts paid as advance, if any | Date on which resolution was passed in general meeting |
|---------|---|--|--|--|--|---------------------------------|--|
| 1. | Saint-Gobain India Private Limited, fellow subsidiary | Purchase of goods | Ongoing basis | 55.00 | February 4, 2022 | Nil | July 29, 2021 |
| | | Services received | Ongoing basis | 5.00 | | Nil | |
| | | Services rendered | Ongoing basis | 5.00 | | Nil | |
| | | Sale of goods | Ongoing basis | 55.00 | | Nil | |

On behalf of the Board of Directors

B. Santhanam
Director
DIN 00494806

Venugopal Shanbhag
Managing Director
DIN 08888359

Chennai, May 20, 2022



ANNEXURE 5

CORPORATE SOCIAL RESPONSIBILITY POLICY

As a part of the Saint-Gobain Group, Saint-Gobain Sekurit India Ltd (“SGSIL”) 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 and this strategy is guided by the Saint-Gobain purpose of “MAKING THE WORLD A BETTER HOME”. CSR impacts every aspect of how it conducts its business and is far more than philanthropy.

Saint-Gobain’s Corporate Social Responsibility Policy for India 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

Within 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 action across the value chain to limit its impact on the environment and to spread good business practices.

Scope:

SGSIL is committed to spend the amount as prescribed under section 135 Companies Act, 2013 (“Act”) , in the activities specified in Schedule VII of the said Act and Rules framed thereunder.

Governance mechanism:

SGSIL’s CSR Policy is framed and governed by the Board of Directors of the Company. The Board has constituted the CSR Committee comprising an Independent Chair to monitor the policy and the programs from time to time and to ensure that they are in line with the Companies Act, 2013, and the Rules framed thereunder. Every year, the CSR committee will place the CSR programmes to be carried out during the financial year, along with any recommendations, for the approval of the Board of Directors. The Board will consider and approve the CSR plan. The Board may also modify the CSR plan during the financial year based on the recommendation of the CSR Committee. The CSR Committee is responsible for reviewing all such programs on a periodical basis and submitting reports to the Board for review. The progress monitoring and review mechanism will be aligned with the Companies Act, 2013.

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 - a non-profit company promoted by Saint-Gobain group in India- for implementing CSR initiatives or any other trust or foundation who have competencies in implementation of the identified CSR activities.

Impact Assessment:

The CSR programmes will be monitored to ensure the objectives are achieved and an impact assessment where required by the Act will be carried out and the same will form part of the CSR Report of the Company.

CSR Expenditure:

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

The provisions of this CSR policy is subject to revision/amendments by the CSR Committee and the Board of Directors in accordance with provisions of the Act and Rules made thereunder.

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

1. Brief outline on CSR Policy of the Company:

As a part of the Saint-Gobain Group, Saint-Gobain Sekurit India Ltd (“SGSIL”) 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 and this strategy is guided by the Saint-Gobain purpose of “MAKING THE WORLD A BETTER HOME”. CSR impacts every aspect of how it conducts its business 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 policy and details of the programme are available on the website of the Company, www.sekuritindia.com.

2. Composition of CSR Committee:

| Sl. No. | Name | Category | Number of meetings during the year 2021-22 | |
|---------|----------------------------------|----------------------------|--|----------|
| | | | Held | Attended |
| 1. | Mr. Padmanabha Shetty (Chairman) | Independent, Non-Executive | 1 | 1 |
| 2. | Mr. Joseph Andrew Jude Pereira | Independent, Non-Executive | 1 | 1 |
| 3. | Mr. Venugopal Shanbhag | Executive | 1 | 1 |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR project approved by the board are disclosed on the website of the Company.

Composition of CSR committee, CSR Policy and CSR Projects - <https://www.sekuritindia.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

The Company has been conducting internal impact assessments to monitor and evaluate the CSR projects undertaken by the Company. The average CSR obligation limit as stated in the said Rules does not apply to the Company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

(₹ lakhs)

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in ₹) | Amount required to be setoff for the financial year, if any (in ₹) |
|---------|----------------|--|--|
| | - | - | - |

6. Average net profit of the Company as per section 135(5): ₹ 1,865 lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 37.31 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b7c): ₹ 37.31 lakhs

8. (a) CSR amount spent or unspent for the financial year:

(₹ lakhs)

| Total Amount Spent for the Financial Year (in ₹) | Amount unspent (in ₹) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the fund | Amount | Date of transfer |
| 37.69 | Nil | - | - | Nil | - |


(b) Details of CSR amount spent against ongoing projects for the financial year

| 1 Sl. No. | 2 Name of the Project* | 3 Item from the list of activities in schedule VII to the Act | 4 Local Area (Yes / No) | 5 Location of the Project | | 7 Amount allocate for the project (in ₹) | 8 Amount spent in the current financial year (in ₹) | 9 Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹) | 10 Mode of implementation - Direct (Yes/No) | 11 Mode of implementation - Through implementing agency | |
|----------------|---------------------------|--|----------------------------|------------------------------|----------|---|--|---|--|--|----------------------|
| | | | | State | District | | | | | Name | CSR Registration No. |
| Not Applicable | | | | | | | | | | | |

(c) Details of CSR amount spent against other than ongoing projects for the financial year

(₹ lakhs)

| 1 Sl. No. | 2 Name of the Project* | 3 Item from the list of activities in schedule VII to the Act | 4 Local Area (Yes / No) | 5 Location of the Project | | 6 Amount spent for the project (in ₹)* | 7 Mode of implementation - Direct (Yes/ No) | 8 Mode of implementation - Through implementing agency | |
|--------------|---------------------------|--|----------------------------|------------------------------|-----------------|---|--|---|----------------------|
| | | | | State | District | | | Name | CSR Registration No. |
| 1. | Promotion of Education | (ii) | Yes | Maharashtra | Mumbai and Pune | 37.69 | No | Saint-Gobain India Foundation | CSR00003464 |
| Total | | | | | | 37.69 | | | |

* is rounded off to the nearest rupee.

Details of a few of the Programs (near the Company's offices or sites) undertaken through the Saint-Gobain India Foundation:

- Akanksha Foundation is an NGO that works primarily in the field of education of underprivileged children through Akanksha Schools. Akanksha adopts, manages and operates government schools in Mumbai. Saint-Gobain India Foundation supported 379 students of Natwar Nagar Mumbai Public School for 2021-22.
- Nanhi Kali project of KC Mahindra Foundation, this program aims at preventing dropouts amongst girl children and support supplementary education for girl students in government schools. Saint-Gobain India Foundation supports 500 girl children from government schools near Pune.

(d) Amount spent in Administrative Overheads: Nil
(e) Amount spent on Impact Assessment, if applicable: Nil
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 37.69 lakhs
(g) Excess amount for set off, if any

(₹ lakhs)

| Sl. No. | Particulars | Amount |
|---------|---|--------|
| (i) | Two percent of average net profit of the Company as per section 135(5) | 37.31 |
| (ii) | Total amount spent for the financial year | 37.69 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 0.38 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.38 |

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(₹ lakhs)

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any (in ₹) | | | Amount remaining to be spent in succeeding financial years |
|----------------|--------------------------|--|---|---|---------------|------------------|--|
| | | | | Name of the Fund | Amount (in ₹) | Date of transfer | |
| Not Applicable | | | | | | | |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|----------------|------------|---------------------|---|------------------|---|--|---|---|
| Sl. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in `) | Amount spent on the project in the reporting Financial Year (in `) | Cumulative amount spent at the end of reporting Financial Year (in `) | Status of the project Completed / Ongoing |
| Not Applicable | | | | | | | | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s): None
- (b) Amount of CSR spent for creation or acquisition of capital asset: Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):
Not Applicable

For **Saint-Gobain Sekurit India Limited**

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

Venugopal Shanbhag
Managing Director
DIN 08888359

Manigandann R.
Chief Financial Officer

Padmanabha Shetty
Chairman
DIN 00433761

Chennai, May 20, 2022



ANNEXURE 6

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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 410 501

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 March 31, 2022 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 March 31, 2022 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
- (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) Auditing Standards issued by The Institute of Company Secretaries of India and
- (iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.,**
Company Secretaries

V.N.Deodhar

Prop.

FCS No.1880

C.P. No.898

UDIN: F001880D000352791

Mumbai, May 20, 2022

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 Limited

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 ofAccounts 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.,**
Company Secretaries

V.N.Deodhar

Prop.

FCS No.1880

C.P. No.898

UDIN: F001880D000352791

Mumbai, May 20, 2022



ANNEXURE 7

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy (“the policy”) establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company.

1. Objective:

The Objective of the policy is to appropriately reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company. The Company would ensure that the right balance is maintained between dividend payout and amount of profit to be retained for utilisation in the business.

2. Parameters for declaration of Dividend:

2.1 In line with the objective, the Board of Directors of the Company shall consider the following internal and external factors before declaring or recommending dividend to the shareholders:

- Profit earned during the financial year
- Retained earnings
- Capital expenditure requirements
- Operating cash flows and treasury position
- Cash Retention for contingencies of an exceptional amount
- Acquisitions or new investments requiring higher allocation of capital
- Higher working capital requirements affecting free cash flow
- External economic environment
- Legal and regulatory framework

The Board may declare interim dividend as and when they consider it fit, and recommend final dividend to the shareholders for their approval in the general meeting of the Company.

2.2 Circumstances under which dividend payout may or may not be expected:

The Board shall consider the factors provided above under para 2.1, before determination of any dividend payout after analyzing the prospective opportunities and threats, viability of the options of dividend payout or retention etc. The decision of dividend payout shall, mainly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

2.3 Manner of utilization of Retained earnings:

The Board may retain earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on expansion plan, diversification, long term strategic plans or other such criteria as the Board may deem fit from time to time.

2.4 Parameters adopted with regard to various classes of shares:

At present, the issued and paid-up share capital of the Company comprises only equity shares. As and when the Company issues other kind of shares, the Board of Directors may suitably amend this Policy

3. Disclosure:

The Company shall make appropriate disclosures as required under the SEBI Regulations and the Companies Act.

4. General

The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy. This policy shall be subject to revision /amendment in accordance with the relevant regulatory frame work. In case of inconsistency between the revision/amendment under regulatory frame and the provisions of this policy, then such revision/amendment shall prevail.

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 44.16 billion in 2021. Saint-Gobain’s businesses fall into 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 section.

BUSINESS ENVIRONMENT

Post COVID-19 second wave, there was a quick recovery and an increase in demand commenced from the second quarter of the financial year 2021-22. However, the surging cases of Omicron variant and the fear of a fresh wave made it imperative that we remain vigilant and continue with all the safety protocols followed to prevent the spread of the disease.

The recovery of the economy and continued growth across all sectors generated a good demand for commercial vehicles. The smaller commercial vehicle production was affected by the component shortages and supply chain disruptions during 2021-22. The 3 wheeler demand remained subdued due to a lack of preference for shared mobility and the prolonged closure of schools and offices in the Metros. Global auto production continues to be impacted by the semi-conductor shortage and we are unlikely to be insulated from this shortage in 2022.

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, ISO 45001:2018 and IATF 16949 First edition 2016-10-01.

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 one major player and two other small players mainly for 3 wheelers, other than SGSIL, supplying to the OEMs. There are, however, a number of smaller players and imports in the Replacement Market. In the OEM segment, the Vehicle production has bounced back, but our sales have grown faster indicating market share gain as well as an impact of Added Value Products.

Broad Characteristics of the business :

- Significant entry barrier in the form of high capital investment
- Complete dependency on the auto section
- Key success factors are quality, cost, capability to supply windshield to the OEMs and to the replacement market.
- Stringent contractual obligations with the OEMs

Development, Outlook, Risks and Concerns:

The sales growth expected to continue in 2022-23 and we need to react to the ever-increasing customer demands across all segments. New investments to add capacities in Laminated glass at Chakan needs to follow the frugal approach. Projects to improve our quality control and productivity will also be given priority.

Besides normal business risks, in a rapidly changing world environment, risks associated with the 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 mitigation measures wherever warranted or necessary. Actions on Sustainability will continue to take center stage along with projects on Energy consumption, Green energy, reduced water consumption, zero non-recovered waste etc.



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 is 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 with all applicable laws and is committed to the 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 increased by 44% and the profit before tax increased by 303% (excluding exceptional income, the increase in profit before tax is 118%), the increase in sales is due to relaxation in COVID norms and market recovery across all segments as compared to the previous financial year 2020-21. As the year progressed with higher demand, the profit of the Company increased significantly. The Company continues to work on productivity improvement and cost efficient methods in running the business.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS ALONG WITH DETAILED EXPLANATION

The increase in interest coverage ratio was 221% (without considering the exceptional gains), mainly due to reduction in the bank charges and higher sales for the financial year ended March 31, 2022.

Return on Net worth increased by 36% (without considering the exceptional gains) mainly due to higher sales for the financial year ended March 31, 2022.

Net Profit Margin was increased by 20% (without considering the exceptional gains) for the financial year ended March 31, 2022, these changes are mainly due to higher sales.

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 is 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 the 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 standard 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:

As on March 31, 2022, the Company has six Directors. Of the six Directors, five are Non-Executive Directors out of which three are Independent Directors. The Chairman of the Board is an Independent, Non-Executive Director.

The Board has an optimal mix of professionalism, knowledge and experience. The composition of the Board is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The number of Directorship(s), committee membership(s)/chairmanship(s) of all the Directors is within the respective limits prescribed under the Companies Act, 2013 ("Act") and the Listing Regulations. Necessary disclosures regarding committee positions in other public companies as on March 31, 2022, have been made by the Directors. None of the Directors are related to each other. The Company has received a certificate from M/s. V. N. Deodhar & Co., Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

All the Independent Directors have confirmed that they meet the criteria and fulfill the conditions as mentioned under Regulation 16 of the Listing Regulations and Section 149 of the Companies Act, 2013 ("Act"). In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. The maximum tenure of the Independent Director is in compliance with the Act. Independent Directors do not hold office as an Independent Director in more than seven listed companies. The terms and conditions of appointment/re-appointment of Independent Directors and details of the familiarisation programme imparted to Independent Directors are also available on the website of the Company, www.sekuritindia.com.

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:

May 14, 2021; July 29, 2021; October 29, 2021 and February 4, 2022.

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 Board of Directors accepted all the recommendations made by the Committees of the Board during the financial year. The Audit Committee periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company. During the year, a separate meeting of the Independent Directors was held on February 4, 2022. All Independent Directors attended the meeting.



