



**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

6<sup>th</sup> July 2019

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

Scrip Code: 515043

Dear Sir /Madam,

**Annual Report 2018-19**

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report for the financial year 2018-19 along with the Notice of 46<sup>th</sup> Annual General Meeting.

The Annual Report containing the Notice is also uploaded on the Company's website [www.sekuritindia.com](http://www.sekuritindia.com).

We request you to take the same on record.

Thanking you,  
For **Saint-Gobain Sekurit India Limited**

**Rukmini Subramanian**  
**Company Secretary**

Encl. as above.

**SEKURIT**  
*smart vision*

**Saint-Gobain Sekurit India Limited**



**ANNUAL REPORT 2018-19**

  
**SAINT-GOBAIN**

**BOARD OF DIRECTORS** (as on 9<sup>th</sup> May 2019)

**Mr. M. G. Ramakrishna (Chairman)**

**Mr. Padmanabha Shetty**

**Mr. Joseph Andrew Jude Pereira**

**Mr. Anand Mahajan**

**Ms. Marie-Armelle Chupin**

**Mr. Santhanam**

**Mr. A. Dinakar (Managing Director)**

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**CHIEF FINANCIAL OFFICER**

**Mr. R. Manigandann**

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**COMPANY SECRETARY**

**Ms. Rukmini Subramanian**

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**BANKERS**

Standard Chartered Bank

Citi Bank

HDFC Bank

State Bank of India

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**STATUTORY AUDITORS**

M/s. Kalyaniwalla & Mistry LLP

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**REGISTRARS & TRANSFER AGENTS**

Link Intime India Private Limited

C 101, 247 Park,

LBS Marg, Vikhroli West,

Mumbai 400 083

Maharashtra

Tel. No.: +91 22 4918 6000

Fax No.: +91 22 4918 6060

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

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**REGISTERED OFFICE**

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

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**Email id:** [sekurit.investors@saint-gobain.com](mailto:sekurit.investors@saint-gobain.com)

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**Website:** [www.sekuritindia.com](http://www.sekuritindia.com)

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**Corporate Identity Number:** L26101MH1973PLC018367

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## NOTICE

NOTICE is hereby given that the 46<sup>th</sup> Annual General Meeting of the Members of Saint-Gobain Sekurit India Limited will be held on Saturday, 3<sup>rd</sup> August 2019 at 11:00 a.m. at Courtyard by Marriot, Plot P-7 MIDC, Chakan Industrial Area Phase 1, Khalumbre, Pune 410 501, Maharashtra, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2019, together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Anand Mahajan (DIN. 00066320) who retires by rotation and being eligible, offers himself for reappointment.

### SPECIAL BUSINESS

3. To ratify the remuneration of Cost Auditor for the financial year ending 31<sup>st</sup> March 2020.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, Mr. G. Thangaraj, Cost Accountant (Registration No. M5997), appointed as the Cost Auditor by the Board of Directors of the Company, to conduct audit of the cost accounting records maintained by the Company, for the financial year ending 31<sup>st</sup> March 2020, be paid remuneration of ₹1.40 Lakhs (Rupees One lakh forty thousand) plus applicable taxes and out of pocket expenses at actuals.”

4. To appoint Mr. Santhanam as Non-Executive Director of the Company, liable to retire by rotation.

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

“RESOLVED THAT Mr. Santhanam (DIN. 00494806), appointed as an Additional Director by the Board of Directors with effect from 1<sup>st</sup> April 2019 and who holds office upto this Annual General Meeting in terms of Section 161 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Articles of Association of the Company and being eligible offers himself for appointment, be and is hereby appointed as a Non-Executive Director, liable to retire by rotation.”

5. To reappoint Mr. Padmanabha Shetty as an Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 17 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time, Mr. Padmanabha Shetty (DIN. 00433761), who was appointed as an Independent Director at the 41<sup>st</sup> Annual General Meeting of the Company to hold office up to 17<sup>th</sup> July 2019, and whose appointment as an Independent Director has been approved by the Board of Directors pursuant to the recommendation of the Nomination and Remuneration Committee with effect from 18<sup>th</sup> July 2019 and who is eligible for reappointment and meets the criteria of independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and has submitted a declaration to that effect, be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 18<sup>th</sup> July 2019 to 17<sup>th</sup> July 2022.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the Listing Regulations and other applicable provisions if any, of the Act and applicable Rules framed thereunder, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the Members be and is hereby accorded to Mr. Padmanabha Shetty, who will attain the age of seventy five years on 19<sup>th</sup> January 2022, to continue as an Independent Director of the Company till the expiry of second term of his reappointment.”

6. To appoint Mr. Joseph Andrew Jude Pereira as an Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 16(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Articles of Association of the Company, Mr. Joseph Andrew Jude Pereira (DIN. 00130239), appointed as an Additional Director (Independent) of the Company, with effect from 9<sup>th</sup> May 2019 and holds office until the Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years from 9<sup>th</sup> May 2019.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the Listing Regulations, applicable provisions, if any, of the Act and Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the Members be and is hereby accorded to Mr. Joseph Andrew Jude Pereira, who will attain the age of seventy five years on 29<sup>th</sup> November 2023, to continue as an Independent Director of the Company till the expiry of his term of office.”

7. To approve material related party transactions.

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

“RESOLVED THAT pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and any other applicable provisions including any amendment, modification, variation or re-enactment thereof, approval of the Members be and is hereby accorded to the Board of Directors of the Company to enter into contracts/arrangements/ transactions in ordinary course of business and at arms’ length basis with Saint-Gobain India Private Limited, a related party in terms of the Listing Regulations and the Companies Act, 2013, for purchase, sale or transfer of products, goods, consumables, materials, assets, services and other obligations during the financial year ending 31<sup>st</sup> March 2020, for an aggregate amount not exceeding ₹100 Crores (Rupees One hundred crores).”

By Order of the Board of Directors

**Rukmini Subramanian**  
Company Secretary

Mumbai, 9<sup>th</sup> May 2019

**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](mailto:sekurit.investors@saint-gobain.com)

Website: [www.sekuritindia.com](http://www.sekuritindia.com)

Corporate Identity Number: L26101MH1973PLC018367

**NOTES :**

1. The Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), relating to Special Business to be transacted at the 46<sup>th</sup> 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 Standards by The Institute of Company Secretaries of India, of persons seeking appointment/reappointment as Director under Item Nos. 2, 4,5 and 6 of the Notice, is annexed hereto.
2. **A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than forty-eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/authority, as applicable.**



**Members are requested to note that a person can act as proxy on behalf of not exceeding fifty (50) Members and holding in aggregate not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**

3. Corporate Members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the relevant board resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf.
4. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 27<sup>th</sup> July 2019 to Saturday, 3<sup>rd</sup> August 2019 (both days inclusive).
5. The Notice of AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose email addresses are registered with the Company or Depository Participant(s) unless the Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
6. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2015, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide the facility to its Members to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means through e-Voting provided by Central Depository Services (India) Limited. The Members whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, 27<sup>th</sup> July 2019, being cut-off date, are entitled to vote on the resolutions set forth in the Notice. Members may cast their votes on electronic voting system from any place other than the venue of AGM ("remote e-voting"). The remote e-voting period will commence on Tuesday, 30<sup>th</sup> July 2019 at 9:00 a.m. and will end on Friday, 2<sup>nd</sup> August 2019 at 5:00 p.m. In addition, facility of voting through ballot paper shall also be made available at the AGM and Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM. The Company has appointed Mr. V. N. Deodhar, Practicing Company Secretary, to act as Scrutiniser, to scrutinize the remote e-voting process and votes cast through Ballot Paper at the AGM in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

#### **Remote e-voting process**

- I. The Company has entered into an arrangement with Central Depository Services (India) Limited ("CDSL") to facilitate remote e-voting for the AGM. The instructions for remote e-voting are as under:
  - a. The shareholders should log on to the e-voting website, [www.evotingindia.com](http://www.evotingindia.com).
  - b. Click on Shareholders.
  - c. Now enter your User ID
    - For CDSL : 16 digits beneficiary ID
    - For NSDL : 8 Character DPID followed by 8 Digit Client ID
    - Members holding shares in Physical Form should enter Folio Number registered with the Company. Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

For Members holding shares in demat form and physical form:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number mentioned in "Password" field in the electronic voting particulars.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- d. After entering these details appropriately, click on “SUBMIT” tab.
- e. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- g. Click on the EVSN for Saint-Gobain Sekurit India Limited on which you choose to vote.
- h. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- i. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- j. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- k. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- l. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- m. If demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on “Forgot Password” & enter the details as prompted by the system.
- n. Note for Non-Individual Shareholders and Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a user should be created using the admin login and password. The user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com), or contact Mr. Santosh Jaiswal, Associate Vice President, Link Intime India Private Limited, Unit: Saint-Gobain Sekurit India Limited, C-101, 247 Park, L B S Marg, Vikhroli (West) Mumbai 400 083 at Email id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or at Telephone no.: +91 22 4918 6270.
- III. The voting rights shall be in proportion to the shares of paid up equity share capital of the Company as on the cut-off date, Saturday, 27<sup>th</sup> July 2019.
- IV. Members who acquire shares after the dispatch of the Annual Report and are Member as on the cut-off date, Saturday, 27<sup>th</sup> July 2019, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
- V. If you forgot your password, you can reset password by using “Forgot user details/password” option available on [www.evotingindia.com](http://www.evotingindia.com) or contact CDSL on toll free no. 1802005533.
- VI. The results of remote e-voting and voting through Ballot Paper will be declared to the Stock Exchange after the AGM within the prescribed time limit. The results along with the Scrutinizer’s Report, shall be placed on the website of the Company.



7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the AGM.
8. The 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 Directors are interested, maintained under Section 189 of the Act will be available for inspection at the AGM.
9. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Services (“NECS”), Electronic Clearing Service (“ECS”), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their Depository Participant(s) (“DP”). Changes intimated to the DP will then be automatically reflected in the Company’s records which will help the Company and its Registrars and Transfer Agents, Link Intime India Private Limited (“Link Intime”) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime.
10. The Securities and Exchange Board of India has mandated registration of Permanent Account Number (“PAN”) and bank account details by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit details of PAN and bank account details to DP with whom they have demat accounts. Members holding shares in physical form can submit their PAN and bank account details to Link Intime.
11. Members/Proxies should bring the duly filled Attendance Slip to the AGM and hand it over at the registration counter at the venue.
12. To support the ‘Green Initiative’, the Members who have not registered their e-mail addresses are requested to register the same with Link Intime/DPs.
13. Members desirous of any information relating to the financial statements and/or operations of the Company are requested to address their queries to the Company Secretary at the Registered Office of the Company, at least ten days in advance of AGM, so that the information, to the extent practicable, can be made available at the AGM.
14. The Route Map of the venue of AGM is enclosed.



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

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

**Item No. 3**

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Mr. G. Thangaraj, Cost Accountants, (Registration No. M5997), as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2020. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, consent of the members is sought by way of an Ordinary Resolution as set out in Item No. 3 of the Notice for ratification of the remuneration amounting to ₹ 1.40 Lakhs plus applicable taxes and out of pocket expenses incurred in connection with the aforesaid audit.

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

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

**Item No. 4**

The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, had appointed Mr. Santhanam (DIN 00494806) as an Additional Director on the Board of the Company from 1<sup>st</sup> April 2019, who holds office upto the Annual General Meeting of the Company. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr. Santhanam for his appointment to the office of Non-Executive Director.

Brief profile of Mr. Santhanam and his other directorships is annexed to this Notice.

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

Except for Mr. Santhanam being an appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in this resolution.

**Item No. 5**

Mr. Padmanabha Shetty (DIN 00433761) had been appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), by the Members at the 41<sup>st</sup> Annual General Meeting held on 18<sup>th</sup> July 2014 to hold office for a term of five years ("first term" as per the explanation to Section 149(10) and 149(11) of the Act).

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 9<sup>th</sup> May 2019, subject to the approval of the Members at the 46<sup>th</sup> Annual General Meeting, has reappointed Mr. Padmanabha Shetty as an Additional, Independent Director. The Board of Directors based on the performance evaluation and recommendation of the Nomination and Remuneration Committee, consider that the knowledge, experience, and continued valuable guidance to the management will be beneficial to the Company and seek approval of the Members for reappointment of Mr. Padmanabha Shetty as an Independent Director for the second term of five consecutive years commencing from 18<sup>th</sup> July 2019.

In the opinion of the Board, Mr. Padmanabha Shetty fulfils the conditions specified in the Act, the rules framed thereunder and Listing Regulations for appointment as an Independent Director and that he is Independent of the Management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director on the Board of the Company, not liable to retire by rotation.

In accordance with the Listing Regulations, a person who has attained the age of seventy five years can continue as non-executive director in a listed company, provided approval of its Members by way of special resolution is obtained. Mr. Padmanabha Shetty will attain the age of seventy five years on 19<sup>th</sup> January 2022, during his term as Independent Director of the Company. Special resolution as set out in Item No. 5 seeks approval of shareholders for continuation of directorship of Mr. Padmanabha Shetty as Independent Director till the end of his second term of office. The Board considers that the knowledge and experience of Mr. Shetty in areas of law, finance and banking will be of immense benefit to the Company.

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

Brief profile of Mr. Padmanabha Shetty and his other directorships has been included in this Notice.



The Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing the candidature of Mr. Padmanabha Shetty for his appointment to the office of Independent Director. Copies of the draft letter for appointment as Independent Director setting out the terms and conditions will be available for inspection without any fee by the members at the registered office of the Company during normal business hours on all the working days.

The Board of Directors recommend the Special Resolution for appointment of Mr. Padmanabha Shetty as set out in Item No. 5 for approval of the Members of the Company.

Except for Mr. Padmanabha Shetty being an appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in this resolution.

#### **Item No. 6**

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, had appointed Mr. Joseph Andrew Jude Pereira (DIN 00130239) as an Additional Director (Independent) on the Board of the Company from 9<sup>th</sup> May 2019, who holds office upto the Annual General Meeting. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors have recommended the appointment of Mr. Joseph Andrew Jude Pereira as an Independent Director for a term of five consecutive years from 9<sup>th</sup> May 2019, subject to approval of the Members of the Company.

Mr. Joseph Andrew Jude Pereira fulfils the conditions specified in the Companies Act, 2013 ("Act") and the rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for appointment as an Independent Director and that he is Independent of the Management.

In accordance with the Listing Regulations, a person who has attained the age of seventy five years can continue as non-executive director in a listed company, provided approval of its Members by way of special resolution is obtained. Mr. Joseph Andrew Jude Pereira will attain the age of seventy five years on 29<sup>th</sup> November 2023, during his term as Independent Director of the Company. Special resolution as set out in Item No. 6 seeks approval of Members for continuation of directorship of Mr. Joseph Andrew Jude Pereira as Independent Director till the end of his term of office. The Board believes that Mr. Pereira's induction on the Board will support in broadening the overall expertise of the Board and will bring wide experience in areas of finance and human resource.

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

Brief profile of Mr. Joseph Andrew Jude Pereira and his other directorships has been included in this Notice.

The Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing the candidature of Mr. Joseph Andrew Jude Pereira for his appointment to the office of Independent Director. Copies of the draft letter for appointment as Independent Director setting out the terms and conditions will be available for inspection without any fee by the members at the registered office of the Company during normal business hours on all the working days.

The Board of Directors recommend the Special Resolution for appointment of Mr. Joseph Andrew Jude Pereira as set out in Item No. 6 for approval of the Members of the Company.

Except for Mr. Joseph Andrew Jude Pereira being an appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in this resolution.

#### **Item No. 7**

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 other obligations from/to Saint-Gobain India Private Limited are deemed to be "material" in nature, as per the explanation to Regulation 23 of the Listing Regulations.

The Audit Committee and Board of Directors at their respective meetings held on 5<sup>th</sup> February 2019, have accorded approval to enter into contracts/arrangements/transactions with SGIPL for an aggregate amount upto ₹100 Crores (Rupees One Hundred Crores) during the financial year ending 31<sup>st</sup> March 2020.

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

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

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

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

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

The Board of Director recommend the Ordinary Resolution set out in Item No. 7 for the approval of the Members.

Mr. Anand Mahajan and Mr. Santhanam are interested and concerned to the extent of their directorships held in SGIPL. None of the other Directors or Key Managerial Personnel or their relatives are concerned or interested in this resolution.