The names and category of the Directors, their attendance at Board meetings held during the year and number of Directorships, names of the listed entities, category of directorship and committee chairmanships/memberships held by them in other public and private companies as on March 31, 2022 and details pertaining to the Director(s) retired and appointed effective May 21, 2022, are also given below:

| Name of the Director | Category | Number of Board Meeting during the year 2021-22 | | Whether attended last AGM held on July 29, 2021 | 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 [^] (Chairman) DIN 00433761 | Independent, Non-Executive | 4 | 4 | Yes | 1 | 1 | 1 | 1 |
| Mr. Joseph Andrew Jude [@] Pereira (Chairman) DIN 01843592 | Independent, Non-Executive | 4 | 4 | Yes | 2 | - | 2 | - |
| Ms. Padmasudha Chandrasekhar DIN 01843592 | Independent, Non-Executive | 4 | 4 | Yes | 1 | - | - | - |
| Ms. Isabelle Delphine Hoepfner [@] DIN 08598846 | Promoter, Non-Executive | 4 | 1 | Yes | 1 | - | - | 1 |
| Mr. B. Santhanam DIN 00494806 | Promoter, Non-Executive | 4 | 4 | Yes | 3 | 4 | 1 | 3 |
| Mr. Deepak Chindarkar [~] DIN. 03573562 | Non-Executive | 4 | 1 | NA | 1 | 5 | - | 1 |
| Mr. Manigandann R ^{^^} DIN 0009604558 | Executive | NA | NA | NA | 1 | - | - | - |
| Mr. Venugopal Shanbhag (Managing Director) DIN 08888359 | Executive | 4 | 4 | Yes | 1 | - | - | 2 |

Video/tele-conferencing facilities are also used to facilitate Directors to participate in the meetings.

Excluding foreign companies and companies under Section 8 of the Act.

* The information related to committee positions held as stated above, pertains to the audit committee and stakeholders relationship committee in accordance with the provisions of Regulation 26 of the Listing Regulations.

Directorships in listed entities

The details of other listed entity(ies), where the Director of the Company is a director as on March 31, 2022, their field of expertise and category of directorships are given below:

| Name of the Director | Expertise in | Category | Names of the Listed Entities where Directorship held |
|---|--|--|---|
| Mr. Padmanabha Shetty [^] (Chairman) DIN 00433761 | Law, Banking and Finance | • Independent, Non-Executive | • Saint-Gobain Sekurit India Limited |
| Mr. Joseph Andrew Jude Pereira [@] (Chairman) DIN 01843592 | Finance, HR, Corporate Services | • Independent, Non-Executive • Independent, Non-Executive | • Saint-Gobain Sekurit India Limited • Walchand Peoplefirst Ltd |
| Ms. Padmasudha Chandrasekhar DIN 01843592 | Technology, Sales and Marketing | • Independent, Non-Executive | • Saint-Gobain Sekurit India Limited |
| Mr. B. Santhanam DIN 00494806 | Business Strategy, Engineering, General Management, Operations, Information Technology, Manufacturing, Marketing Management and Project Management | • Executive • Independent, Non-Executive • Non-Executive | • Grindwell Norton Limited • Titan Company Limited • Saint-Gobain Sekurit India Limited |

| Name of the Director | Expertise in | Category | Names of the Listed Entities where Directorship held |
|--|---|-----------------|--|
| Mr. Deepak Chindarkar [~] DIN 03573562 | Finance, Information Technology, Finance Strategy | • Non-Executive | • Saint-Gobain Sekurit India Limited |
| Mr. Manigandann R ^{**} DIN 0009604558 | Finance, Finance Strategy | • Executive | • Saint-Gobain Sekurit India Limited |
| Mr. Venugopal Shanbhag (Managing Director) DIN 08888359 | Management, Sales, Operations | • Executive | • Saint-Gobain Sekurit India Limited |

[^] Retired with effect from May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director.

[@] Appointed as a chairman of the Board of Directors with effect from May 21, 2022.

[@] Relinquished the position of Non-Executive Director with effect from close of business hours of December 27, 2021, due to other professional commitments.

[~] Appointed as an Additional, Non-Executive Director with effect from December 28, 2021.

^{**} Appointed as an Additional Director and Whole-Time Director with effect from May 21, 2022.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

- Cultural fit and personal values; Vision and strategic management; Change management and ability to influence change.
- An impeccable reputation of integrity, deep expertise, insights and complementary skills.

3. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The audit committee is constituted in line with the provision of Section 177 of the Act and Regulation 18 of the Listing Regulations.

Terms of Reference:

- 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 statements and the auditors' report thereon.
- To approve transactions of the Company with related parties and any subsequent modification thereof.
- To scrutinize 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 utilisation 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 statements 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 statements 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:



- 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 Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - 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 thereon.
 - 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 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.
 - To seek information and have direct access to any employees, Directors, Key Managerial Personnel to perform its functions effectively.
 - To secure attendance of outsiders with relevant expertise, if it is considered necessary.
 - To invite such of the executives as it considers appropriate to be present at the meetings, but on occasion may also meet without the presence of any executives of the Company.
 - To review the appointment, removal and terms of appointment of Chief Internal Auditor.
 - The Committee shall also conduct an annual review of the adequacy of the Terms of Reference and recommend any proposed changes to the Board for approval.

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 2021-22 | |
|--|----------------------------|--|----------|
| | | Held | Attended |
| Mr. Joseph Andrew Jude Pereira (Chairman) | Independent, Non-Executive | 4 | 4 |
| Mr. Padmanabha Shetty [^] | Independent, Non-Executive | 4 | 4 |
| Ms. Padmasudha Chandrasekhar ^{^^} | Independent, Non-Executive | - | - |
| Mr. Venugopal Shanbhag | Executive | 4 | 4 |

[^] Retired with effect from May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director.

^{^^} Appointed as a member of the committee with effect from May 21, 2022.

Mr. Joseph Andrew Jude Pereira, Independent, Non-Executive Director, is the Chairman of the Committee. He is 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. Xavier's 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, Internal Auditor and the 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 July 29, 2021.

Meetings of the Audit Committee:

During the year ended March 31, 2022, four audit committee meetings were held. The dates on which the said meetings were held are as follows:

May 14, 2021; July 29, 2021; October 29, 2021 and February 4, 2022.

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 2021-22 | |
|---|----------------------------|--|----------|
| | | Held | Attended |
| Mr. Joseph Andrew Jude Pereira [@] (Chairman) | Independent, Non-Executive | 1 | 1 |
| Ms. Padmasudha Chandrasekhar ^{^^} (Chairperson) | Independent, Non-Executive | - | - |
| Mr. Padmanabha Shetty [^] | Independent, Non-Executive | 1 | 1 |
| Mr. B. Santhanam | Promoter, Non-Executive | 1 | 1 |

[@] Ceased to be a chairman of the committee with effect from May 21, 2022.

^{^^} Appointed as a chairperson of the committee with effect from May 21, 2022.

[^] Retired with effect from May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director.



Meetings of the Nomination and Remuneration Committee:

One meeting of the nomination and remuneration committee was held during the year on February 4, 2022.

Nomination and Remuneration Policy:

In accordance with Section 178 of the Act, the committee has framed a nomination and remuneration policy and same is set out as Annexure 3 to the Board's Report.

Performance evaluation criteria for Independent Directors:

The Board of Directors, on 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 the execution of specific duties, quality, deliberation at the meeting, independence of judgement, 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 Director's sitting fees and commission, the Non-Executive Directors of the Company do not have any pecuniary relationships or transactions with the Company. Mr. B. Santhanam and Mr. Deepak Chindarkar, 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 March 31, 2022 are given below:

Executive Directors:

Mr. Venugopal Shanbhag, Managing Director of the Company does not draw remuneration from the Company.

Service contracts, notice period, severance fees:

The appointment of Executive Directors is by virtue of their employment with the Company as management employees and therefore, their terms of employment are governed by the applicable policies at the relevant point in time.

Stock Options:

Presently, the Company does not have a scheme for grant of stock options either to the Managing Director or to any other employees.

Non-Executive Directors:

The Non-Executive Directors other than the nominee directors of CSG are paid sitting fees of ₹ 50,000 per meeting for Board and audit committee and ₹ 30,000 for its other committees.

The details of sitting fees (paid) and commission (payable) to Non-Executive Directors are as follows:

(₹ lakhs)

| Name | Sitting Fees |
|------------------------------------|--------------|
| Mr. Padmanabha Shetty [^] | 5.80 |
| Mr. Joseph Andrew Jude Pereira | 5.20 |
| Ms. Padmasudha Chandrasekhar | 2.00 |

[^] Retired with effect from May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director.

Equity Shares held by Non-Executive Directors:

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

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 2021-22 | |
|---|----------------------------|--|----------|
| | | Held | Attended |
| Mr. Padmanabha Shetty [^] (Chairman) | Independent, Non-Executive | 2 | 2 |
| Mr. Joseph Andrew Jude Pereira [@] (Chairman) | Independent, Non-Executive | - | - |
| Ms. Isabelle Delphine Hoepfner [@] | Promoter, Non-Executive | 2 | - |
| Mr. Deepak Chindarkar [~] | Independent, Non-Executive | 2 | - |
| Mr. Venugopal Shanbhag | Executive | 2 | 2 |

[^] Retired with effect from May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director.

[@] Appointed as a chairman of the committee with effect from May 21, 2022.

[@] Relinquished the position of Non-Executive Director with effect from close of business hours of December 27, 2021, due to other professional commitments.

[~] Appointed as a member of the committee with effect from December 28, 2021.

Meetings of the Stakeholders Relationship Committee:

During the year ended March 31, 2022, two stakeholders relationship committee meetings were held. The dates on which the said meetings were held are as follows:

May 14, 2021 and October 29, 2021.

Necessary quorum was present for all the meetings.

Mr. Girish T. Shajani, Company Secretary also functions as the Compliance Officer.

Details of investor complaints received and redressed during the year 2021-22 are as follows:

| Opening balance | Received during the year | Resolved during the year | Closing balance |
|-----------------|--------------------------|--------------------------|-----------------|
| 0 | 1 | 1 | 0 |

D. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) COMMITTEE

The CSR committee is constituted in line with the provision of Section 135 of the Act. The committee has an independent chair to monitor the CSR policy and programs and to ensure that they are in line with the Act and Rules framed thereunder. The CSR policy and initiatives taken during the year are set out as Annexure 5 to the Board’s Report and also disseminated through the website of the Company, www.sekuritindia.com.



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 2021-22 | |
|---|----------------------------|--|----------|
| | | Held | Attended |
| Mr. Padmanabha Shetty [^] (Chairman) | Independent, Non-Executive | 1 | 1 |
| Mr. Joseph Andrew Jude Pereira [@] (Chairman) | Independent, Non-Executive | 1 | 1 |
| Ms. Padmasudha Chandrasekhar ^{^^} | Independent, Non-Executive | - | - |
| Mr. Venugopal Shanbhag | Executive | 1 | 1 |

[^] Retired with effect from May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director.

[@] Appointed as a chairman of the committee with effect from May 21, 2022.

^{^^} Appointed as a member of the committee with effect from May 21, 2022.

Meeting of the Corporate Social Responsibility Committee:

One meeting of the CSR committee was held during the year on May 14, 2021.

E. RISK MANAGEMENT COMMITTEE

The risk management committee is constituted in line with the Regulation 21 of the Listing Regulations. The committee has formulated risk management policy of the Company which is integrated with internal control system in line with the Saint-Gobain internal control and risk management system. The broad framework of the committee is to identify and analyse main identifiable risk, control activities proportionate to the risks, oversee cybersecurity, communication and implementation, and on-going monitoring and a regular review of the process.

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 2021-22 | |
|---|----------------------------|--|----------|
| | | Held | Attended |
| Mr. Padmanabha Shetty [^] (Chairman) | Independent, Non-Executive | 2 | 2 |
| Mr. Joseph Andrew Jude Pereira [@] (Chairman) | Independent, Non-Executive | 2 | 2 |
| Ms. Padmasudha Chandrasekhar ^{^^} (Chairperson) | Independent, Non-Executive | - | - |
| Mr. Venugopal Shanbhag | Executive | 2 | 2 |

[^] Retired with effect from May 21, 2022 and there were no other material reasons for relinquishing the position of Independent Director.

[@] Appointed as a chairman of the committee with effect from May 21, 2022.

^{^^} Appointed as a member of the committee with effect from May 21, 2022.

Meeting of the Risk Management Committee:

During the year ended March 31, 2022, two risk management committee meetings were held. The dates on which the said meetings were held are as follows:

October 29, 2021 and February 4, 2022.

F. SHARE TRANSFER COMMITTEE

The Company has reconstituted a Share Transfer Committee with effect from May 21, 2022 comprising of Mr. Joseph Andrew Jude Pereira as the Chairman and Mr. B. Santhanam and Mr. Venugopal Shanbhag as members.

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.

G. SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the independent directors was held on February 4, 2022, 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 |
|----------------------------------|---|---|
| August 4, 2019 at 11:00 a.m. IST | Courtyard by Marriot, Plot P-7, MIDC, Chakan Industrial Area, Phase-1, Khalumbre, Pune 410501 | Yes Reappointment of Mr. Padmanabha Shetty as Independent Director Mr. Padmanabha Shetty as an Independent Director for the second term of five consecutive years commencing from July 18, 2019 Appointment of Mr. Joseph Andrew Jude as Independent Director Mr. Joseph Andrew Jude Pereira as an Independent Director for a term of five consecutive years from May 9, 2019 |
| July 25, 2020 at 11:00 a.m. IST | through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") | None |
| July 29, 2021 at 11:00 a.m. IST | through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") | None |

b. Postal Ballot: No Postal Ballot was conducted during the year 2021-22.

5. MEANS OF COMMUNICATION

Quarterly Financial Results and Publications:

The unaudited quarterly, unaudited half-yearly and audited annual financial results are approved by the Board of Directors and published in Business Standard and Navshakti.

The results are also displayed on the website of the Company, 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") through VC/OAVM:

Day & Date : Monday, August 8, 2022

Time : 11:00 a.m. IST

(b) Financial Year:

The Company's financial year begins on April 1 and ends on March 31 every year.

Calendar of Financial Results for 2022-23:

- | | | |
|---|---|------------------------|
| (i) First Quarter Results | : | July/August, 2022 |
| (ii) Half-yearly Results | : | October/November, 2022 |
| (iii) Third Quarter Results | : | January/February, 2023 |
| (iv) Results for the year ending March 31, 2023 | : | April/May, 2023 |

(c) Date of Book Closure:

Tuesday, August 2, 2022 to Monday, August 8, 2022 (both days inclusive).

(d) Date of payment of Dividend:

The dividend, if approved by the Members, shall be paid/credited on or from Friday, August 12, 2022.



(e) Listing on Stock Exchange(s):

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

The annual listing fees of BSE has been paid for the year 2022-2023.

(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 and Year | BSE | | S&P BSE Sensex | |
|-----------------|----------|---------|----------------|----------|
| | High (₹) | Low (₹) | High | Low |
| April, 2021 | 67.25 | 60.90 | 50029.83 | 47705.80 |
| May, 2021 | 75.40 | 63.30 | 51937.44 | 48253.51 |
| June, 2021 | 73.95 | 64.25 | 52925.04 | 51849.48 |
| July, 2021 | 78.55 | 64.70 | 53158.85 | 52198.51 |
| August, 2021 | 66.60 | 58.45 | 57552.39 | 52950.63 |
| September, 2021 | 66.75 | 59.90 | 60077.88 | 57338.21 |
| October, 2021 | 67.15 | 62.00 | 61765.59 | 58765.58 |
| November, 2021 | 74.50 | 65.10 | 60718.71 | 57064.87 |
| December, 2021 | 99.55 | 69.10 | 58807.13 | 55822.01 |
| January, 2022 | 105.40 | 88.55 | 61308.91 | 57200.23 |
| February, 2022 | 94.15 | 73.20 | 59558.33 | 54529.91 |
| March, 2022 | 83.35 | 74.00 | 58683.99 | 52842.75 |

(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 224918 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 June 8, 2018, amended Regulation 40 of Listing Regulations, pursuant to which after April 1, 2019, transfer of securities could not be processed unless the securities are held in dematerialized form with a depository. Pursuant to SEBI Circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal /exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

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 March 31, 2022:

| Category | Number of Shares | Percentage |
|---------------------------------------|-------------------|---------------|
| Foreign Promoters | 43,969,785 | 48.26 |
| Indian Promoters | 24,359,490 | 26.75 |
| Financial Institutions/Banks | 3,400 | 0.00 |
| Mutual Funds | 1,300 | 0.00 |
| Non Resident Indians | 276,579 | 0.30 |
| Domestic Companies, Trusts and others | 2,827,298 | 3.10 |
| Resident Individuals | 19,667,848 | 21.59 |
| Total | 91,105,700 | 100.00 |

(l) Distribution of Shareholdings:

| Holding | Shareholders | | Shares | |
|------------------|--------------|------------|------------|------------|
| | Number | Percentage | Number | Percentage |
| Upto 250 | 15,523 | 62.59 | 1,538,226 | 1.70 |
| 251 to 500 | 4,397 | 17.73 | 1,793,662 | 1.97 |
| 501 to 1000 | 2,493 | 10.05 | 2,105,947 | 2.31 |
| 1001 to 5000 | 1,954 | 7.88 | 4,559,573 | 5.00 |
| 5001 to 10000 | 239 | 0.96 | 1,797,147 | 1.97 |
| 10001 to 100000 | 181 | 0.73 | 4,326,157 | 4.75 |
| 100001 and above | 14 | 0.06 | 74,984,988 | 82.30 |

(m) Dematerialisation of shares and liquidity:

98.96% of the paid-up capital are held in dematerialised form as on March 31, 2022.

(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 March 31, 2022, 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'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. The Company does not have direct exposure to Commodity risk and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

(p) Credit Ratings:

During the year, the Company has not issued any debt instruments or accepted any public Deposit.

(q) Preferential Allotment or Qualified Institutions placement:

The Company has not made any preferential allotment or qualified institutions placement during the financial year 2021-22.

(r) Fees to Statutory Auditors:

The particulars of payment of Statutory Auditors' Fees, on consolidated basis is given below:

| Particulars | Amount |
|---------------|--------------|
| Audit Fees | 15.00 |
| Tax Audit | 5.00 |
| Certification | 1.85 |
| Total | 21.85 |

(₹ lakhs)



(s) Complaints in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the year, the Company has not received any complaint of sexual harassment.

(t) Plant Location:

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

(u) Address for correspondence:

Saint-Gobain Sekurit India Limited
Plot No. 616 & 617
Village Kuruli, Pune Nashik Road
Chakan, Pune 410 501, 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

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.

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) 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.

(e) Policy for determining 'material' subsidiaries

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

- (f)** The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

8. 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)

9. 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 March 31, 2022.

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, which also includes prevention of Insider Trading.

**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 March 31, 2022.

For **Saint-Gobain Sekurit India Limited**

Venugopal Shanbhag
Managing Director
DIN 08888359

Chennai, May 20, 2022

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 March 31, 2022, 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 March 31, 2022.

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
UDIN: F001880D000352881

Mumbai, May 20, 2022

BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015)

Introduction

Saint-Gobain Sekurit India Limited's commitment to sustainability is based on the values forged over its long history. As a part of the Saint-Gobain Group, Saint-Gobain Sekurit India Limited ("SGSIL") is Committed to sustainable business and has adopted the Group's Corporate Social Responsibility ("CSR") Policy and adapted it to the Indian context.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company:** L26101MH1973PLC018367
- Name of the Company:** Saint-Gobain Sekurit India Limited
- Registered address:** Plot No. 616 & 617, Village Kuruli, Pune-Nashik Road, Chakan, Pune, Maharashtra 410 501, India
- Website:** www.sekuritindia.com
- E-mail id:** sekurit.investors@saint-gobain.com
- Financial Year reported:** April 1, 2021 to March 31, 2022
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

| NIC Code | Product Description |
|----------|--------------------------------|
| 23101 | Manufacture of laminated glass |

- List three key products/ services that the Company manufactures/provides (as in balance sheet):
 - Laminated windshields
- Total number of locations where business activity is undertaken by the Company:**
Number of International Locations: Nil
Number of National Locations: The Company has its registered office and manufacturing plant located at Chakan, Pune.
- Markets served by the Company:** The markets for the Company's products are across India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

| Sr. No. | Particulars | FY 2021-22 (₹ lakhs) |
|---------|--|--|
| 1. | Paid-up Capital | 9,110.57 |
| 2. | Total Turnover | 15,128.65 |
| 3. | Profit after Tax | 4,769.16 |
| 4. | Total Spending on CSR | |
| | i) In ₹ lakhs | 37.69 |
| | ii) As % of average profit of immediately preceding three financial years | 2.02% |
| 5. | List of major activities in which expenditure in 4 above has been incurred | Primarily, education of underprivileged children |

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/Companies?** No
- 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
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in 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/Purchase Charter and Responsible Development.



SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

| Sr. No. | Particulars | Details |
|---------|-------------|------------------------|
| 1. | DIN Number | 08888359 |
| 2. | Name | Mr. Venugopal Shanbhag |
| 3. | Designation | Managing Director |

(b) Details of the BR head

| Sr. No. | Particulars | Details |
|---------|----------------------------|-------------------------------------|
| 1. | DIN Number (if applicable) | 08888359 |
| 2. | Name | Mr. Venugopal Shanbhag |
| 3. | Designation | Managing Director |
| 4. | Telephone number | +91 2135 676 400 |
| 5. | e-mail id | venugopal.shanbhag@saint-gobain.com |

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted following nine areas of Business Responsibility. These, briefly, are as follows

P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3 Businesses should promote the wellbeing of all employees

P4 Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

P5 Businesses should respect and promote human rights

P6 Businesses should respect, protect, and make efforts to restore the environment

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8 Businesses should support inclusive growth and equitable development

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

| Sr. No. | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---------|---|--|----|----|----|----|----|----|----|----|
| 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) | 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? | Yes. | | | | | | | | |
| 5. | Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy? | Yes. | | | | | | | | |

| Sr. No. | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---------|--|--|----|----|----|----|----|----|----|----|
| 6. | Indicate the link for the policy to be viewed online? | Code of Practices and Procedures to be followed for Fair Disclosure of Unpublished Price Sensitive Information (www.sekuritindia.com/investor_information) Corporate Social Responsibility Policy (www.sekuritindia.com/investor_information) Dividend Distribution Policy (www.sekuritindia.com/investor_information) Nomination and Remuneration Policy (www.sekuritindia.com/investor_information) Policy on Related Party Transaction (www.sekuritindia.com/investor_information) Whistle Blower Policy (www.sekuritindia.com/investor_information) | | | | | | | | |
| 7. | Has the policy been formally communicated to all relevant internal and external stakeholders? | Yes, these policies are communicated to all internal stakeholders and also to external stakeholders based on their relevance to them. | | | | | | | | |
| 8. | Does the Company have in-house structure to implement the policy/policies? | The Company has in-house structure to implement these policies. | | | | | | | | |
| 9. | Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies? | The Whistle blower mechanism enables employees and others to report any concerns or grievances. The Stakeholders Relationship Committee monitors the grievances of the shareholders. Customer complaints are monitored by the business through proper review mechanism. | | | | | | | | |
| 10. | Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency? | The Code of Conduct of the Company is reviewed by the Internal Auditors and the Quality and Safety, Health and Environment policies are subject to internal and external audits. | | | | | | | | |

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

The Company publishes its Business Responsibility Report annually as part of the Annual Report of the Company. The Business Responsibility Report can be accessed at www.sekuritindia.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Businesses 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 behaviour. 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@saint-gobain.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 2021-22, two cases were reported under the Code of Conduct framework, which were investigated and dealt with in accordance with the Code of Conduct procedure.

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 e.g. Acoustic Windscreens improve comfort by reducing the total heat load inside the vehicle. The Company has also introduced low weight glazing's that improve fuel efficiency for commercial vehicles. The Company has started supplying windshields for Electric 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 requirements 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,

- a. Mapping the risks; human rights, anti-corruption, and environment, health and safety risks;
- b. Evaluating the performance of suppliers to classify the risks;
- c. 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 1400 KL during the rainy season thus reducing the overall water consumption. The Company follows a process of sustainable sourcing and recycle its key strategic raw material i.e. raw glass 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 fulfilment 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) | 369 |
| Total number of permanent employees | 94 |
| Total number of employees hired on temporary/contractual/casual basis | 275 |
| Number of permanent women employee | 5 |
| Number of permanent employees with disabilities | 1 |
| Whether the employee association is recognized by the Management | Yes |
| Percentage of your permanent employees are the members of this recognized employee association | 45% |
| Number of complaints relating to child labour, forced labour, involuntary labor, sexual harassment in the last financial year and pending, as on the end of the financial year | Nil |
| 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 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 fulfilment 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 2021-22 has been received by your Company.

Principle 6

Businesses 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) protect the environment. Moreover, Saint-Gobain's EHS Charter states "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 and ISO 45001 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 14001:2015 and ISO 45001:2018 edition. 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 any pending show cause or legal notice under pollution control legislations.

It is the endeavour 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 since 2019.

The Company has taken various initiatives over the years to reduce energy consumption in their manufacturing process by 3R method: Reduce, Reuse, Recycle strategy.

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 1400 KL during the rainy season thus reducing the overall water consumption.

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

The Company has taken special projects and steps to reduce the solid waste generated in the process and able to recycle the same and reduce the environmental impact by more than 65%.

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 and this strategy is guided by the Saint-Gobain purpose of "MAKING THE WORLD A BETTER HOME". 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. 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, IATF 16949, ISO 14001 and ISO 45001, 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 Ind-AS Financial Statements

Opinion

We have audited the accompanying Ind-AS financial statements of **SAINT-GOBAIN SEKURIT INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the Ind-AS 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 Ind-AS financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind-AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind-AS 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 Ind-AS 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 Ind-AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind-AS 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.

| Key audit matter description | How the scope of our audit addressed the key audit matter |
|---|---|
| <p>1. 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, 2022, the Company recognised revenues aggregating to ₹ 15,128.65 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>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>We have therefore identified Revenue Recognition and Measurement as a key audit matter.</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 and rebates and correct timing of revenue recognition.</p> <p>Tests of details:</p> <ul style="list-style-type: none"> - Verified the supporting documentation for determining that the revenue was recognised in the correct accounting period (cut-off testing). - Comparing the discounts 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, where we have nothing adverse to report on.</p> <p>We also assessed as to whether the disclosures in respect of revenue were adequate.</p> |

| Key audit matter description | How the scope of our audit addressed the key audit matter |
|---|--|
| <p>2. Existence and Valuation of Investments</p> <p>Refer to Note 2 (Accounting policies) for classification and measurement, Note 8 of the Financial Statements for Investment recognised as required by the applicable Ind AS. For the year ended March 31, 2022, the Company recognised Current Investment aggregating to ₹ 13,262.54 lakhs.</p> <p>The Company's investment portfolio represents a significant portion of the Company's total assets, which primarily consists of Mutual Fund. For investments in mutual fund, the Company has opted to account the mutual funds at the fair value through profit or loss.</p> <p>We have therefore identified Existence and Valuation of Investments as a key audit matter.</p> | <p>Our procedures included:</p> <p>Accounting policies: Assessed the appropriateness of the relevant accounting policies of the Company, including those relating to recognition and measurement of financial instrument by comparing with the applicable accounting standards.</p> <p>Tests of controls:</p> <p>Evaluating the design and testing the operating effectiveness of controls over the booking on deals and the timing of recognition.</p> <p>Tests of details:</p> <p>We compared the carrying values of the investment for which direct confirmations were available with their respective net asset values. We have also examined the realised gain / loss on redemption and unrealised gain / loss on fair value of the mutual fund.</p> <p>We also assessed as to whether the disclosures in respect of Investments were adequate and as required by the Accounting Standards.</p> |

Information Other than the Ind-AS 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 Ind-AS financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report.

Our opinion on the Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind-AS financial statements, Management 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 Management 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 Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS 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

As required by the Companies (Auditor's Report) Order, 2020, ("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.

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 (*including Other Comprehensive Income*), 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 Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rule issued thereunder.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2022, and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2022, 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 (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its Ind-AS financial statements - Refer Note 37 to the Ind-AS 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(f) and Note 33 to the Ind-AS 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, 2022.
 - iv) The Management has represented that:
 - a) to the best of its knowledge and belief, other than as disclosed in the Ind-AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) to the best of its knowledge and belief, other than as disclosed in the Ind-AS financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures performed by us which is considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under a) and (b) contain any material misstatement.
 - v) As per information and explanation represented by Management and based on the records of the Company, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **Kalyaniwalla & Mistry LLP Chartered Accountants**
Firm Reg. No.: 104607W / W100166

Darius Z. Fraser
Partner
M. No.: 42454
UDIN: 22042454AJHITU8912

Place - Chennai
Date - May 20, 2022



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 Ind-AS financial statements for the year ended March 31, 2022:

Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020:

- i) Property Plant and Equipment:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of physical verification of Property, Plant and Equipment by which the property, plant and equipment are verified by the Management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed in respect of assets verified during the year.
 - c) 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.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) According to the information and explanations given to us, representation obtained from Management and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii) Inventory:
 - a) The Management has conducted physical verification of inventories at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its operations. The discrepancies noticed on such physical verification of inventories between physical stock and book records is less than 10% in the aggregate for each class of inventories and have been properly dealt with in the books of account.
 - b) According to the information and explanations given to us by the Management and books and records maintained, the Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets of the Company. Therefore, the provisions of sub-clause (b) of paragraph 3 (ii) of the Order is not applicable.
- iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of sub-clause (a), (b), (c), (d), (e) and (f) of paragraph 3 (iii) of the Order are not applicable.
- iv) 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.
- v) 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.
- vi) 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.
- vii) Statutory Dues:
 - a) 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 Goods and Service tax, Provident Fund, Employees' State

Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material applicable statutory dues during the year. 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.