By Order of the Board of Directors

**Rukmini Subramanian**  
Company Secretary

Mumbai, 9<sup>th</sup> May 2019

**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](mailto:sekurit.investors@saint-gobain.com)

Website: [www.sekuritindia.com](http://www.sekuritindia.com)

Corporate Identity Number: L26101MH1973PLC018367



## ANNEXURE TO THE NOTICE

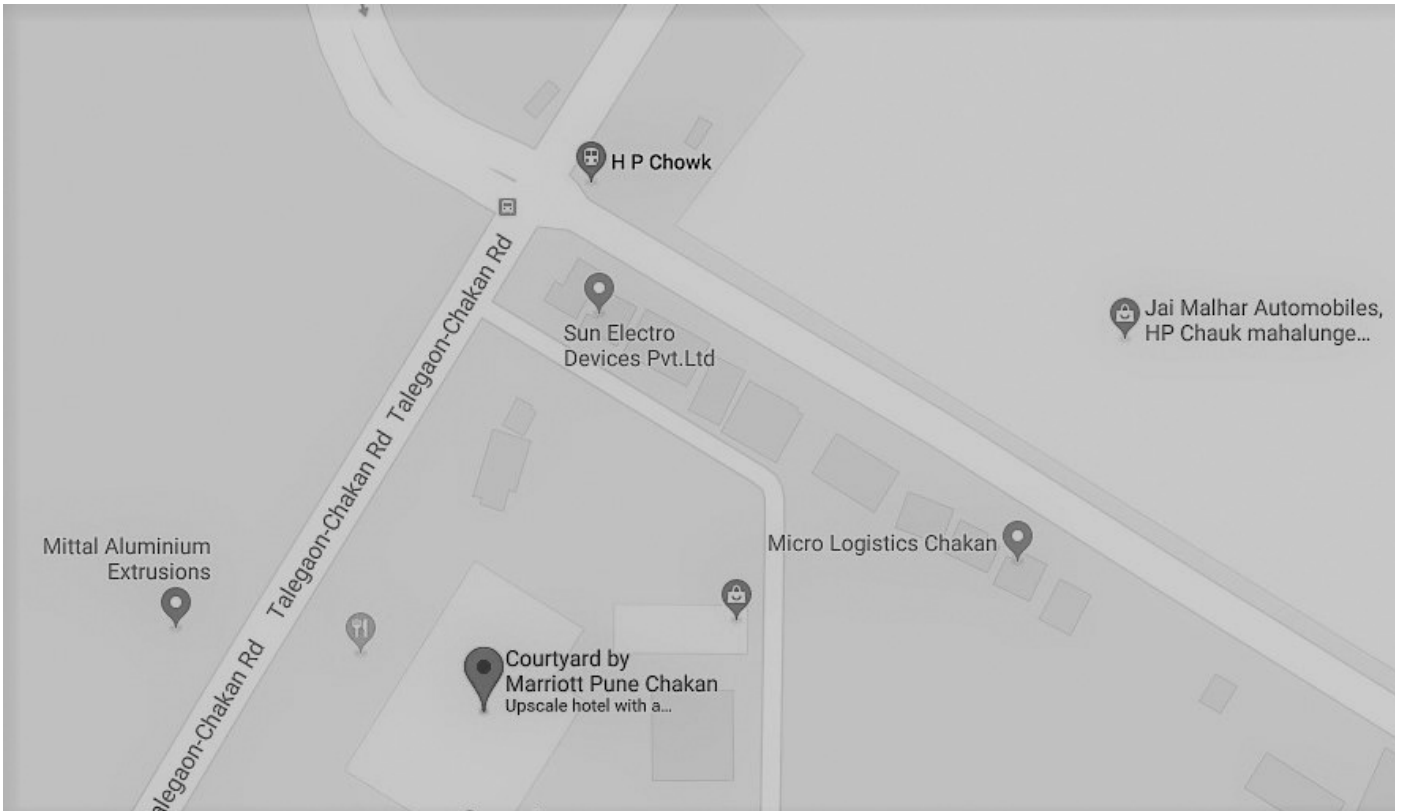
### DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name of the Director	Mr. Anand Mahajan	Mr. Santhanam	Mr. Padmanabha Shetty	Mr. Joseph Andrew Jude Pereira
Director Identification Number	00066320	00494806	00433761	00130239
Date of Birth	3 <sup>rd</sup> January 1953	2 <sup>nd</sup> March 1957	19 <sup>th</sup> January 1947	29 <sup>th</sup> November 1948
Age	66 years	62 years	72 years	70 years
Date of appointment	9 <sup>th</sup> June 1995	1 <sup>st</sup> April 2019	10 <sup>th</sup> June 2006	9 <sup>th</sup> May 2019
Qualification	B.A. (Honours) from St. Xavier's College, Mumbai, Master degree in Economics from University of Bombay and MBA from Cornell University, USA.	B.Tech in Civil Engineering from Indian Institute of Technology, Madras; Post-Graduation in Management from Indian Institute of Management, Ahmedabad.	Post Graduate in Economics and Graduate in Law from Mumbai University; Certified Associate from Institute of Bankers.	Post Graduate in Management from Indian Institute of Management, Calcutta; Post Graduate Certification in Managerial Maths from St. Xaviers Institute, Mumbai and is a Fellow Member of the Institute of Cost Accountants of India.
Brief Resume including experience	Mr. Mahajan has wide experience in banking and management. Mr. Mahajan started his career with State Bank of India in 1974 and served the Bank in various positions until 1981. He joined Grindwell Norton Limited in 1983 and has been its Managing Director since 1991. Mr. Mahajan is also Chairman and Managing Director of Saint-Gobain India Private Limited.	Mr. Santhanam is the founder Managing Director of the Glass business of Saint-Gobain India Private Limited. Mr. Santhanam started his career with Grindwell Norton Limited in 1981 and served in various positions.	Mr. Shetty has wide experience in the field on law, banking and finance. He is currently a financial consultant.	He joined Grindwell Norton Limited in 1975 and held various positions in finance, human resources and corporate services during his long stint spanning 40 years. He retired from Grindwell Norton Limited and Saint-Gobain Delgation India as Executive Director – Finance, HR and Corporate Services in 2015.
Terms and conditions of appointment/reappointment	Non-Executive Director, liable to retire by rotation.	Non-Executive Director, liable to retire by rotation.	Independent Director for five consecutive years from 18 <sup>th</sup> July 2019.	Independent Director for five consecutive years from 9 <sup>th</sup> May 2019.
Number of Meetings of Board attended during the year	4 out of 4 board meetings held	Not Applicable	4 out of 4 board meetings held	Not Applicable
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	Grindwell Norton Limited Unichem Laboratories Limited	Wheels India Limited Titan Company Limited	Marathon Nextgen Realty Limited	None
Memberships/ Chairmanships of committees of other Companies (included only Audit Committee and Stakeholders' Relationship Committee)	Audit Committee - Grindwell Norton Limited (Member) Stakeholders Relationship Committee - Grindwell Norton Limited (Member)	Audit Committee - Titan Company Limited (Member)	Audit Committee - Marathon Nextgen Realty Limited (Member)	None
Number of shares held in the Company	Nil	Nil	Nil	Nil
Remuneration last drawn	Nil	Nil	Sitting fees - ₹4.10 Lakhs	Nil

Mr. Anand Mahajan, Mr. Santhanam, Mr. Padmanabha Shetty and Mr. Joseph Jude Andrew Pereira, Directors, do not have any relationship with any other Director or Key Managerial Personnel of the Company in terms of the Companies Act, 2013.

**ROUTE MAP OF THE VENUE OF THE ANNUAL GENERAL MEETING**

Venue: Courtyard by Marriot, Plot P-7 MIDC, Chakan Industrial Area Phase, 1, Khalumbre, Pune 410501, Maharashtra  
Landmark : H P Chowk



## BOARD'S REPORT

The Members

Your Directors present the 46<sup>th</sup> Annual Report of the Company along with the audited financial statements for the year ended 31<sup>st</sup> March 2019.

### 1. Financial Highlights

	2018-19	2017-18
		(₹ Lakhs)
Revenue from operations	16,019.14	14999.16
Operating Profit	2,291.21	2,111.19
Interest	27.50	13.77
Profit before Tax	2,263.71	2,097.42
Provision for Tax	655.99	719.97
Profit after Tax	1,607.72	1,377.45
Other Comprehensive Income (Net of Tax)	(30.24)	14.30
Total Comprehensive Income	1,577.48	1,391.75

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

### 2. Dividend

Your Directors have not recommended any dividend for the financial year ended 31<sup>st</sup> March 2019.

### 3. Operations

During the financial year, the Indian economy grew by 7.2% over the previous year. In the first half of 2018-19, the economy recorded good growth; however, growth declined significantly in the second half. Led by the slowdown in auto industry, growth of the manufacturing sector witnessed a sharp drop. Private investment also did not pick up as expected. In the auto industry while the passenger vehicle segment did not do well, the commercial vehicle segment returned to a high growth trajectory (24% over the previous year). The 3 wheeler segment also grew at a faster pace. However, competition intensified in the 3 wheeler segment during the year and this adversely impacted your Company's sales growth. While your Company's sales grew by 6.8%, operating profit increased by 8.5%.

### 4. Shifting of Registered Office

The Members at the 45<sup>th</sup> Annual General Meeting approved the shifting of registered office from T-94, M.I.D.C., Bhosari Industrial Area, Pune 411 026, Maharashtra to Plot No. 616 & 617, Village Kuruli, Pune-Nashik Road, Chakan, Pune 410 501, Maharashtra.

### 5. Material changes and commitments after the end of financial year

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

### 6. Particulars of loans, guarantees or investment

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

### 7. Human Resources

Employee relations were cordial. Your Directors place on record their appreciation for contribution made by all employees of your Company. As on 31<sup>st</sup> March 2019, there were 127 employees.

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

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

#### **8. Conservation of energy, technology absorption, foreign exchange earnings and outgo**

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

#### **9. Particulars of Employees**

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

The Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a Annexure 2(B) forming part of this Report. Further, the Annual Report is being sent to the Members excluding the aforesaid Annexure 2(B). In terms of Section 136 of the Act, the said Annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining copy of the same may write to the Company Secretary. The full Annual Report including the aforementioned information is available on the website of the Company, [www.sekuritindia.com](http://www.sekuritindia.com).

#### **10. 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.

#### **11. Directors and Key Managerial Personnel**

Mr. M. G. Ramakrishna had been appointed as a Director on the Board of the Company on 22<sup>nd</sup> March 2005 and subsequently as an Independent Director of the Company by the Members at the 41<sup>st</sup> Annual General Meeting held on 18<sup>th</sup> July 2014 to hold office for a term of five consecutive years ("first term"). He has served as the Chairman of the Board since 30<sup>th</sup> January 2015. Mr. M. G. Ramakrishna vide letter dated 9<sup>th</sup> May 2019 has conveyed to the Board that he does not seek reappointment for the second term as Independent Director due to his personal reasons and will resign with effect from 10<sup>th</sup> May 2019. The Directors place on record their appreciation for the valuable contributions made by Mr. Ramakrishna. He has confirmed that there is no other material reason for his resignation.

Mr. Padmanabha Shetty had been appointed as an Independent Director of the Company by the Members at the 41<sup>st</sup> Annual General Meeting held 18<sup>th</sup> July 2014 to hold office for a term of five consecutive years ("first term"), expiring on 17<sup>th</sup> July 2019. On recommendation of the Nomination and Remuneration Committee, the Board of Directors have recommended reappointment of Mr. Padmanabha Shetty as an Independent Director for second term of five consecutive years from 18<sup>th</sup> July 2019, subject to approval of the Members by special resolution at the Annual General Meeting. The Board considers that the knowledge and experience of Mr. Shetty in law, finance and banking would be of immense benefit to the Company. In terms of the provisions of Section 160(1) of the Act, the Company has received a Notice from a Member signifying his intention to propose the candidature for the appointment of Mr. Padmanabha Shetty as an Independent Director.

Mr. Joseph Andrew Jude Pereira has been appointed as an Additional Director (Independent) from 9<sup>th</sup> May 2019. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors has recommended appointment of Mr. Joseph Andrew Jude Pereira as an Independent Director for a term of five consecutive years from 9<sup>th</sup> May 2019, subject to approval of the Members of the Company at the Annual General Meeting. The Board considers that the knowledge and experience of Mr. Pereira in finance, human resource and corporate service would be of immense benefit to the Company. In terms of the provisions of Section 160(1) of the Act, the Company has received a Notice from a Member signifying his intention to propose the candidature for the appointment of Mr. Joseph Andrew Jude Pereira as an Independent Director.



Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a person who has attained the age of seventy five years can continue as non-executive director of a company if approval of its members is obtained by way of a special resolution. Mr. Padmanabha Shetty and Mr. Joseph Andrew Jude Pereira will attain seventy five years of age during their term as Non-Executive, Independent Directors of your Company. Special resolutions seeking approval for continuation of their directorships after attaining the age of seventy five years, on the existing terms of appointment, form part of the Notice convening the 46<sup>th</sup> Annual General Meeting.

Mr. Santhanam had been appointed as an Additional Director by the Board of Directors from 1<sup>st</sup> April 2019. On recommendation of the Nomination and Remuneration Committee, the Board of Directors have recommended appointment of Mr. Santhanam as a Non-Executive Director, liable to retire by rotation. In terms of the provisions of Section 160(1) of the Act, the Company has received a Notice from a Member signifying his intention to propose the candidature for the appointment of Mr. Santhanam as a Non-Executive Director, liable to retire by rotation.

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

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

None of the Director or Key Managerial Personnel has any pecuniary relationship or transaction vis-à-vis the Company, other than salaries and sitting fees.

## **12. 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.

## **13. Annual evaluation of performance by the Board**

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

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

## **14. Declaration given by Independent Directors**

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

## **15. 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, [www.sekuritindia.com](http://www.sekuritindia.com). The Independent Directors are regularly briefed on the developments that are taking place in the Company and its operations.



## 16. Number of meetings of the Board

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

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

## 17. Committees of the Board

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

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

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

## 18. Directors Responsibility Statement

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

- i. that in the preparation of the annual financial statements for year ended 31<sup>st</sup> March 2019, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii. that such accounting policies have been selected and applied consistently and judgments and estimates have been made, that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31<sup>st</sup> March 2019, and of the profit of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual financial statements have been prepared on a 'going concern' basis;
- v. that proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively;
- vi. that systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and are operating effectively.

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

## 19. Related Party Transactions

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

The policy on related party transactions, as approved by the Board, is available on the website of the Company, [www.sekuritindia.com](http://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.

## **20. Corporate Social Responsibility**

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

## **21. Risk management and internal financial controls**

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

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

## **22. Whistle-Blower Policy and Vigil Mechanism**

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

## **23. Secretarial Standards**

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

## **24. Auditors**

### **a. Statutory Auditors**

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

### **b. Cost Auditor**

The Board of Directors had appointed Mr. G. Thangaraj, Cost Accountant, as the Cost Auditor to conduct audit of cost records of the Company for the financial year 2018-19. The Cost Audit Report for the financial year 2018-19 will be filed with Ministry of Corporate Affairs.

As per Section 148 and other applicable provisions, if any, of the Act, read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company on recommendation of the Audit Committee has appointed Mr. G. Thangaraj, Cost Accountant as the Cost Auditor of the Company for the financial year 2019-20.

Your Company has received consent from Mr. G. Thangaraj to act as the Cost Auditor of your Company for the financial year 2019-20 along with a certificate confirming his independence.

### **c. Secretarial Auditor**

The Company had appointed M/s. V. N. Deodhar & Co., Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year ended 31<sup>st</sup> March 2019. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March 2019 is annexed as Annexure 6 to this Report.

**25. 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 31<sup>st</sup> March 2019.

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

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

**27. Extract of Annual Return**

An extract of Annual Return in the prescribed form MGT-9 is annexed as Annexure 7 to this Report.

**28. Management Discussion and Analysis and Corporate Governance Report**

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

**Acknowledgments**

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

On behalf of the Board of Directors

**Anand Mahajan**  
Director

**A. Dinakar**  
Managing Director

Mumbai, 9<sup>th</sup> May 2019

**ANNEXURE 1****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO****A. Conservation of energy**

Your Company is committed to ensure 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 Chakan factory of your Company is certified by ISO 14001:2015 and OHSAS 18001:2007.