- b) According to the information and explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022, on account of disputes are given below:

| 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 | 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 | Commissioner of Sales Tax (Appeals), Chakan. |
| | Value Added tax Input Tax credit disallowances | 595,216 | 2014-15 | Joint Commissioner of Sales Tax (Appeals), Chakan. |
| | Value Added tax Input Tax credit disallowances | 425,822 | 2015-16 | Joint Commissioner of Sales Tax (Appeals), Chakan. |
| Central Sales Tax Act, 1956 & Value Added Tax Act. | Disallowance of C Form | 57,424,377 | 2016-17 | Joint Commissioner of Sales Tax (Appeals), Chakan. |
| | Value Added tax Input Tax credit disallowances | 2,718,219 | 2016-17 | Joint Commissioner of Sales Tax (Appeals), Chakan. |
| | Disallowance of C Form | 33,575,343 | 2017-18 | Joint Commissioner of Sales Tax (Appeals), Chakan. |
| | Value Added tax Input Tax credit disallowances | 501,186 | 2017-18 | 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.

- viii) According to the information and explanations given to us and on the basis of the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) Borrowings:
- In our opinion and according to the information and explanations given to us, and representation obtained from Management, the Company has not availed any loans or other borrowings during the year, hence, the question of repayment of loans or other borrowings or payment of interest thereon to any lender does not arise.
 - In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
 - In our opinion and according to the information and explanations given to us and representation obtained from Management, the Company has not availed term loans during the year.



- d) In our opinion and according to the information and explanations given to us and representation obtained from Management, on an overall examination of the standalone Ind-AS financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.
- e) According to the information and explanations given to us, representation obtained from Management, and on an overall examination of the financial statements of the Company, the Company does not have any subsidiaries, associates or joint ventures and hence reporting on clause 3(ix)(e) and (f) of the Order are also not applicable.
- x) Allotment of Shares
- (a) According to the information and explanations given to us, representation obtained from Management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi) Frauds
- (a) According to the information and explanations given to us, on the basis of the records examined by us and representation from Management, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us and representation from Management, no whistle-blower complaints has been received by the Company during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, Company hence reporting under clause (xii) (a), (b) and (c) of the Order are not applicable to the Company.
- xiii) 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 with respect to applicable transactions with the related parties and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) Internal Audit System
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) 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 its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has also not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(a) and (b) of the Order are not applicable.
- (b) Neither the Company nor any company in the Group is a part of the Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.
- xvii) According to the information and explanations given to us and based on our examination of the financial statements of the Company, the Company has not incurred cash losses during the current financial year and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditor of the Company during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and representation from Management. Our report does not give any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) Corporate Social Responsibility

There are no unspent amounts towards Corporate Social Responsibility (CSR) as at March 31, 2022. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For **Kalyaniwalla & Mistry LLP Chartered Accountants**
Firm Reg. No.: 104607W / W100166

Darius Z. Fraser
Partner
M. No.: 42454
UDIN: 22042454AJHITU8912

Place - Chennai
Date - May 20, 2022



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, 2022, in conjunction with our audit of the Ind-AS 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 Ind-AS Financial Statements

A Company's internal financial control with reference to Ind-AS 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, 2022, 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

Darius Z. Fraser

Partner

M. No.: 42454

UDIN: 22042454AJHITU8912

Place - Chennai

Date - May 20, 2022



BALANCE SHEET AS AT MARCH 31, 2022

(Amounts in ₹ Lakhs)

| Particulars | Notes | As at March 31, 2022 | As at March 31, 2021 |
|--|--------|-------------------------|-------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 3 | 1,935.95 | 2,122.13 |
| Right of use Assets | 3(A) | 66.34 | 84.82 |
| Capital Work-in-Progress | 3(B) | 67.43 | 11.56 |
| Intangible Assets | 4 | 1.15 | 1.59 |
| Financial Assets | | | |
| (i) Other Financial Assets | 5 (A) | 10.04 | 13.21 |
| (ii) Loans to Employees | 5 (B) | 13.36 | 22.17 |
| Deferred Tax Assets (Net) | 31 | 100.41 | 180.96 |
| Income Tax Assets (Net) | 23 | 85.59 | 55.91 |
| Other Non-Current Assets | 6 | 47.96 | 73.61 |
| Total Non-Current Assets | | 2,328.23 | 2,565.96 |
| Current Assets | | | |
| Inventories | 7 | 1,705.92 | 1,079.98 |
| Financial Assets | | | |
| (i) Investments | 8 | 13,262.54 | 10,329.97 |
| (ii) Trade Receivables | 9 | 2,869.20 | 2,657.39 |
| (iii) Cash and Cash Equivalents | 10 (A) | 147.76 | 98.81 |
| (iv) Bank Balances other than (iii) above | 10 (B) | 8.98 | - |
| (v) Other Financial Assets | 11 (A) | 41.03 | 89.95 |
| (vi) Loans to Employees | 11 (B) | 22.23 | 18.92 |
| Other Current Assets | 12 | 114.51 | 62.41 |
| Assets Held for Sale | 3(C) | - | 209.09 |
| Total Current Assets | | 18,172.17 | 14,546.53 |
| TOTAL ASSETS | | 20,500.40 | 17,112.49 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share Capital | 13 | 9,110.57 | 9,110.57 |
| Other Equity | 14 | 8,878.73 | 5,018.32 |
| Total Equity | | 17,989.30 | 14,128.89 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| Financial Liabilities | | | |
| (i) Lease Liabilities | 15(A) | 55.09 | 72.19 |
| (ii) Other Financial Liabilities | 15(B) | 150.00 | 131.80 |
| Provisions | 16 | 5.03 | 5.03 |
| Employee Benefit Obligations | 17 | 65.10 | 62.86 |
| Total Non-Current Liabilities | | 275.22 | 271.87 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| (i) Borrowings | 19 | 560.79 | 542.28 |
| (ii) Lease Liabilities | 19 (A) | 17.10 | 14.64 |
| (iii) Trade Payables | 20 | | |
| - Total Outstanding dues of Micro and Small Enterprises | | 140.80 | 81.96 |
| - Total Outstanding dues of Creditors other than Micro and Small Enterprises | | 1,124.56 | 1,121.43 |
| (iv) Other Financial Liabilities | 21 | 210.61 | 146.98 |
| Other Current Liabilities | 24 | 106.80 | 718.66 |
| Provisions | 22 | 33.96 | 35.74 |
| Employee Benefit Obligations | 17 | 7.26 | 14.23 |
| Government Grants | 18 | - | 5.72 |
| Current Tax Liabilities (Net) | 23 | 34.00 | 30.08 |
| Total Current Liabilities | | 2,235.88 | 2,711.72 |
| Total Liabilities | | 2,511.10 | 2,983.59 |
| TOTAL EQUITY AND LIABILITIES | | 20,500.40 | 17,112.49 |

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

1 to 43

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. 42454

Place : Chennai

Date : May 20, 2022

For and on behalf of the Board
B Santhanam

Director

DIN. 00494806

Manigandann R

Chief Financial Officer

Place : Chennai

Date : May 20, 2022

Venugopal Shanbhag

Managing Director

DIN 008888359

Girish T. Shajani

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)

| Particulars | Notes | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|-----------|------------------------------|------------------------------|
| REVENUE | | | |
| Revenue from Operations | 25 | 15,128.65 | 10,488.89 |
| Other Income | 26 | 401.67 | 487.63 |
| Total Revenue (A) | | 15,530.32 | 10,976.52 |
| EXPENSES | | | |
| Cost of Materials Consumed | 27(a) | 6,907.82 | 4,471.08 |
| Purchases of Stock-in-Trade | | 101.47 | 118.07 |
| Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | 27(b) | (308.73) | (64.78) |
| Employee Benefits Expenses | 28 | 1,156.76 | 1,360.45 |
| Finance Costs | 29 | 48.93 | 49.97 |
| Depreciation and Amortisation Expense | 3,3(A), 4 | 443.87 | 537.20 |
| Other Expenses | 30 | 3,889.18 | 2,993.80 |
| Total Expenses (B) | | 12,239.30 | 9,465.79 |
| Profit before exceptional items and tax (C) | | 3,291.02 | 1,510.73 |
| Exceptional Gain (D) | 41 | 2,789.99 | - |
| Profit Before Tax (E = (C+D)) | | 6,081.01 | 1,510.73 |
| Tax Expense | | | |
| Current Tax | 31 | 1,232.29 | 453.23 |
| Deferred Tax | 31 | 79.56 | (84.10) |
| Total Tax Expense (F) | | 1,311.85 | 369.13 |
| Profit for the year (G = (E-F)) | | 4,769.16 | 1,141.60 |
| Other Comprehensive Income | | | |
| <i>Items that will not be reclassified to Profit or loss</i> | | | |
| Remeasurement gains on net defined benefit plans | | 3.31 | 85.85 |
| Tax relating to above | | (1.00) | (21.61) |
| Other Comprehensive Income for the year (net of tax) (H) | | 2.31 | 64.24 |
| Total Comprehensive Income for the year (G+H) | | 4,771.47 | 1,205.84 |
| Earnings per share (Not Annualised) attributable to owners of Saint-Gobain Sekurit India Limited | | | |
| Basic & Diluted earnings per share (Face Value ₹ 10 each) | 39 | 5.23 | 1.25 |
| The above Statement of Profit and Loss should be read in conjunction with the accompanying notes. | 1 to 43 | | |

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. 42454

 Place : Chennai
 Date : May 20, 2022

For and on behalf of the Board
B Santhanam
 Director
 DIN. 00494806

Venugopal Shanbhag
 Managing Director
 DIN 008888359

Manigandann R
 Chief Financial Officer

Girish T. Shajani
 Company Secretary

 Place : Chennai
 Date : May 20, 2022



STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2022

(Amounts in ₹ Lakhs)

A. Equity share capital

| Particulars | Notes | No. of shares | Amount |
|-------------------------------------|-------|--------------------------|------------------------|
| Balance as at April 1, 2020 | | 91,105,700 | 9,110.57 |
| Changes in Equity Share Capital | 13 | - | - |
| Balance as at March 31, 2021 | | <u>91,105,700</u> | <u>9,110.57</u> |
| Changes in Equity Share Capital | 13 | - | - |
| Balance as at March 31, 2022 | | <u>91,105,700</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 April 1, 2020 | 1,132.48 | 2,679.90 | 0.11 | 3,812.49 |
| Profit for the year | - | 1,141.60 | - | 1,141.60 |
| Other Comprehensive Income for the year (net of Tax) | - | 64.24 | - | 64.24 |
| Balance as at March 31, 2021 | <u>1,132.48</u> | <u>3,885.73</u> | <u>0.11</u> | <u>5,018.32</u> |
| Profit for the year | - | 4,769.16 | - | 4,769.16 |
| Dividend Paid (including TDS) | - | (911.06) | - | (911.06) |
| Other Comprehensive Income for the year (net of Tax) | - | 2.31 | - | 2.31 |
| Balance as at March 31, 2022 | <u>1,132.48</u> | <u>7,746.14</u> | <u>0.11</u> | <u>8,878.73</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

Darius Z. Fraser
 Partner
 Membership No. 42454

Place : Chennai
 Date : May 20, 2022

For and on behalf of the Board

B Santhanam
 Director
 DIN. 00494806

Venugopal Shanbhag
 Managing Director
 DIN 008888359

Manigandann R
 Chief Financial Officer

Girish T. Shajani
 Company Secretary

Place : Chennai
 Date : May 20, 2022

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**NOTE 1: CORPORATE INFORMATION**

Saint-Gobain Sekurit India Limited (“the Company”) having CIN L26101MH1973PLC018367 is a limited company incorporated on November 13, 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, France. 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 Bombay Stock Exchange Limited (BSE). The financial statements are approved for issue by the company’s Board of Directors on May 20, 2022.

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 MARCH 31, 2022

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.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

E) Critical estimates and judgements (Contd.)

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.

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.

F) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below.

a) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

b) Ind AS 16 – Property Plant and Equipment

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in the statement of profit and loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

c) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification para.

d) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

Based on the preliminary assessment, the Company does not expect the above amendments to have any significant impact in its financial statements.



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

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 the respective PPE 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.

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 Act |
|---|--|--|
| 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 of General plant and machinery considered 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 observed in the past for similar assets.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

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

Inventories are stated at lower of cost and net realisable value. Cost of raw materials, traded goods and consumables and spares comprises cost of purchases and also includes all other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials and consumables 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.

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.

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:



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

➤ **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 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.

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.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

h) 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.

i) 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.

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.

j) 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.

k) 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.



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

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.

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.

i) 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.

m) 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.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

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.

n) 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.

o) 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.

p) 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 substantially 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

q) Leases

As a lessee

The Company’s lease assets classes 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.

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022***(Amounts in ₹ Lakhs)*

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).

r) 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.

s) 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 MARCH 31, 2022

(Amounts in ₹ Lakhs)

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

| Particulars | Freehold Land | Buildings | Plant and Equipment | Office Equipment | Furniture and Fixtures | Computers | Total |
|-------------------------------------|---------------|-----------------|---------------------|------------------|------------------------|----------------|-------------------|
| Gross carrying amount | | | | | | | |
| Balance as at April 1, 2020 | 28.67 | 839.40 | 5,410.31 | 41.86 | 59.21 | 65.87 | 6,445.35 |
| Additions | - | - | 118.98 | - | - | 3.10 | 122.08 |
| Deduction / Assets written off | - | - | (132.71) | - | - | - | (132.71) |
| Balance as at March 31, 2021 | 28.67 | 839.40 | 5,396.58 | 41.86 | 59.21 | 68.97 | 6,434.72 |
| Additions | - | 30.60 | 205.48 | 4.00 | - | 9.82 | 249.90 |
| Deduction / Assets written off | - | - | (225.38) | - | - | - | (225.38) |
| Balance as at March 31, 2022 | 28.67 | 870.00 | 5,376.68 | 45.86 | 59.21 | 78.79 | 6,459.24 |
| Accumulated Depreciation | | | | | | | |
| Balance as at April 1, 2020 | - | (201.60) | (3,617.31) | (23.28) | (44.38) | (37.78) | (3,924.35) |
| Depreciation charge for the year | - | (53.07) | (443.91) | (5.75) | (5.25) | (12.93) | (520.91) |
| Deduction / Other Adjustments | - | - | 132.71 | - | - | - | 132.71 |
| Balance as at March 31, 2021 | - | (254.67) | (3,928.51) | (29.03) | (49.64) | (50.71) | (4,312.58) |
| Depreciation charge for the year | - | (53.55) | (350.40) | (4.67) | (5.14) | (11.20) | (424.96) |
| Deduction / Other Adjustments | - | - | 214.28 | - | - | - | 214.28 |
| Balance as at March 31, 2022 | - | (308.22) | (4,064.63) | (33.70) | (54.78) | (61.91) | (4,523.26) |
| Balance as at March 31, 2021 | 28.67 | 584.73 | 1,468.07 | 12.83 | 9.57 | 18.26 | 2,122.13 |
| Balance as at March 31, 2022 | 28.67 | 561.78 | 1,312.05 | 12.16 | 4.43 | 16.88 | 1,935.95 |

Note: The company has not revalued any Property, Plant and Equipment during the year.