**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 capability of Furnace for heavy commercial vehicle laminations.  
Benefit: To cater to a wider and complex commercial segment with improved operational efficiencies.
- ii. Area: Enhancing the performance in laminating thin glasses and value-added products.  
Benefit: To meet the customers design need and requirements.

**2. Future plans of action:**

- i. Added value lamination products to meet the enhanced Customer requirements and cater to certain emerging markets through process improvement and digital integration.
- ii. Enhance the operational efficiencies and effectiveness through technological upgradations.

**3. Expenditure on R&D for the year ended 31<sup>st</sup> March 2019:**

	(₹ Lakhs)
i) Capital	Nil
ii) Recurring	331.80
iii) Total	331.80
iv) Total R&D expenditure as % of total turnover	2.07%

**C. Foreign exchange earnings and outgo:**

- Total earnings in foreign exchange: ₹ 42.56 Lakhs.
- Total outgo in foreign exchange : ₹ 2,638.12 Lakhs.

**ANNEXURE 2**
**PARTICULARS OF EMPLOYEES**

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

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

- Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2018-19 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary:

Sr. No.	Name of the Director/ Key Managerial Personnel (KMP) and Designation	% of increase in remuneration in the financial year ended 31 <sup>st</sup> March 2019	Ratio of remuneration of each director to median remuneration of employees
1.	Mr. M. G. Ramakrishna, Chairman, Non-Executive Independent Director	14	>1
2.	Mr. Padmanabha Shetty Non-Executive Independent Director	14	>1
3.	Mr. Manigandann R.* Chief Financial Officer, KMP	21	NA
4.	Ms. Rukmini Subramanian* Company Secretary, KMP	10	NA

\* on secondment from group companies

- The percentage increase in the remuneration of median employee in the financial year 2018-19 was around 6%. It may be noted that in the Company's case, the median remuneration is that of a unionized employee. Unionized employees' remuneration increase significantly in the year that a new wage agreement is concluded and, as such, the increase in median remuneration may vary significantly from year to year.
- Number of permanent employees of the Company as on 31<sup>st</sup> March 2019 : 127
- Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2018-19 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 12% and for Key Managerial Personnel is around 15%.
  - The average increase in remuneration is in line with market trends.
- It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

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

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

Name	Age	Designation Nature of duties	Remuneration (₹ Lakhs)	Qualification	Date of Commencement of Employment	Total Experience (years)	Previous Employment / Position Held
Mr. Sanjay Karori Sahani	57	Team Leader - Three Wheelers And Commercial Vehicles	28.45	BA - Economics	20-Jul-84	36	Works Supervisor - Hafed
Mr. L Muthupandi	39	Team Leader - Maintenance	22.89	BE - Electrical & Electronics	28-Feb-14	17	Dy Manager - Lear Automotives India Ltd
Mr. Parag Jayawant Jambhulkar	42	Team Leader - Project Management	19.33	BE - Mechanical	3-Nov-14	18	Team Manager – Projects - Saint Gobain Glass India Ltd
Mr. Prasad Nagesh Dandane	41	Team Leader – Quality	18.98	MBA - Operations	1-Aug-17	17	Manager - Varroc Polymers Pvt. Ltd
Mr. Vivek G	37	Team Leader - Operations	16.19	MBA - Management	2-May-18	15	Team Leader – Tempered - Saint Gobain India Pvt. Ltd
Mr. Rakesh Kumar Sahu	33	Key Accounts Manager	15.35	MBA - Marketing	2-Aug-14	10	Manager-Marketing - Mindasai Limited
Mr. Babasaheb Janardan Shelke	44	Team Member - Manufacturing	13.82	Diploma - Mechanical	11-Sep-10	21	Assistant Manager - Shree Ashtavinayak Glass
Ms. Daxaben Laxman Bhai Raval	35	Team Leader - Wcm	13.77	Msc - Engineering Technology	9-Oct-17	8	Senior Manager - Cummins India
Mr. Digambar Krishnajirao Dattasamje	46	Team Leader - Tool Room (Laminated)	12.81	ME - Manufacturing	18-Jun-12	21	Head Tool Room - Bahubali Electronics Pvt. Ltd.
Mr. Tatyaso Amruta Patil	47	Team Leader - Employee Relations & Administration	12.80	MSW - Social Work	3-Nov-14	21	Team Member – HR Saint Gobain Glass India 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 of Section 197 of the Companies Act, 2013.



## 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 Regulations.

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

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

#### **Remuneration Policy for Directors, Key Managerial Personnel and other employees**

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

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

##### **B. Managing Director & Key Managerial Personnel & other employees**

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

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

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

## ANNEXURE 4

### Form No. AOC – 2

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

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

- Details of contracts or arrangements or transactions not at arm's length basis – Not applicable**
- Details of material contract or arrangement or transactions at arm's length basis during financial year ended 31<sup>st</sup> March 2019:**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the Contracts/ arrangements/ transaction	Salient terms of the contract or arrangements including value (₹ Lakhs)	Date(s) of approval by the board/ audit committee	Amounts paid as advance, if any	Date on which resolution was passed in general meeting u/s 188(1)(h)
1.	Saint-Gobain India Private Limited, Fellow Subsidiary	Purchase of goods	Ongoing basis	3707.92	5 <sup>th</sup> February 2018	Nil	4 <sup>th</sup> August 2018
		Sale of goods	Ongoing basis	1427.64		Nil	
		Services received	Ongoing basis	299.10		Nil	
		Services rendered	Ongoing basis	141.63		Nil	

On behalf of the Board of Directors

**Anand Mahajan**  
Director

**A. Dinakar**  
Managing Director

Mumbai, 9<sup>th</sup> May 2019





## ANNEXURE 5

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### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

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

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

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

#### **With this, SGSIL's CSR agenda comprises of:**

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

#### **Saint-Gobain India Foundation**

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

#### **Governance mechanism:**

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

#### **Implementation:**

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

#### **CSR Expenditure:**

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

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

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

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

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

The CSR Committee has reviewed this Policy and recommended the same to the Board of Directors of the Company. The Board of Directors has approved the Policy and the same has been uploaded on the website of the Company, [www.sekuritindia.com](http://www.sekuritindia.com).

2. Composition of CSR Committee:

Mr. M. G. Ramakrishna	Chairman
Mr. Padmanabha Shetty	Member
Mr. A. Dinakar	Member

3. Average Net Profit of the Company for last three financial years: ₹ 1,519.47 Lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in Item No. 3): ₹ 30.39 Lakhs
5. Details of CSR spend for financial year:
  - (a) Total Amount provided for expenditure on CSR for the financial year: ₹ 10.19 Lakhs
  - (b) Manner in which the amount spent during the financial year is detailed below:

(₹ Lakhs)

Sr. No.	CSR programs/ project/ activity identified	Sector in which the program is covered	Projects/ Programs Area / State	Amount outlay (budget) Project/ program wise	Amount spent on the projects / programs		Cumulative expenditure up to the reporting period	Amount spent	
					Direct Expenditure	Overheads		Direct	Agency
1.	Contribution to the corpus of Saint-Gobain India Foundation	Promotion of education	N.A.	10.19	10.19	-	38.55	Direct	-
	<b>Total</b>			<b>10.19</b>	<b>10.19</b>	<b>-</b>	<b>38.55</b>		



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

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

7. In 2018-19, the Company has undertaken the implementation and monitoring of CSR Policy as per the CSR Agenda and Policy of the Company.

8. The details of the Program (near the Company’s offices or sites) undertaken through the SGIF:

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

**For Saint-Gobain Sekurit India Limited**

**A. Dinakar**  
Managing Director

Mumbai, 9<sup>th</sup> May 2019

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

**M. G. Ramakrishna**  
Chairman

**ANNEXURE 6**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2019

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

To,

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

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

Based on our verification of the Company's books, papers, minute 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 31<sup>st</sup> March 2019 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 31<sup>st</sup> March 2019 according to the provisions of:

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



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

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

We further report that

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

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

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

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

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

**V.N.DEODHAR**  
PROP.  
FCS NO.1880  
C.P. No.898

Place: Mumbai

Date: 9<sup>th</sup> May 2019

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.