NOTE 3(A) - RIGHT OF USE ASSETS

| Particulars | Building |
|---|----------------|
| Carrying value of right of use assets at the end of the reporting period | |
| Balance as at April 1, 2020 | 29.17 |
| Additions | 92.41 |
| Disposals | (29.17) |
| Balance as at March 31, 2021 | 92.41 |
| Additions | - |
| Disposals | - |
| Balance as at March 31, 2022 | 92.41 |
| Accumulated Depreciation | |
| Balance as at April 1, 2020 | (20.92) |
| Depreciation charge for the year | (15.85) |
| Depreciation on Disposals | 29.17 |
| Balance as at March 31, 2021 | (7.59) |
| Depreciation charge for the year | (18.48) |
| Depreciation on Disposals | - |
| Balance as at March 31, 2022 | (26.07) |
| Net carrying amount as at March 31, 2021 | 84.82 |
| Net carrying amount as at March 31, 2022 | 66.34 |


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
NOTE 3(B) - Capital Work-in-Progress

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------|-------------------------|-------------------------|
| Capital Work-in-Progress (CWIP) | 67.43 | 11.56 |
| Total | 67.43 | 11.56 |

Ageing of CWIP

| As at March 31, 2022 | | | | | |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------------|
| CWIP | Amount in CWIP for a period of | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 67.43 | - | - | - | 67.43 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 67.43 | - | - | - | 67.43 |

| As at March 31, 2021 | | | | | |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------------|
| CWIP | Amount in CWIP for a period of | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 11.56 | - | - | - | 11.56 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 11.56 | - | - | - | 11.56 |

NOTE 3(C) - ASSETS HELD FOR SALE

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

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Property, Plant & Equipment | | |
| Admin Building | - | 57.58 |
| Factory Buildings | - | 151.51 |
| Total | - | 209.09 |

Note:

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 September 01, 2015 and the plant was closed with effect from November 30, 2015. Since then, the Company has been evaluating various alternative uses for the assets at that location. During the previous year, it was concluded that there is no feasible use for these assets and consequently, Property, Plant & Equipment (Factory Buildings & Admin Building) having a book value of ₹ 209.09 lakhs as at September 30, 2019 had been classified as "Assets held for sale" and the same were sold during the year (Refer Note 41).

NOTE 4 - INTANGIBLE ASSETS

| Particulars | Computer Software |
|-------------------------------------|-------------------|
| Gross Carrying Amount | |
| Balance as at April 1, 2020 | 10.47 |
| Addition | - |
| Disposals | - |
| Balance as at March 31, 2021 | 10.47 |
| Addition | - |
| Disposals | - |
| Balance as at March 31, 2022 | 10.47 |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

| Particulars | Computer Software |
|---|-------------------|
| Accumulated Amortisation | |
| Balance as at April 1, 2020 | (8.44) |
| Amortisation charge for the year | (0.44) |
| Balance as at March 31, 2021 | (8.88) |
| Amortisation charge for the year | (0.44) |
| Balance as at March 31, 2022 | (9.32) |
| Net carrying amount as at March 31, 2021 | 1.59 |
| Net carrying amount as at March 31, 2022 | 1.15 |

Note:

- All Intangible assets held by the company are purchased and not internally generated.
- The company has not revalued its Intangible assets during the year.

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

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------------|-------------------------|-------------------------|
| Security Deposits (Unsecured) | | |
| - Considered Good | 10.04 | 13.21 |
| - Considered Doubtful | 0.10 | 7.20 |
| Less: Allowance for doubtful deposits | (0.10) | (7.20) |
| Total | <u>10.04</u> | <u>13.21</u> |

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

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Loans to employees (Unsecured and considered good) | 13.36 | 22.17 |
| Total | <u>13.36</u> | <u>22.17</u> |

NOTE 6 - OTHER NON-CURRENT ASSETS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| (Unsecured, Considered Good, unless otherwise stated) | | |
| Capital advance | 2.71 | - |
| Prepaid Expenses | 2.98 | 3.69 |
| Deposits made under protest | | |
| - Considered Good | 29.02 | 53.43 |
| - Considered Doubtful | 6.07 | 6.07 |
| Less: Allowance for doubtful deposits | (6.07) | (6.07) |
| | 29.02 | 53.43 |
| Due from Government Authorities | 13.25 | 13.25 |
| Prepaid expenses for Leasehold Land (refer Note below) | - | 3.23 |
| Total | <u>47.96</u> | <u>73.61</u> |

Note:

The Company was in the process of changing the name in the leasehold agreement from erstwhile name of the Company to Saint-Gobain Sekurit India Limited. During the year, the Company has executed transfer deed of the Leasehold Land as mentioned in Note 3(c) and transferred the leasehold land after receiving approvals from MIDC.


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
NOTE 7 - INVENTORIES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|-------------------------|-------------------------|
| Raw Materials | 541.44 | 272.31 |
| Work in progress | 315.54 | 236.92 |
| Finished Goods | 654.70 | 426.21 |
| Traded Goods | 2.29 | 0.66 |
| Consumables and spares | 191.96 | 143.87 |
| Total | 1,705.92 | 1,079.98 |

Note:

The Company has recorded inventory write in of ₹ 19.56 Lakhs during the year ended March 31, 2022 (write down of ₹ 11.55 lakhs during the year ended March 31, 2021) which is included as part of Note 27(a): Cost of Materials Consumed.

NOTE 8 - INVESTMENTS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Investment in mutual funds | | |
| Mutual Funds (unquoted) at Fair value through Profit & Loss | 13,262.54 | 10,329.97 |
| Total | 13,262.54 | 10,329.97 |
| Aggregate amount of quoted investment | - | - |
| Aggregate amount of market value of quoted investment | - | - |
| Aggregate amount of unquoted investment | 13,262.54 | 10,329.97 |
| Aggregate amount of impairment in value of investment | - | - |

NOTE 9 - TRADE RECEIVABLES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Trade Receivables from Others | 1,813.85 | 1,738.91 |
| Receivables from Related Parties (refer Note 36) | 1,070.35 | 933.49 |
| Less: Allowance for doubtful debts | (15.00) | (15.00) |
| Total | 2,869.20 | 2,657.39 |
| Secured, considered good | - | - |
| Unsecured, considered good | 2,869.20 | 2,657.39 |
| Trade Receivable which have significant increase in credit risk | 15.00 | 15.00 |
| Total | 2,884.21 | 2,672.39 |
| Allowance for doubtful debts | (15.00) | (15.00) |
| Total | 2,869.20 | 2,657.39 |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
Ageing of Trade Receivable

| As at March 31, 2022 | | | | | | | |
|--|--|--------------------|-----------------|-------------|----------|------------------|-----------------|
| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
| | Not Due | Less than 6 months | 6 months-1 year | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | |
| (i) Undisputed Trade receivables-considered good | 2,674.82 | 198.99 | (5.95) | 1.35 | - | - | 2,869.20 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 15.00 | - | - | - | - | - | 15.00 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 2,689.82 | 198.99 | (5.95) | 1.35 | - | - | 2,884.21 |

| As at March 31, 2021 | | | | | | | |
|--|--|--------------------|-----------------|-------------|-------------|------------------|-----------------|
| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
| | Not Due | Less than 6 months | 6 months-1 year | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | |
| (i) Undisputed Trade receivables-considered good | 2,518.38 | 57.83 | 78.19 | 0.13 | 1.36 | 1.50 | 2,657.39 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 15.00 | - | - | - | - | - | 15.00 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 2,533.38 | 57.83 | 78.19 | 0.13 | 1.36 | 1.50 | 2,672.39 |

Note : The carrying amount of Trade Receivable includes receivable amounting to ₹ 560.79 Lakhs (March 31, 2021 : ₹ 542.28 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.


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
NOTE 10 (A) - CASH AND CASH EQUIVALENTS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------|-------------------------|-------------------------|
| Cash in Hand | - | - |
| Balances with Banks | | |
| - In Current Accounts | 147.76 | 98.81 |
| Total | 147.76 | 98.81 |

NOTE 10 (B) - OTHER BANK BALANCES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|-------------------------|-------------------------|
| Balance with Bank | | |
| - In Dividend Accounts | 8.98 | - |
| Total | 8.98 | - |

NOTE 11 (A) - OTHER FINANCIAL ASSETS (CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Other Advances on account of Gratuity | 40.82 | 89.66 |
| Derivative financial instruments not designated as hedges | | |
| - Forward exchange contracts | 0.21 | 0.29 |
| Total | 41.03 | 89.95 |

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

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Loan to Employees (Unsecured and considered good) | 22.23 | 18.92 |
| Total | 22.23 | 18.92 |

NOTE 12 - OTHER CURRENT ASSETS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Advance to suppliers - Other than Related parties | 28.07 | 13.89 |
| Advance to suppliers - Related parties (refer Note 36) | 23.07 | 6.46 |
| Due from Government Authorities | 1.64 | 0.71 |
| Prepaid expenses | 61.73 | 41.36 |
| Total | 114.51 | 62.41 |

NOTE 13 - EQUITY SHARE CAPITAL

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Authorised Equity Share Capital | | |
| 92,000,000 (March 31, 2021: 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 (March 31, 2021: 91,105,700) equity shares of ₹ 10 each fully paid up | 9,110.57 | 9,110.57 |
| Total | 9,110.57 | 9,110.57 |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

a) Movement in Equity Share Capital

| Particulars | No. of shares | Amount |
|---------------------------------------|--------------------------|------------------------|
| Authorised share capital | | |
| As at April 1, 2020 | 92,000,000 | 9,200.00 |
| Increase / (Decrease) during the year | - | - |
| As at March 31, 2021 | <u>92,000,000</u> | <u>9,200.00</u> |
| Increase / (Decrease) during the year | - | - |
| As at March 31, 2022 | <u>92,000,000</u> | <u>9,200.00</u> |
| Issued, subscribed and paid up | | |
| As at April 1, 2020 | 91,105,700 | 9,110.57 |
| Changes in Equity Share Capital | - | - |
| As at March 31, 2021 | <u>91,105,700</u> | <u>9,110.57</u> |
| Changes in Equity Share Capital | - | - |
| As at March 31, 2022 | <u>91,105,700</u> | <u>9,110.57</u> |

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 March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| (i) Saint-Gobain Sekurit France S.A. (Subsidiary of Ultimate Holding Company) 43,969,785 (March 31, 2021: 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 (March 31, 2021: 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 March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|---------------|----------------------|--------------|
| | 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) Disclosure of shareholding of Promoters

| Promoter Name | Shares held by promoters as at March 31, 2022 | | % Change during the year |
|--|---|-------------------|--------------------------|
| | No. of shares | % of total Shares | |
| Saint-Gobain Sekurit France S.A. (Subsidiary of Ultimate Holding Company). | 43,969,785 | 48.26% | - |
| Saint-Gobain India Private Limited (Subsidiary of Ultimate Holding Company) | 24,359,490 | 26.74% | - |


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)

| Shares held by promoters as at March 31, 2021 | | | % Change during the year |
|--|---------------|-------------------|--------------------------|
| Promoter Name | No. of shares | % of total Shares | |
| Saint-Gobain Sekurit France S.A. (Subsidiary of Ultimate Holding Company). | 43,969,785 | 48.26% | - |
| Saint-Gobain India Private Limited (Subsidiary of Ultimate Holding Company) | 24,359,490 | 26.74% | - |

- f) 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.
- g) 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.
- h) There are no securities convertible into equity / preference shares.
- i) There are no calls unpaid on any of the equity shares.
- j) There are no forfeited shares.