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#### **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 of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of Laws, Rules & Regulations and happening of events, etc.
5. The Compliance of provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**V.N.DEODHAR**  
PROP.  
FCS NO.1880  
C.P. No. 898

Place: Mumbai

Date: 9<sup>th</sup> May 2019

**ANNEXURE 7**
**FORM NO. MGT-9**
**Extract of Annual Return as on the financial year ended 31<sup>st</sup> March 2019**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

**I. REGISTRATION AND OTHER DETAILS**

i.	CIN	L26101MH1973PLC018367
ii.	Registration Date	13 <sup>th</sup> November 1973
iii.	Name of the Company	Saint-Gobain Sekurit India Limited
iv.	Category / Sub-Category of the Company	Company having share capital
v.	Address of the Registered office and contact details	Plot No. 616 & 617, Village Kuruli, Pune-Nashik Road, Chakan, Pune 410 501, Maharashtra. Tel: +91 2135 676 400/01 Fax: +91 2135 676 444 Email: sekurit.investors@saint-gobain.com Website: www.sekuritindia.com
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22 4918 6000 Fax: +91 22 4918 6060 Email: rnt.helpdesk@linkintime.com Website: www.linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

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

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

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


**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a. Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
b. Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c. State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corporate	24359490	0	24359490	26.74	24359490	0	24359490	26.74	0.00
e. Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
f. Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>24359490</b>	<b>0</b>	<b>24359490</b>	<b>26.74</b>	<b>24359490</b>	<b>0</b>	<b>24359490</b>	<b>26.74</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a. Individuals (Non Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
b. Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corporate	43969785	0	43969785	48.26	43969785	0	43969785	48.26	0.00
d. Banks / Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e. Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>43969785</b>	<b>0</b>	<b>43969785</b>	<b>48.26</b>	<b>43969785</b>	<b>0</b>	<b>43969785</b>	<b>48.26</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>68329275</b>	<b>0</b>	<b>68329275</b>	<b>75.00</b>	<b>68329275</b>	<b>0</b>	<b>68329275</b>	<b>75.00</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	0	1300	1300	0.00	0	1300	1300	0.00	0.00
b. Financial Institutions / Banks	800	900	1700	0.00	800	900	1700	0.00	0.00
c. Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d. State Government (s)	50	0	50	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g. Foreign Portfolio Investor (including Foreign Institutional Investors)	600000	0	600000	0.66	807664	0	807664	0.89	0.23
h. Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
i. Any Other (specify)									
<b>Sub-total (B)(1):-</b>	<b>600850</b>	<b>2200</b>	<b>603050</b>	<b>0.66</b>	<b>808464</b>	<b>2200</b>	<b>810664</b>	<b>0.89</b>	<b>0.23</b>
<b>2. Non-Institutions</b>									
a. Bodies Corporate	2091110	23700	2114810	2.32	1708205	23200	1731405	1.90	-0.42
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b. Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	10931949	978520	11910469	13.07	11043008	940140	11983148	13.15	0.08
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	5430297	40440	5470737	6.00	5394740	40440	5435180	5.97	-0.04
c. Other (specify)									
Non Resident Indian	242058	2000	244058	0.27	332644	2000	334644	0.37	0.10
Trusts	100	0	100	0.00	100	0	100	0.00	0.00
Clearing Member	570554	0	570554	0.63	416087	0	416087	0.46	-0.17
Hindu Undivided Family	1862647	0	1862647	2.04	2010647	0	2010647	2.21	0.16
<b>Sub-total (B)(2):-</b>	<b>21128715</b>	<b>1044660</b>	<b>22173375</b>	<b>24.34</b>	<b>20959981</b>	<b>1005780</b>	<b>21965761</b>	<b>24.11</b>	<b>-0.23</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>21729565</b>	<b>1046860</b>	<b>22776425</b>	<b>25.00</b>	<b>21768445</b>	<b>1007980</b>	<b>22776425</b>	<b>25.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>90058840</b>	<b>1046860</b>	<b>91105700</b>	<b>100.00</b>	<b>90097720</b>	<b>1007980</b>	<b>91105700</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

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

**(iii) Change in Promoters Shareholding:**

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

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

Sl. No.	Name	Shareholding at the beginning of the year 1 <sup>st</sup> April 2018		Date	Reason	No. of shares	Cumulative Shareholding during the year		
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company	
1	<b>KUBER INDIA FUND</b>								
	At the beginning of the year		600000	0.66					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):				13 04 2018	Transfer	(150000)	450000	0.50
					04 05 2018	Transfer	(42057)	407943	0.45
					11 05 2018	Transfer	(18000)	389943	0.42
					08 06 2018	Transfer	54481	444424	0.49
					21 09 2018	Transfer	48902	493326	0.54
					12 10 2018	Transfer	6674	500000	0.55
					01 03 2019	Transfer	12000	512000	0.56
					08 03 2019	Transfer	30000	542000	0.59
				22 03 2019	Transfer	257942	799942	0.88	
				29 03 2019	Transfer	7722	807664	0.89	
At the end of the year							807664	0.89	
2	<b>KANTILAL M. VARDHAN (H.U.F.)</b>								
	At the beginning of the year		378140	0.42					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):				27 04 2018	Transfer	(33000)	345140	0.38
					01 06 2018	Transfer	(2174)	342966	0.38
					05 10 2018	Transfer	(1000)	341966	0.38
					12 10 2018	Transfer	(100)	341866	0.38
At the end of the year							341866	0.38	





Sl. No.	Name	Shareholding at the beginning of the year 1 <sup>st</sup> April 2018		Date	Reason	No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
<b>3</b>	<b>MOTILAL OSWAL FINANCIAL SERVICES LTD-CLIENT ACCOUNT</b>							
	At the beginning of the year	13000	0.01					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			04 05 2018	Transfer	(13000)	0	0
				09 11 2018	Transfer	174392	174392	0.19
				16 11 2018	Transfer	82	174474	0.19
				23 11 2018	Transfer	(128)	174346	0.19
				30 11 2018	Transfer	4607	178953	0.20
				07 12 2018	Transfer	3283	182236	0.2
				14 12 2018	Transfer	(1000)	181236	0.20
				21 12 2018	Transfer	(3657)	177579	0.19
				28 12 2018	Transfer	(1869)	175710	0.19
				31 12 2018	Transfer	6062	181772	0.20
				04 01 2019	Transfer	(3737)	178035	0.20
				11 01 2019	Transfer	3488	181523	0.20
				18 01 2019	Transfer	3188	184711	0.20
				25 01 2019	Transfer	(7468)	177243	0.19
				01 02 2019	Transfer	1476	178719	0.20
				08 02 2019	Transfer	(2801)	175918	0.19
				15 02 2019	Transfer	(327)	175591	0.19
				22 02 2019	Transfer	(1989)	173602	0.19
				08 03 2019	Transfer	900	174502	0.19
				22 03 2019	Transfer	(3308)	171194	0.19
				29 03 2019	Transfer	26766	197960	0.22
				30 03 2019	Transfer	(2000)	195960	0.22
				04 05 2018	Transfer	(13000)	0	0
				09 11 2018	Transfer	174392	174392	0.19
				16 11 2018	Transfer	82	174474	0.19
				23 11 2018	Transfer	(128)	174346	0.19
				30 11 2018	Transfer	4607	178953	0.20
				07 12 2018	Transfer	3283	182236	0.2
				14 12 2018	Transfer	(1000)	181236	0.20
				21 12 2018	Transfer	(3657)	177579	0.19
			28 12 2018	Transfer	(1869)	175710	0.19	
			31 12 2018	Transfer	6062	181772	0.20	
			04 01 2019	Transfer	(3737)	178035	0.20	
			11 01 2019	Transfer	3488	181523	0.20	
			18 01 2019	Transfer	3188	184711	0.20	
			25 01 2019	Transfer	(7468)	177243	0.19	
			01 02 2019	Transfer	1476	178719	0.20	
			08 02 2019	Transfer	(2801)	175918	0.19	
			15 02 2019	Transfer	(327)	175591	0.19	
			22 02 2019	Transfer	(1989)	173602	0.19	
			08 03 2019	Transfer	900	174502	0.19	
			22 03 2019	Transfer	(3308)	171194	0.19	
			29 03 2019	Transfer	26766	197960	0.22	
			30 03 2019	Transfer	(2000)	195960	0.22	
	At the end of the year						195960	0.22