NOTE 14 - OTHER EQUITY

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|-------------------------|-------------------------|
| Securities Premium | 1,132.48 | 1,132.48 |
| Retained Earnings | 7,746.14 | 3,885.73 |
| Capital Redemption Reserve | 0.11 | 0.11 |
| Total | 8,878.73 | 5,018.32 |

Movement in Other Equity:
Retained earnings

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Opening balance | 3,885.73 | 2,679.90 |
| Net profit for the year as per the Statement of Profit and Loss | 4,769.16 | 1,141.60 |
| Dividend Paid (including TDS) | (911.06) | - |
| Re-measurements of post employment benefit obligation (net of tax) | 2.31 | 64.24 |
| Closing balance | 7,746.14 | 3,885.73 |

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 (A) - LEASE LIABILITIES (NON-CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------------|-------------------------|-------------------------|
| Liability for Leased Assets | 55.09 | 72.19 |
| Total | 55.09 | 72.19 |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

NOTE 15 (B) - OTHER FINANCIAL LIABILITIES (NON-CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Other Financial Liabilities - Security Deposits Received | 150.00 | 131.80 |
| Total | 150.00 | 131.80 |

NOTE 16 - PROVISIONS (NON-CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| 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 | |
|---------------------------------------|---|-------------------------|-------------------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Balance at the beginning of the year | 2.03 | 2.03 | 38.74 | 20.82 |
| Additions | - | - | - | 17.92 |
| Amounts used / Reversed | - | - | (1.78) | - |
| Balance at the end of the year | 2.03 | 2.03 | 36.96 | 38.74 |
| Classified as: | | | | |
| - Current (Note 22) | - | - | 33.96 | 35.74 |
| - Non Current (Note 16) | 2.03 | 2.03 | 3.00 | 3.00 |

NOTE 17 - EMPLOYEE BENEFITS 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 March 31, 2022 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 of India. 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 MARCH 31, 2022
(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 December 31, 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 Liability

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------|-------------------------|-------------------------|
| Compensated Absences | 65.10 | 62.86 |
| Gratuity | - | - |
| Total | 65.10 | 62.86 |

Current Liability

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Compensated Absences (including Sick leave Liability) | 7.26 | 14.23 |
| Gratuity | - | - |
| Total | 7.26 | 14.23 |

Amounts recognised in the Statement of Profit and Loss

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Defined Contribution Plans | | |
| Provident fund | 52.22 | 55.16 |
| Defined Benefit Plans | | |
| Gratuity (including Interest (income)/expense of ₹ (3.23) Lakhs (PY ₹ 10.48 Lakhs)) | 15.41 | 35.79 |
| Total | 67.63 | 90.95 |

Amounts recognised in the Statement of Other Comprehensive Income

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------|-------------------------|-------------------------|
| Remeasurements for: | | |
| Gratuity gains / (losses) | 3.31 | 85.85 |
| Total | 3.31 | 85.85 |

Amounts recognised as a liability - Gratuity

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Present value of funded obligations | 394.41 | 353.36 |
| Fair value of plan assets | (433.81) | (403.49) |
| (Surplus) / Deficit of funded plans | (39.40) | (50.13) |
| Present value of unfunded obligations | - | - |
| Total (Surplus) / Deficit of defined benefit obligations | (39.40) | (50.13) |
| Impact of minimum funding requirement / asset ceiling | - | - |
| (Asset) / Liability in the Balance Sheet | (39.40) | (50.13) |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

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 April 1, 2020 | 477.38 | (323.76) | 153.62 |
| Current service cost | 25.31 | - | 25.31 |
| Interest expense / (income) | 32.56 | (22.08) | 10.48 |
| Total amount recognised in Statement of Profit / loss | 57.87 | (22.08) | 35.79 |
| Remeasurements | | | |
| Return on plan assets, excluding amounts included in interest expense / (income) | - | (2.82) | (2.82) |
| (Gain) / loss from change in financial assumptions | (51.94) | - | (51.94) |
| Experience (gains) / losses | (31.09) | - | (31.09) |
| Total amount recognised in Other Comprehensive Income | (83.03) | (2.82) | (85.85) |
| Contributions: | | | |
| Employers | - | (153.69) | (153.69) |
| Benefit payments | (98.85) | 98.85 | - |
| As at March 31, 2021 | 353.36 | (403.49) | (50.13) |
| Current service cost (refer Note 28) | 18.64 | - | 18.64 |
| Interest expense / (income) | 22.76 | (25.98) | (3.23) |
| Total amount recognised in Statement of Profit / loss | 41.40 | (25.98) | 15.41 |
| Remeasurements | | | |
| Return on plan assets, excluding amounts included in interest expense / (income) | - | (6.20) | (6.20) |
| (Gain) / loss from change in demographic assumptions | 0.04 | - | 0.04 |
| (Gain) / loss from change in financial assumptions | (17.20) | - | (17.20) |
| Experience (gains) / losses | 20.05 | - | 20.05 |
| Total amount recognised in Other Comprehensive Income | 2.89 | (6.20) | (3.31) |
| Contributions: | | | |
| Employers | - | (1.38) | (1.38) |
| Benefit payments | (3.24) | 3.24 | - |
| As at March 31, 2022 | 394.41 | (433.81) | (39.40) |

Significant actuarial assumptions were as follows:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Discount rate | 6.98% | 6.44% |
| Salary growth rate | 7.00% | 7.00% |
| Rate of employee turnover | 5.00% | 5.00% |
| Expected rate of Plan Assets | 6.98% | 6.44% |
| 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 MARCH 31, 2022
(Amounts in ₹ Lakhs)

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 March 31, 2022 | As at March 31, 2022 |
| Discount rate | 0.50% | (18.28) | 12.17 |
| Salary growth rate | 0.50% | 12.10 | (18.35) |
| Claim rates | 0.50% | (0.04) | 0.04 |

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 March 31, 2021 | As at March 31, 2021 |
| Discount rate | 0.50% | (17.51) | 11.94 |
| Salary growth rate | 0.50% | 11.78 | (17.50) |
| Claim rates | 0.50% | (0.52) | 0.54 |

Major categories of plan assets are as follows:

| Particulars | Unquoted | |
|-----------------------|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Insurer Managed Funds | 433.81 | 403.49 |
| Total | 433.81 | 403.49 |

The expected contributions to the fund in the next year is ₹ Nil (March 31, 2021: ₹ NIL)

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 March 31, 2022 | | | | | | |
| Gratuity | 23.30 | 23.93 | 111.90 | 239.64 | 409.79 | 808.56 |
| Total | 23.30 | 23.93 | 111.90 | 239.64 | 409.79 | 808.56 |
| As at March 31, 2021 | | | | | | |
| Gratuity | 19.62 | 20.20 | 77.69 | 201.62 | 390.00 | 709.13 |
| Total | 19.62 | 20.20 | 77.69 | 201.62 | 390.00 | 709.13 |

NOTE 18 - GOVERNMENT GRANTS (CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Opening balance | 5.72 | 15.02 |
| Less: Released to Statement of Profit or Loss | (5.72) | (9.30) |
| Closing balance | - | 5.72 |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------|-------------------------|-------------------------|
| Non-Current portion | - | - |
| Current portion | - | 5.72 |
| Total | - | 5.72 |

Note: The Company had imported assets under the Export Promotion Capital Goods Scheme (Scheme) in 2011 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 Balance Sheet date of previous year. There has been no movement in the current year

NOTE 19 - BORROWINGS (CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Unsecured | | |
| Bills discounted with banks (refer foot note in Note 9) | 560.79 | 542.28 |
| Total | 560.79 | 542.28 |

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

NOTE 19(A) - LEASE LIABILITIES (CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------------|-------------------------|-------------------------|
| Lease Liabilities | 17.10 | 14.64 |
| Total | 17.10 | 14.64 |

NOTE 20 - TRADE PAYABLES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises (MSME) | 140.80 | 81.96 |
| Trade payables to related parties (refer note 36) | 115.59 | 153.26 |
| Total outstanding dues of creditors other than MSME and related parties | 1,008.97 | 968.17 |
| Total | 1,265.36 | 1,203.39 |

Note: Trade Payables to creditors other than MSME and related parties include ₹ 552.42 Lakhs (PY ₹ 597.87 Lakhs) relating to Letter of Credit accepted by our bank.

Disclosures required under micro, small and medium enterprises act, 2006

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|----------|----------------------|----------|
| | 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; | 140.80 | 1.15 | 81.96 | 0.15 |
| 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. | 80.10 | 0.56 | 41.80 | 0.56 |


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------------------|----------|----------------------|----------|
| | Principal | Interest | Principal | Interest |
| 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. | - | 0.04 | - | 0.02 |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | 1.19 | - | 0.17 |
| 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. | - | - | - | - |

Note:

- 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 Statutory Auditors of the Company.
- Previous year figure for interest on outstanding MSME balances have been regrouped from Note 20 to Note 21 to conform to the requirement of the amended Schedule III to the Companies Act 2013 effective April 01, 2021.

Ageing of Trade Payable

| Particulars | As at March 31, 2022 | | | | | Total |
|----------------------------|--|----------------|-------------|----------|-----------------|-----------------|
| | Outstanding for following periods from due date of payment | | | | | |
| | Unbilled Dues | Less than 1 yr | 1-2 yrs | 2-3 yrs | More than 3 yrs | |
| (i) MSME | 129.98 | 10.06 | 0.76 | - | - | 140.80 |
| (ii) Others | 587.00 | 537.13 | 0.43 | - | - | 1,124.56 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - | - |
| Total | 716.98 | 547.19 | 1.19 | - | - | 1,265.36 |

| Particulars | As at March 31, 2021 | | | | | Total |
|----------------------------|--|----------------|-------------|-------------|-----------------|-----------------|
| | Outstanding for following periods from due date of payment | | | | | |
| | Unbilled Dues | Less than 1 yr | 1-2 yrs | 2-3 yrs | More than 3 yrs | |
| (i) MSME | 69.39 | 12.57 | - | - | - | 81.96 |
| (ii) Others | 659.99 | 459.62 | 0.13 | 0.19 | 1.50 | 1,121.43 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - | - |
| Total | 729.38 | 472.19 | 0.13 | 0.19 | 1.50 | 1,203.39 |

NOTE 21 - OTHER FINANCIAL LIABILITIES (CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Capital creditors | 66.24 | 10.62 |
| Payables in respect of employees | 118.60 | 115.16 |
| Unpaid dividends (Refer Note below) | 8.98 | - |
| Derivative financial instruments not designated as hedges | | |
| - Forward exchange contracts | 8.36 | 13.58 |
| Other payables | 8.43 | 7.62 |
| Total | 210.61 | 146.98 |

Note: There are no amount due for payment to The Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 at the end of the Financial Year.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

NOTE 22 - PROVISIONS (CURRENT)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Provision for indirect tax matters (Refer Note 16) | 33.96 | 35.74 |
| Total | <u>33.96</u> | <u>35.74</u> |

Note: 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 March 31, 2022 | As at March 31, 2021 |
|--|--------------------------|-------------------------|
| Opening balances | | |
| - Income-tax Liabilities | 30.08 | - |
| - Income-tax Assets | (55.91) | (79.11) |
| Add: Current tax payable for the year | 1,232.29 | 453.23 |
| Add / (Less): Net Refund received / (Taxes paid) | <u>(1,258.05)</u> | <u>(399.96)</u> |
| Closing balance | | |
| - Income-tax Liabilities | 34.00 | 30.08 |
| - Income-tax Assets | (85.59) | (55.91) |

NOTE 24 - OTHER CURRENT LIABILITIES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Other Advance (refer Note 3(C)) | - | 636.67 |
| Advance from customers | 68.68 | 52.46 |
| Advance received from a group company (refer Note 36) | - | 0.91 |
| Statutory dues payable (TDS, VAT, GST and other dues payable) | 38.12 | 28.61 |
| Total | <u>106.80</u> | <u>718.66</u> |

NOTE 25 - REVENUE FROM OPERATIONS

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--------------------------------|------------------------------|------------------------------|
| Sales of Products | | |
| Finished goods | 14,866.00 | 10,265.22 |
| Traded goods | 94.12 | 104.90 |
| | <u>14,960.12</u> | <u>10,370.12</u> |
| Other Operating Revenue | | |
| Scrap Sales | 166.84 | 112.31 |
| Tool Development Income | 1.70 | 6.45 |
| | <u>168.53</u> | <u>118.77</u> |
| Total | <u>15,128.65</u> | <u>10,488.89</u> |


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
NOTE 26 - OTHER INCOME

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|------------------------------|------------------------------|
| Net gain on redemption of investments | 295.91 | 388.98 |
| Net gain on investments measured at fair value through profit or loss | 82.81 | - |
| Government Grants (refer Note 18) | 5.72 | 9.30 |
| Net foreign exchange gains | - | 15.79 |
| Provision no longer required written back | 3.50 | 44.86 |
| Other items | 13.72 | 28.71 |
| Total | 401.67 | 487.63 |

NOTE 27 (a) - COST OF MATERIALS CONSUMED

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---------------------|------------------------------|------------------------------|
| Opening stock | 272.31 | 324.09 |
| Add: Purchases | 7,176.95 | 4,419.29 |
| Less: Closing Stock | (541.44) | (272.31) |
| Total | 6,907.82 | 4,471.08 |

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

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|-------------------------------|------------------------------|------------------------------|
| Opening stock | | |
| Work in progress | 236.92 | 122.08 |
| Finished goods (Manufactured) | 426.21 | 476.51 |
| Traded goods | 0.66 | 0.43 |
| Less: Closing stock | | |
| Work in progress | 315.54 | 236.92 |
| Finished goods (Manufactured) | 654.70 | 426.21 |
| Traded goods | 2.29 | 0.66 |
| Total | (308.73) | (64.78) |

NOTE 28 - EMPLOYEE BENEFITS EXPENSES

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|------------------------------|------------------------------|
| Salaries, wages and bonus (refer Note below) | 991.62 | 1,206.01 |
| Staff welfare expenses | 94.27 | 73.96 |
| Contribution to provident and other funds | 52.22 | 55.16 |
| Gratuity contribution/expenses (refer Note 17) | 18.64 | 25.31 |
| Total | 1,156.76 | 1,360.45 |

Note: During the previous year, the Company had launched a Voluntary Separation Scheme (VSS) for all its eligible employees on July 3, 2020. The total financial impact under the Scheme amounts to INR 193.08 Lakhs.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

NOTE 29 - FINANCE COSTS

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--------------------------|------------------------------|------------------------------|
| Bank Charges | 10.52 | 21.53 |
| Interest Expense: | | |
| - Income-tax | 15.76 | - |
| - Lease Liabilities | 6.12 | 3.05 |
| - Dealer Deposits | 8.00 | 7.45 |
| Other Finance costs | 8.53 | 17.94 |
| Total | 48.93 | 49.97 |

NOTE 30 - OTHER EXPENSES

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|------------------------------|------------------------------|
| Consumption of stores and spare parts | 462.34 | 257.04 |
| Labour charges | 626.78 | 405.39 |
| Power and fuel | 1,204.46 | 931.54 |
| Rental charges (refer Note 38 (b)) | 2.55 | 12.26 |
| Repairs and Maintenance | | |
| Plant and Machinery | - | 22.90 |
| Buildings | 4.34 | 6.78 |
| Others | 27.26 | 66.37 |
| Travelling and conveyance | 22.92 | 14.03 |
| Communication expenses | 3.95 | 2.88 |
| Rates and Taxes | 16.69 | 29.56 |
| Insurance | 29.28 | 25.32 |
| Environment, health and safety expenses | 5.13 | 3.17 |
| Legal and professional fees | 54.09 | 25.73 |
| Loss on sale / write off of assets (net) | 11.09 | - |
| Packing costs | 261.33 | 196.00 |
| Freight expense | 557.44 | 391.00 |
| Research and Development Expense | 255.13 | 208.22 |
| Information technology support fees | 124.19 | 84.11 |
| Net foreign exchange losses | 26.29 | - |
| Net loss on investments measured at fair value through profit or loss | - | 90.23 |
| Payments to the auditor: | | |
| Statutory audit | 7.50 | 7.50 |
| Limited review | 7.50 | 7.50 |
| Audit under Tax Statutes | 5.00 | 5.00 |
| Other Tax Matters | 1.85 | 4.50 |
| Corporate social responsibility expenditure (Refer Note below) | 37.69 | 40.99 |
| Allowance for doubtful debts - Trade receivable | - | 2.00 |
| Miscellaneous expenses | 134.38 | 153.78 |
| Total | 3,889.18 | 2,993.80 |


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
Note:
Corporate Social Responsibility expenditure (CSR)

The Company has made contribution to Saint-Gobain India Foundation (Fellow Subsidiary) towards its CSR Obligation as follows (Refer Note 36):

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|------------------------------|------------------------------|
| A. Gross amount required to be spent by the Company | 37.69 | 40.98 |
| B. Amount approved by the Board to be spent during the year. | 37.69 | 40.98 |
| C. Amount spent during the year: | | |
| Construction / Acquisition of any asset | - | - |
| On purpose of other than above: | | |
| In cash | 37.69 | 40.99 |
| Yet to be paid | - | - |

Saint Gobain India Foundation is a Section - 8 Company promoted by Saint- Gobain Group in India. Its main objective is education of under-privileged children and protecting the environment.

NOTE 31 - TAXATION
(a) Tax expense

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|------------------------------|------------------------------|
| Current tax expense | (1,232.29) | (453.23) |
| Total current tax expenses (A) | <u>(1,232.29)</u> | <u>(453.23)</u> |
| Deferred tax: | | |
| Decrease / (Increase) in deferred tax assets | 60.77 | (56.53) |
| (Decrease) / Increase in deferred tax liabilities | 18.79 | (27.57) |
| Total deferred tax expenses / (benefit) (B) | <u>79.56</u> | <u>(84.10)</u> |
| Tax expense (A+B) | <u>1,311.85</u> | <u>369.13</u> |

(b) Reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|------------------------------|------------------------------|
| Profit from operations before income tax expense | 6,081.01 | 1,510.73 |
| India corporate tax rate | 25.17% | 25.17% |
| Tax at India tax rate | <u>1,530.47</u> | <u>380.22</u> |
| Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense: | | |
| Corporate social responsibility expenditure | 9.49 | 5.16 |
| Effect of tax on account of capital gain on sale of land & building | (234.77) | - |
| Other items | 6.67 | (16.25) |
| Income tax expense | <u>1,311.85</u> | <u>369.13</u> |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

(c) Deferred Tax Asset (Net)

The balance comprises temporary differences attributable to :

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Deferred Tax Assets: | | |
| Defined benefit obligations | 28.13 | 32.02 |
| Allowance of doubtful debts - trade receivable | 3.78 | 3.78 |
| Allowance of doubtful deposits | 1.53 | 3.34 |
| WDV on Property, Plant, Equipment and Intangible assets | 45.32 | 92.26 |
| Section 35 DDA of Income-tax Act - Voluntary Separation Scheme | 29.16 | 38.88 |
| Other Items | 11.28 | 10.70 |
| Total Deferred Tax Assets | 119.20 | 180.96 |
| Deferred Tax Liability: | | |
| Financial assets at fair value through Profit & Loss | (18.79) | - |
| Total Deferred Tax Liabilities | (18.79) | - |
| Net Deferred Tax Assets | 100.41 | 180.96 |

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 deposits | Section 35 DDA of Income-tax Act - Voluntary Separation Scheme | Other items | Total Deferred Tax Assets |
|----------------------------------|--|--|-----------------------------|--|--------------------------------|--|---------------------|---------------------------|
| As at April 1, 2020 | 71.62 | - | 61.59 | 3.27 | 3.79 | | 5.77 | 146.04 |
| (Charged)/credited : | | | | | | | | |
| to Profit and loss | 20.64 | - | (7.96) | 0.51 | (0.45) | 38.88 | 4.93 | 56.53 |
| to other comprehensive income | - | - | (21.61) | - | - | - | - | (21.61) |
| As at March 31, 2021 | <u>92.26</u> | <u>-</u> | <u>32.02</u> | <u>3.78</u> | <u>3.34</u> | <u>38.88</u> | <u>10.70</u> | <u>180.96</u> |
| (Charged)/credited : | | | | | | | | |
| to Profit and loss | (46.93) | - | (2.89) | - | (1.81) | (9.72) | 0.59 | (60.77) |
| to other comprehensive income | - | - | (1.00) | - | - | - | - | (1.00) |
| Deferred tax on basis adjustment | (46.93) | - | (3.89) | - | (1.81) | (9.72) | 0.59 | (61.77) |
| As at March 31, 2022 | <u>45.32</u> | <u>-</u> | <u>28.13</u> | <u>3.78</u> | <u>1.53</u> | <u>29.16</u> | <u>11.28</u> | <u>119.20</u> |


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
Movement in Deferred Tax Liabilities

| 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 deposits | Other items | Total Deferred Tax Liabilities |
|-------------------------------|--|--|-----------------------------|--|--------------------------------|-------------|--------------------------------|
| As at April 1, 2020 | - | 27.57 | - | - | - | - | 27.57 |
| (Charged)/ credited : | | | | | | | |
| to Profit and loss | - | (27.57) | - | - | - | - | (27.57) |
| to other comprehensive income | - | - | - | - | - | - | - |
| As at March 31, 2021 | - | - | - | - | - | - | - |
| (Charged) / credited : | | | | | | | |
| to Profit and loss | - | 18.79 | - | - | - | - | 18.79 |
| to other comprehensive income | - | - | - | - | - | - | - |
| As at March 31, 2022 | - | 18.79 | - | - | - | - | 18.79 |

NOTE 32 - FAIR VALUE MEASUREMENT
Financial instruments by category

| Particulars | As at March 31, 2022 | | | As at March 31, 2021 | | |
|------------------------------------|----------------------|----------|-----------------|----------------------|----------|-----------------|
| | FVPL | FVOCI | Amortised Cost | FVPL | FVOCI | Amortised Cost |
| Financial Assets | | | | | | |
| Investments in mutual funds | 13,262.54 | - | - | 10,329.97 | - | - |
| Trade and other receivables | - | - | 2,869.20 | - | - | 2,657.39 |
| Other non current financial assets | - | - | 23.40 | - | - | 35.38 |
| Cash and Cash equivalents | - | - | 156.74 | - | - | 98.81 |
| Derivative financial asset | 0.21 | - | - | 0.29 | - | - |
| Other current financial assets | - | - | 63.06 | - | - | 108.58 |
| Total financial assets | 13,262.74 | - | 3,112.40 | 10,330.26 | - | 2,900.17 |
| Financial Liabilities | | | | | | |
| Borrowings | - | - | 560.79 | - | - | 542.28 |
| Trade payables | - | - | 1,265.36 | - | - | 1,203.39 |
| Lease Liabilities | - | - | 72.19 | - | - | 86.83 |
| Security deposits | - | - | 150.00 | - | - | 131.80 |
| Derivative financial liabilities | 8.36 | - | - | 13.58 | - | - |
| Other financial liabilities | - | - | 202.25 | - | - | 133.40 |
| Total financial liabilities | 8.36 | - | 2,250.59 | 13.58 | - | 2,097.69 |

Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are

- recognised and measured at fair value and
- 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.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

Financial assets and liabilities measured at fair value

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|---------|-----------|---------|-----------|
| As at March 31, 2022 | | | | |
| Financial assets | | | | |
| Investments in mutual funds | - | 13,262.54 | - | 13,262.54 |
| Derivative financial assets | - | 0.21 | - | 0.21 |
| Total | - | 13,262.74 | - | 13,262.74 |
| Financial liabilities | | | | |
| Derivative financial liabilities | - | 8.36 | - | 8.36 |
| Total | - | 8.36 | - | 8.36 |
| As at March 31, 2021 | | | | |
| Financial assets | | | | |
| Investments in mutual funds | - | 10,329.97 | - | 10,329.97 |
| Derivative financial assets | - | 0.29 | - | 0.29 |
| Total | - | 10,330.26 | - | 10,330.26 |
| Financial liabilities | | | | |
| Derivative financial liabilities | - | 13.58 | - | 13.58 |
| Total | - | 13.58 | - | 13.58 |

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.


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
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 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.

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 | Less than 6 months | 6 months- 1 year | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | Total |
|-----------------------------|-----------------|--------------------|------------------|-------------|----------|------------------|-----------------|
| As at March 31, 2022 | 2,689.82 | 198.99 | (5.95) | 1.35 | - | - | 2,884.21 |
| As at March 31, 2021 | 2,533.38 | 57.83 | 78.19 | 0.13 | 1.36 | 1.50 | 2,672.40 |

Reconciliation of loss allowance provision

| | |
|---|--------------|
| Loss allowance on April 1, 2020 | 15.00 |
| Changes in loss allowance | - |
| Loss allowance on March 31, 2021 | 15.00 |
| Changes in loss allowance | - |
| Loss allowance on March 31, 2022 | 15.00 |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
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.

| Particulars | | | | | Total |
|-----------------------------|----------------|--------------|--------------|-----------------|-----------------|
| | Less than 1 yr | 1-2 yrs | 2-3 yrs | More than 3 yrs | |
| Non-Derivatives | | | | | |
| Trade payables | 1264.17 | 1.19 | - | - | 1,265.36 |
| Borrowing | 560.79 | - | - | - | 560.79 |
| Security deposits | 19.00 | 23.00 | 18.25 | 89.75 | 150.00 |
| Lease Liabilities | 22.05 | 23.15 | 24.30 | 14.58 | 84.08 |
| Other financial liabilities | 202.25 | - | - | - | 202.25 |
| Derivatives | | | | | |
| Forward exchange contracts | 8.36 | - | - | - | 8.36 |
| Total | 2076.62 | 47.34 | 42.55 | 104.33 | 2,270.83 |

| Particulars | | | | | Total |
|-----------------------------|----------------|--------------|--------------|-----------------|-----------------|
| | Less than 1 yr | 1-2 yrs | 2-3 yrs | More than 3 yrs | |
| Non-Derivatives | | | | | |
| Trade payables | 1201.57 | 0.13 | 0.19 | 1.50 | 1,203.39 |
| Borrowing | 542.28 | - | - | - | 542.28 |
| Security deposits | 23.00 | 18.25 | 19.00 | 71.55 | 131.80 |
| Lease Liabilities | 20.76 | 22.05 | 23.15 | 38.90 | 104.86 |
| Other financial liabilities | 133.40 | - | - | - | 133.40 |
| Derivatives | | | | | |
| Forward exchange contracts | 13.58 | - | - | - | 13.58 |
| Total | 1934.59 | 40.43 | 42.34 | 111.95 | 2,129.31 |

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 THB. 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 MARCH 31, 2022
(Amounts in ₹ Lakhs)

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

| Particulars | Currency | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------|----------------------|--------|----------------------|--------|
| | | No. of Contracts | Amount | No. of Contracts | Amount |
| Forward contracts to Purchase (FC - CY € 2.54 Lakhs PY € 2.73 Lakhs) | EUR | 3 | 216.78 | 2 | 243.17 |
| Forward contracts to Purchase (FC - CY \$ 7.42 Lakhs PY \$ 9.01 Lakhs) | USD | 8 | 581.30 | 7 | 683.78 |
| Forward contracts to Sell (FC - CY €0.08 Lakhs PY €0.23 Lakhs) | EUR | 1 | 6.33 | 1 | 19.95 |

The Company's exposure to foreign currency risk, expressed in ₹ lakhs, 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.

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | | | |
|--|----------------------|----------|----------------------|----------|------|------|
| | EUR | USD | EUR | USD | CHF | THB |
| Financial assets | | | | | | |
| Trade receivable | 12.68 | - | 17.75 | - | - | - |
| Derivative instruments covered | | | | | | |
| Sell foreign currency | (6.33) | - | (19.95) | - | - | - |
| Net exposure to foreign currency risk assets | 6.35 | - | - | - | - | - |
| Financial liabilities | | | | | | |
| Trade payable | 77.21 | 438.00 | 123.90 | 520.25 | 5.24 | 0.02 |
| Derivative instruments covered | | | | | | |
| Buy foreign currency | (216.78) | (581.30) | (243.17) | (683.78) | - | - |
| Net exposure to foreign currency risk liabilities | - | - | - | - | 5.24 | 0.02 |

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 March 31, 2022 | Year ended March 31, 2021 |
| CHF Sensitivity | | |
| Increase by 5% (previous year 5%) | - | 0.26 |
| Decrease by 5% (previous year 5%) | - | (0.26) |
| EUR Sensitivity | | |
| Increase by 5% (previous year 5%) | 3.23 | 5.31 |
| Decrease by 5% (previous year 5%) | (3.23) | (5.31) |
| USD Sensitivity | | |
| Increase by 5% (previous year 5%) | 21.90 | 26.01 |
| Decrease by 5% (previous year 5%) | (21.90) | (26.01) |
| THB Sensitivity* | | |
| Increase by 5% (previous year 5%) | - | - |
| Decrease by 5% (previous year 5%) | - | - |

* Amount less than 0.005 lakhs for March 2021

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

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.

NOTE 34 - CAPITAL MANAGEMENT

A. Risk 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.

Currently, there are limited borrowings and operations are being funded through internal accruals.

B. Dividend

(i) Dividend paid during the year

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Final Dividend paid during the year ₹ 1 per fully paid up share (March 31, 2021 - ₹ Nil per fully paid up share) | 911.06 | - |

(ii) Dividends not recognised at the end of the reporting period

A dividend of ₹ 3 per share amounting to ₹ 2733.18 Lakhs has been recommended by the Board of Directors on fully paid equity shares for the year ended March 31, 2022. This dividend of ₹ 3 includes ₹ 1.50 per equity share as a onetime special dividend, consequent to exceptional gains reported during the year. This proposed equity dividend is subject to approval by shareholders at the Annual General Meeting.

NOTE 35 - SEGMENT INFORMATION

The Company's Managing Director (MD) Mr. Venugopal Shanbhag 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 March 31, 2022 | Year ended March 31, 2021 |
|---------------------------------|------------------------------|------------------------------|
| Laminated Safety Glass | 14,923.84 | 10,318.02 |
| Tempered Glass | 36.28 | 52.10 |
| Total sales | 14,960.12 | 10,370.12 |

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 ₹ 4709.91 Lakhs (March 31, 2021: ₹ 3,746.51 Lakhs) are derived from few external customer which represents 10% or more of the total revenue for the year ended March 31, 2022 & March 31, 2021.