Sl. No.	Name	Shareholding at the beginning of the year 1 <sup>st</sup> April 2018		Date	Reason	No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
<b>4</b>	<b>ATS SHARE BROKERS PRIVATE LIMITED</b>							
	At the beginning of the year	179448	0.20					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			20 04 2018	Transfer	405	179853	0.20
				11 05 2018	Transfer	269	180122	0.20
				18 05 2018	Transfer	269	180391	0.20
				25 05 2018	Transfer	323	180714	0.20
				01 06 2018	Transfer	280	180994	0.20
				08 06 2018	Transfer	333	181327	0.20
				15 06 2018	Transfer	325	181652	0.20
				30 06 2018	Transfer	350	182002	0.20
				06 07 2018	Transfer	373	182375	0.20
				13 07 2018	Transfer	350	182725	0.20
				20 07 2018	Transfer	734	183459	0.20
				03 08 2018	Transfer	340	183799	0.20
				17 08 2018	Transfer	350	184149	0.20
				24 08 2018	Transfer	355	184504	0.20
				31 08 2018	Transfer	355	184859	0.20
				07 09 2018	Transfer	328	185187	0.20
				21 09 2018	Transfer	340	185527	0.20
				29 09 2018	Transfer	380	185907	0.20
				05 10 2018	Transfer	380	186287	0.20
				12 10 2018	Transfer	423	186710	0.20
				26 10 2018	Transfer	800	187510	0.21
				02 11 2018	Transfer	400	187910	0.21
				23 11 2018	Transfer	400	188310	0.21
				30 11 2018	Transfer	396	188706	0.21
				07 12 2018	Transfer	378	189084	0.21
				14 12 2018	Transfer	425	189509	0.21
				21 12 2018	Transfer	410	189919	0.21
				28 12 2018	Transfer	410	190329	0.21
				11 01 2019	Transfer	369	190698	0.21
				18 01 2019	Transfer	369	191067	0.21
				25 01 2019	Transfer	1581	192648	0.21
				01 02 2019	Transfer	407	193055	0.21
				08 02 2019	Transfer	407	193462	0.21
				22 02 2019	Transfer	441	193903	0.21
				01 03 2019	Transfer	433	194336	0.21
				08 03 2019	Transfer	409	194745	0.21
				15 03 2019	Transfer	390	195135	0.21
				29 03 2019	Transfer	363	195498	0.21
	At the end of the year						195498	0.21
<b>5</b>	<b>KEWAL KUMAR VOHRA</b>							
	At the beginning of the year	95030	0.10					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			06 04 2018	Transfer	20106	115136	0.13
				18 05 2018	Transfer	42	115178	0.13
				13 07 2018	Transfer	1106	116284	0.13
				03 08 2018	Transfer	7000	123284	0.14
				19 10 2018	Transfer	12879	136163	0.15
				26 10 2018	Transfer	6797	142960	0.16
				23 11 2018	Transfer	21274	164234	0.18
				30 11 2018	Transfer	1138	165372	0.18
				21 12 2018	Transfer	2917	168289	0.18
				18 01 2019	Transfer	6261	174550	0.19
				15 02 2019	Transfer	4000	178550	0.20
				08 03 2019	Transfer	5175	183725	0.20
				22 03 2019	Transfer	1871	185596	0.20
	At the end of the year						185596	0.20



Sl. No.	Name	Shareholding at the beginning of the year 1 <sup>st</sup> April 2018		Date	Reason	No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
<b>6</b>	<b>MUSADDILAL RAWAT</b>							
	At the beginning of the year	42959	0.05					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			13 07 2018	Transfer	139995	182954	0.20
				02 11 2018	Transfer	1000	183954	0.20
	At the end of the year						183954	0.20
<b>7</b>	<b>NARESH UMEDMAL SANGHVI</b>							
	At the beginning of the year	155000	0.17					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			13 04 2018	Transfer	1500	156500	0.17
				27 04 2018	Transfer	(1500)	155000	0.17
				11 05 2018	Transfer	3636	158636	0.17
				18 05 2018	Transfer	7903	166539	0.18
				25 05 2018	Transfer	9300	175839	0.19
				01 06 2018	Transfer	(6439)	169400	0.19
				08 06 2018	Transfer	10759	180159	0.20
				15 06 2018	Transfer	(1000)	179159	0.20
				22 06 2018	Transfer	(1359)	177800	0.20
				30 06 2018	Transfer	7200	185000	0.20
				20 07 2018	Transfer	1000	186000	0.20
				27 07 2018	Transfer	900	186900	0.21
				03 08 2018	Transfer	2500	189400	0.21
				10 08 2018	Transfer	600	190000	0.21
				24 08 2018	Transfer	3782	193782	0.21
				31 08 2018	Transfer	98	193880	0.21
				07 09 2018	Transfer	(1150)	192730	0.21
				14 09 2018	Transfer	2970	195700	0.21
				21 09 2018	Transfer	13500	209200	0.23
				29 09 2018	Transfer	3748	212948	0.23
				05 10 2018	Transfer	7000	219948	0.24
				12 10 2018	Transfer	2500	222448	0.24
				19 10 2018	Transfer	(7948)	214500	0.24
			26 10 2018	Transfer	1000	215500	0.24	
			02 11 2018	Transfer	(2500)	213000	0.23	
			16 11 2018	Transfer	(3000)	210000	0.23	
			30 11 2018	Transfer	2254	212254	0.23	
			07 12 2018	Transfer	1101	213355	0.23	
			14 12 2018	Transfer	(3855)	209500	0.23	
			21 12 2018	Transfer	500	210000	0.23	
			04 01 2019	Transfer	(500)	209500	0.23	
			01 02 2019	Transfer	1500	211000	0.23	
			01 03 2019	Transfer	(2500)	208500	0.23	
			08 03 2019	Transfer	(1500)	207000	0.22	
			15 03 2019	Transfer	(5500)	201500	0.22	
			22 03 2019	Transfer	(18500)	183000	0.20	
			29 03 2019	Transfer	(8000)	175000	0.19	
	At the end of the year						175000	0.19

Sl. No.	Name	Shareholding at the beginning of the year 1 <sup>st</sup> April 2018		Date	Reason	No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
8	<b>VIKAS MEHRA</b>							
	At the beginning of the year	162575	0.18					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):				Nil movement during the year			
	At the end of the year						162575	0.18
9	<b>KETAN DHIRAJ KAPASI</b>							
	At the beginning of the year	150000	0.16					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):				Nil movement during the year			
	At the end of the year						150000	0.16
10	<b>ARCHANA KHANDLWAL</b>							
	At the beginning of the year	146805	0.16					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			02 11 2018	Transfer	1000	147865	0.16
	At the end of the year						147865	0.16
11	<b>SAMIR JITENDRA JAVERI</b>							
	At the beginning of the year	335000	0.37					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			27 04 2018	Transfer	(10000)	325000	0.36
				10 08 2018	Transfer	(15000)	310000	0.34
				24 08 2018	Transfer	(11666)	298334	0.32
				31 08 2018	Transfer	(8334)	290000	0.31
				14 09 2018	Transfer	(10083)	279917	0.30
				29 09 2018	Transfer	(25000)	254917	0.28
				19 10 2018	Transfer	(29917)	225000	0.24
				14 12 2018	Transfer	(5000)	220000	0.24
				04 01 2019	Transfer	(2420)	217580	0.23
				25 01 2019	Transfer	(5000)	212580	0.23
				01 02 2019	Transfer	(12438)	200142	0.21
				15 02 2019	Transfer	(7341)	192801	0.21
				22 02 2019	Transfer	(10000)	182801	0.20
			01 03 2019	Transfer	(15000)	167801	0.18	
			08 03 2019	Transfer	(7801)	160000	0.18	
			15 03 2019	Transfer	(10000)	150000	0.16	
			22 03 2019	Transfer	(10000)	140000	0.15	
	At the end of the year						140000	0.15
12	<b>MAYUR SARAF</b>							
	At the beginning of the year	130000	0.14					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):				Nil movement during the year			
	At the end of the year						130000	0.14



Sl. No.	Name	Shareholding at the beginning of the year 1 <sup>st</sup> April 2018		Date	Reason	No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
13	<b>Maya Rawat</b>							
	At the beginning of the year	139995	0.15					
	Date wise Increase / decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):			13 07 2018	Transfer	(139995)	0	0
	At the end of the year						0	0