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(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 | |
|--|---------------------------|------------------------|------------------------------|----------------------|
| | | | As at March 31, 2022 | As at March 31, 2021 |
| Compagnie de Saint-Gobain | Ultimate Holding Company* | France | 75.00% | 75.00% |
| * 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 Sekurit (Thailand) Co. Limited, Thailand |
| Saint-Gobain Glass, France | Saint-Gobain Sekurit Deutschland GmbH & Co KG, Germany |
| Saint-Gobain Seva, France | Saint-Gobain Sekurit - AACHEN, France |
| Saint Gobain International Digital-IT Services | Saint Gobain Cristaleria S.L. |
| Grindwell Norton Limited, India | Saint-Gobain India Foundation, India |
| Saint-Gobain Consulting Information Organisation, France | Saint Gobain Glass Finland OY |
| SGCP Belgium Autover Distribution | |

ii) Key Managerial Personnel:

Mr. Venugopal Shanbhag - Managing Director (From January 1, 2021)

Mr. A. Dinakar - Managing Director (Upto December 31, 2020)

iii) Independent Directors:

Mr. Padmanabha Shetty

Mr. Joseph Andrew Jude Pereira

Ms. Padmasudha Chandrasekhar

b) Key Managerial Personnel compensation

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---------------------------------------|---------------------------|---------------------------|
| Sitting fees to Independent Directors | 13.00 | 13.90 |
| Total | 13.00 | 13.90 |

c) Transactions with Related parties

The following transactions occurred with related parties during the year:

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|-----------------------------------|---------------------------|---------------------------|
| From Fellow Subsidiaries: | | |
| Purchase of goods | 4,847.75 | 2,984.38 |
| Purchase of fixed assets | 44.18 | - |
| Purchase of consumables & spares | - | 13.73 |
| IT Support services received | 124.19 | 100.78 |
| Services received | 215.10 | 287.33 |
| Research and Development Expenses | 255.13 | 208.22 |
| Dividend | 683.29 | - |
| To Fellow Subsidiaries: | | |
| Sale of goods | 4,193.32 | 2,575.34 |
| Services rendered | 100.16 | 97.22 |
| Other transactions | | |
| CSR expenses | 37.69 | 40.99 |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

Significant transaction incurred with related parties during the year:

| Nature of Transactions | Name of the Companies | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|--|------------------------------|------------------------------|
| Purchase of Goods | Saint-Gobain India Private Limited, India | 4,677.78 | 2,751.81 |
| | Grindwell Norton Limited, India | 14.64 | - |
| | Saint-Gobain Sekurit Deutschland Gmbh & Co KG, Germany | 144.79 | - |
| | Saint-Gobain Seva, France | 10.54 | - |
| Purchase of Fixed Asset | Saint-Gobain India Private Limited, India | 2.06 | - |
| | Saint Gobain Glass Finland OY | 42.13 | - |
| Purchase of consumables & spares | Grindwell Norton Limited, India | - | 4.62 |
| | Saint-Gobain Seva, France | - | 6.77 |
| | Saint-Gobain India Private Limited, India | - | 2.29 |
| IT Support services received | Saint-Gobain India Private Limited, India | 43.04 | - |
| | Saint Gobain International Digital-IT Services | 76.76 | 94.63 |
| | Grindwell Norton Limited, India | 1.85 | - |
| | Saint-Gobain Glass, France | 2.54 | - |
| Services received | Saint-Gobain India Private Limited, India | 204.50 | 274.21 |
| | Grindwell Norton Limited, India | 2.05 | - |
| | Saint-Gobain Sekurit France S.A. | 8.55 | - |
| Pool Research and Development Services | Saint-Gobain Glass, France | 255.13 | 208.22 |
| Dividend Paid | Saint-Gobain India Private Limited, India | 243.59 | - |
| | Saint-Gobain Sekurit France S.A. | 439.70 | - |
| Sale of goods | Saint-Gobain India Private Limited, India | 4,154.63 | 2,547.65 |
| | Saint-Gobain Sekurit Deutschland Gmbh & Co KG, Germany | 38.28 | - |
| | SGCP Belgium Autover Distribution | 0.41 | - |
| | Saint-Gobain India Private Limited, India | 100.02 | 97.22 |
| Services rendered | Grindwell Norton Limited, India | 0.14 | - |
| | Saint Gobain India Foundation, India | 37.69 | 40.99 |

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 March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Trade payables / Advance from customer (for purchase of goods and services) | | |
| Fellow subsidiaries | | |
| Saint-Gobain Sekurit Deutschland Gmbh & Co. KG, Germany | - | 65.08 |
| Saint-Gobain Glass, France | 35.54 | 54.55 |
| Grindwell Norton Limited, India | 12.53 | 3.05 |
| CDI-Saint-Gobain Glass France | - | 8.29 |
| Saint-Gobain Sekurit, Aachan, France | 2.81 | 0.91 |
| Saint-Gobain Sekurit Thailand Co. Ltd. | - | 0.01 |
| Saint Gobain Glass Finland OY | 41.48 | - |
| Saint-Gobain International Digital - IT Services | 23.23 | 22.28 |
| Total trade payables to / Advance from related parties (refer Note 20 & 24 respectively) | 115.59 | 154.17 |


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)

| | | |
|---|-----------------|---------------|
| Trade receivables / Advance to Supplier (for sale and advance towards goods and services) | | |
| Fellow Subsidiaries | | |
| Saint-Gobain Sekurit Deutschland Gmbh & Co KG, Germany | 12.28 | 18.66 |
| Saint-Gobain Sekurit S.A., France | - | 4.86 |
| Saint-Gobain Seva, France | 23.07 | - |
| Saint-Gobain India Private Limited, India | 1,057.67 | 914.83 |
| SGCP Belgium Autover Distribution | 0.40 | - |
| Saint-Gobain Consulting Information Organization, France | - | 1.60 |
| Total trade receivables from / Advance to related parties (refer Note 9 & 12 respectively) | 1,093.42 | 939.94 |

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)

NOTE 37 - CONTINGENT LIABILITIES AND CONTINGENT ASSETS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Contingent Liabilities (to the extent not provided) | | |
| Claims against the Company not acknowledged as debt: | | |
| Sales tax matters | 943.11 | 2,186.80 |
| Excise matters* | 280.08 | 280.08 |
| Other matters | 1.70 | 1.70 |
| Total | 1,224.89 | 2,468.58 |

*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 March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Property, Plant and Equipment (net of advances are ₹ Nil (previous year were ₹ Nil) | 38.05 | 18.35 |
| Total | 38.05 | 18.35 |

(b) Non-cancellable Operating Leases

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

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

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|------------------------------|------------------------------|
| Rental Charges | 2.55 | 12.26 |
| Total rental expense relating to operating leases | 2.55 | 12.26 |

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

NOTE 39 - EARNINGS PER SHARE

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|------------------------------|------------------------------|
| Basic and Diluted earnings per share | | |
| From continuing operations attributable to equity holders of the Company (in ₹) | 5.23 | 1.25 |
| Total basic & diluted earnings per share attributable to equity holders of the Company (in ₹) | 5.23 | 1.25 |

a) Reconciliation of earnings used in calculating earnings per share

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|------------------------------|------------------------------|
| 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 | 4,769.16 | 1,141.60 |
| Profit attributable to the equity holders of the Company used in calculating basic and diluted earnings per share | 4,769.16 | 1,141.60 |

b) Weighted average number of shares used as the denominator

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|------------------------------|------------------------------|
| Weighted average number of equity shares used as the denominator in calculating basic earnings per share | 91,105,700 | 91,105,700 |
| Adjustments for calculation of diluted earnings per share | - | - |
| Weighted average number of equity shares used as the denominator in calculating diluted earnings per share | 91,105,700 | 91,105,700 |

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 March 31, 2022 and March 31, 2021. 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 March 31, 2022 | | | |
| Financial assets | | | |
| - Trade receivables# | 3,623.07 | (753.87) | 2,869.20 |
| Total | 3,623.07 | (753.87) | 2,869.20 |
| Financial liabilities | | | |
| - Trade payables # | 2,019.23 | (753.87) | 1,265.36 |
| Total | 2,019.23 | (753.87) | 1,265.36 |
| As at March 31, 2021 | | | |
| Financial assets | | | |
| - Trade receivables# | 3,531.56 | (874.17) | 2,657.39 |
| Total | 3,531.56 | (874.17) | 2,657.39 |
| Financial liabilities | | | |
| - Trade payables # | 2,077.56 | (874.17) | 1,203.39 |
| Total | 2,077.56 | (874.17) | 1,203.39 |

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.


NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022
(Amounts in ₹ Lakhs)
NOTE 41 - EXCEPTIONAL GAIN

The Company had during the year, transferred the leasehold rights on land and building at its Bhosari location for a consideration of ₹ 3,250.00 lakhs. The profit on the transfer of these assets (net of the expenses incurred for the transfer of ₹ 460.01 Lakhs) amounting to ₹ 2,789.99 lakhs has been disclosed as Exceptional Gain in the Financial Statement.

Note 42 - GENERAL
a) Subsequent Events

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

b) General

The other matters as required under paragraph "L - Additional Regulatory Information" under part I of Division II of Schedule III of the Companies Act, 2013 and Paragraph 7(l) and 7(n) of Part II of Division II and Schedule III to Companies Act 2013 as relevant to financial statements are either not applicable or there are no reportable matters.

NOTE 43 - ANALYTICAL RATIOS

| Ratio | Numerator | Denominator | FY 2021-22 | FY 2020-21 | % Change |
|----------------------------------|-------------------------------------|------------------------------|---------------|---------------|----------|
| Current ratio* | Current Assets | Current Liabilities | 8.13 | 5.36 | 52% |
| Debt-equity ratio | Total Debt | Shareholder's Equity | 0.03 | 0.04 | -19% |
| Debt Service Coverage ratio** | Earnings available for debt service | Debt Service | 4.27 | 7.08 | -40% |
| Return on equity ratio** | Net Profits aftertaxes | Average Shareholder's Equity | 29.70% | 8.44% | 252% |
| Inventory Turnover | Sales | Average Inventory | 10.86 | 9.61 | 13% |
| Trade receivables turnover ratio | Net Credit Sales | Average Trade Receivable | 5.47 | 4.73 | 16% |
| Trade payables turnover ratio*** | Net Credit Purchases | Average Trade Payables | 5.90 | 3.24 | 82% |
| Net capital turnover ratio | Net Sales | Working Capital | 0.95 | 0.89 | 7% |
| Net profit ratio** | Net Profit after Tax | Net Sales | 31.52% | 10.88% | 190% |
| Return on Capital Employed** | Earning before interest and taxes | Capital Employed | 34.08% | 11.05% | 208% |
| Return on Investment | Return on Investment | Average Investment held | 3.21% | 2.99% | 7% |

* Increase in ratio is mainly on account of increase in investment in Mutual fund by ₹ 2,932.57 Lakhs.

** Variation in ratio is on account of exceptional gain in current year of ₹ 2789.99 Lakhs

*** Increase in ratio on account of increase in purchases during the current year as compared to previous year where the business was hampered on account of Covid.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in ₹ Lakhs)

| Particulars | Year ended | | Year ended | |
|---|----------------|-------------------|----------------|-------------------|
| | March 31, 2022 | | March 31, 2021 | |
| Cash Flow from Operating Activities: | | | | |
| Profit before Taxation | | 6,081.01 | | 1,510.73 |
| Adjusted for : | | | | |
| Depreciation and Amortisation Expense | 443.87 | | 537.20 | |
| Gain on Exceptional Item | (2,789.99) | | - | |
| Unrealised Loss / (Gain) on Forex Revaluation (Net) | 0.21 | | (10.52) | |
| Write off of assets (Net) | 11.09 | | - | |
| Income from Government Grant | (5.72) | | (9.30) | |
| (Gain) / Loss on Sale of Investments | (295.91) | | (388.98) | |
| Changes in Fair Value of Investments at fair value through Profit or Loss | (82.81) | | 90.23 | |
| Provision no longer required written back | (3.50) | | (44.86) | |
| Provision / (Reversal of Provision) for Doubtful Debts | - | | 2.00 | |
| Interest Expense | 29.88 | | 10.50 | |
| | | <u>(2,692.88)</u> | | <u>186.28</u> |
| Operating Profit before Working Capital Changes | | 3,388.13 | | 1,697.02 |
| Changes in Working Capital | | | | |
| (Increase) / Decrease in Other Financial Assets | 57.59 | | (52.27) | |
| (Increase) / Decrease in Inventories | (625.94) | | 23.56 | |
| (Increase) / Decrease in Trade Receivables | (212.15) | | (884.77) | |
| (Increase) / Decrease in Other Current Assets | (51.50) | | 24.85 | |
| (Increase) / Decrease in Other Bank Balances | (8.98) | | - | |
| (Increase) / Decrease in Other Non Current Assets | 25.13 | | (36.38) | |
| Increase / (Decrease) in Trade Payables | 65.65 | | (340.99) | |
| Increase / (Decrease) in Provisions and Employee Benefits Obligations | (1.41) | | (90.16) | |
| Increase / (Decrease) in Other Financial Liabilities | 16.57 | | 23.00 | |
| Increase / (Decrease) in Other Current Liabilities | (611.86) | | 258.60 | |
| Increase / (Decrease) in Provision | (1.78) | | 17.92 | |
| | | <u>(1,348.67)</u> | | <u>(1,056.64)</u> |
| Cash Generated From Operations | | 2,039.45 | | 640.38 |
| Income Taxes Paid (Net) | | <u>(1,258.05)</u> | | <u>(399.96)</u> |
| NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A) | | 781.41 | | 240.42 |
| CASH FLOW FROM INVESTING ACTIVITIES: | | | | |
| Payment towards Purchase of Property, Plant and Equipment and Intangible Assets | (252.84) | | (135.16) | |
| Proceeds from Sale of Asset Held for Sale (Net of Transfer charges) | 3,002.32 | | - | |
| Payment for Purchase of Investments | (21,319.93) | | (23,787.70) | |
| Proceeds from Sale of Investments | 18,766.09 | | 23,425.85 | |
| NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B) | | 195.63 | | (497.00) |
| CASH FLOW FROM FINANCING ACTIVITIES: | | | | |
| Borrowing from Bank | 560.79 | | 542.28 | |
| Repayment of Borrowings from Bank | (542.28) | | (202.18) | |
| Dividend Paid (including TDS) | (902.08) | | - | |
| Interest Paid | (23.76) | | (7.45) | |
| Interest Paid on Lease Liability | (6.12) | | (3.05) | |
| Principal Payment of Lease Liability | (14.64) | | (13.84) | |
| NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES (C) | | (928.08) | | 315.76 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C) | | 48.95 | | 59.18 |
| Cash and cash equivalents (Opening Balance) | | 98.81 | | 39.63 |
| Cash and cash equivalents (Closing Balance) | | <u>147.76</u> | | <u>98.81</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 48.95 | | 59.18 |

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. 42454

Place : Chennai
Date : May 20, 2022

For and on behalf of the Board

B Santhanam
Director
DIN. 00494806

Manigandann R
Chief Financial Officer

Place : Chennai
Date : May 20, 2022

Venugopal Shanbhag
Managing Director
DIN 008888359

Girish T. Shajani
Company Secretary



Saint-Gobain Sekurit India Limited