**(v) Shareholding of Directors and Key Managerial Personnel:**

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

**V. INDEBTEDNESS**

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

(₹ Lakhs)

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	447.39	Nil	447.39
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>447.39</b>	<b>Nil</b>	<b>447.39</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	Nil	341.29	Nil	341.29
• Reduction	Nil	(447.39)	Nil	(447.39)
<b>Net Change</b>	<b>Nil</b>	<b>(106.10)</b>	<b>Nil</b>	<b>(106.10)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	341.29	Nil	341.29
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>341.29</b>	<b>Nil</b>	<b>341.29</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

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

**B. Remuneration to other directors:**

(₹ Lakhs)

Particulars of Remuneration	Name of Directors		Total Amount
	M. G. Ramakrishna	Padmanabha Shetty	
<b>3. Independent Directors</b>			
Fee for attending board / committee Meetings	4.10	4.10	8.20
Commission			
Others, please specify			
<b>Total</b>	<b>4.10</b>	<b>4.10</b>	<b>8.20</b>
<b>4. Other Non-Executive Directors</b>			
Mr. Anand Mahajan and Ms. Marie-Armelle Chupin, Directors, are nominees of Saint-Gobain and do not draw any remuneration/sitting fees from the Company			
<b>Total Managerial Remuneration</b>			<b>8.20</b>
Overall Ceiling as per the Act		11% of net profits	

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM**

(₹ Lakhs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total Amount
<b>1. Gross salary</b>				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		11.01	13.66	24.67
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
<b>2. Stock Option</b>				
<b>3. Sweat Equity</b>				
<b>4. Commission</b>				
- As % of profit				
- Others, specify				
<b>5. Others, please specify</b>				
<b>Total (A)</b>		<b>11.01</b>	<b>13.66</b>	<b>24.67</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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



## MANAGEMENT DISCUSSION AND ANALYSIS

### General Review:

Saint-Gobain Sekurit India Limited (“SGSIL”) is a subsidiary of Compagnie de Saint-Gobain (“Saint-Gobain”), a transnational group with its headquarters in Paris and with sales of Euros 41.8 billion in 2018.

Saint-Gobain’s businesses fall in two broad areas: regional construction or building related businesses and global businesses providing High Performance Solutions. SGSIL’s business is part of High Performance Solutions. SGSIL is in the business of processing of glasses to manufacture windshields, door glasses and backlites for the automobile sector.

### BUSINESS ENVIRONMENT:

Overall, GDP and Industrial growth for the financial year 2018-19 was below expectation. While consumer demand was buoyant in the first half, investment demand remained muted. In the auto industry, while the passenger vehicle segment did not do well, the commercial vehicle segment returned to a high growth trajectory. However, both these segments witnessed a slowdown in the second half of the year. The 3 wheeler segment grew at a faster pace, posting a growth of 25% and the commercial vehicle segment grew by 24%. However, competition intensified in the 3 wheeler segment during the year which resulted in a lower sales growth of your company, which grew by 6.8% during the year.

### 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. Normally all windshields are laminated and the other glasses (backlites and sidelites) are tempered. The Company’s factory at Chakan, Pune, which manufactures laminated glasses, is certified under ISO 14001:2015 and OHSAS 18001:2007.

### Industry

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

### Broad Characteristics of the Business

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

### Development, Outlook, Risks and Concerns

The auto sector recorded good overall growth during the current year. More important, both the commercial vehicles segment and the 3 wheeler segment witnessed strong growth with production increasing by 24% and 25%, respectively. The higher volumes in the 3 wheeler segment are likely to be sustained in the next few quarters. Sustained investment in infrastructure (in particular, roads) by the government and stronger growth of the economy (supported by good monsoon forecast) will help the commercial vehicles segment to record growth.

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

### Risks and Concerns – Others

#### 1. Financial

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

**2. Legal & Statutory**

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

**Human Resources:**

The Company provides a congenial and productive work environment with an aim to retain those who are capable of translating challenges into opportunities and weaknesses into strengths. The Management continually empowers employees with opportunities to give their suggestions on various business and operational matters. The twin objectives of improving the quality of human capital available within the Company and harnessing its potential for the benefit of the Company continues to form the cornerstone of the HR policy of your Company.

SGSIL will continue to invest in training people in Environment, Health and Safety and World Class Manufacturing and to provide an environment in which employees can give their best and realize their full potential.

**Overall Performance:**

SGSIL's sales increased by 6.8% and operating profit increased by 8.5%. The increase in volumes was primarily on account of the high growth of the 3 wheeler and commercial vehicle segment in 2018-19. The increase in operating profit was mainly on account of increase in volumes.

**Significant changes in key financial ratios along with detailed explanation:**

Ratio	Change	Explanation for change
Inventory Turnover	-25%	During the financial year, the Company had to import raw glass which required it to maintain an inventory of at least 2 months.
Interest coverage ratio	-46%	Due to payment of interest on direct and indirect tax matters during the financial year.
Return on Net worth	1%	Due to improvement in working capital which resulted in increase in total asset base.

**Internal Control Systems:**

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

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

**Segmental Financials:**

Your Company recognises Automotive Glass as a single segment.

**CAUTIONARY STATEMENT:**

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





## CORPORATE GOVERNANCE REPORT

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### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

### 2. BOARD OF DIRECTORS

#### Composition:

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors, which is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As on 31<sup>st</sup> March 2019, the Company had five directors comprising one Executive Director and four Non-Executive Directors (of which 2 are Independent Directors). In compliance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has appointed one Additional Director (Non-Executive) from 1<sup>st</sup> April 2019, thereby the Board of Directors comprise of six directors, one Executive Director and five Non-Executive Directors. The Chairman of the Board is an Independent, Non-Executive Director. The Board has an optimal mix of professionalism, knowledge and experience. None of the directors are related to each other. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

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

Mr. M. G. Ramakrishna had been appointed as an Independent Director of the Company by the Members at the 41<sup>st</sup> Annual General Meeting held on 18<sup>th</sup> July 2014 to hold office for a term of five consecutive years ("first term"). Mr. M. G. Ramakrishna has conveyed to the Board of Directors that he does not seek reappointment for second term as Independent Director due to his personal reasons and will resign from 10<sup>th</sup> May 2019. He confirmed that there is no other material reason for his resignation.

Mr. Joseph Andrew Jude Pereira has been appointed as an Additional Director (Independent) from 9<sup>th</sup> May 2019. The Board of Directors has recommended appointment of Mr. Pereira as Independent Director for a term of five consecutive years from 9<sup>th</sup> May 2019, subject to the approval of members at the Annual General Meeting.

#### Meetings of the Board:

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

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

30<sup>th</sup> May 2018; 4<sup>th</sup> August 2018; 31<sup>st</sup> October 2018 and 5<sup>th</sup> February 2019.

Necessary quorum was present for all the meetings.

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

The names and category of the directors, their attendance at Board Meetings and Annual General Meeting held during the year and number of directorships and committee chairmanships/ memberships held by them in other public and private companies as on 31<sup>st</sup> March 2019 are given below:

Name of the Director	Category	Number of Board Meetings during the year 2018-19		Whether attended last AGM held on 4 <sup>th</sup> August 2018	Number of Directorship held (including SGSIL)#		Number of Committee positions held in public companies (including SGSIL)##	
		Held	Attended		Public	Private	Chairman	Member
Mr. M. G. Ramakrishna DIN 00007950 (Chairman)	Independent, Non-Executive	4	4	Yes	1	-	-	1
Mr. Anand Mahajan DIN 00066320	Promoter, Non-Executive	4	4	Yes	3	3	1	3
Ms. Marie-Armelle Chupin DIN 00066499	Promoter Non-Executive	4	1	No	2	-	-	1
Mr. Padmanabha Shetty DIN 00433761	Independent, Non-Executive	4	4	Yes	2	2	1	2
Mr. A. Dinakar DIN 00193129 (Managing Director)	Executive Director	4	4	Yes	1	1	-	1

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

## Includes only Audit Committee and Stakeholders Relationship Committee.

Notes:

- Mr. Santhanam (DIN 00494806) has been appointed as an Additional Director from 1<sup>st</sup> April 2019.
- Mr. Joseph Andrew Jude Pereira (DIN 00130239) has been appointed as an Additional Director (Independent) from 9<sup>th</sup> May 2019.

#### Directorships in listed entities

The details of other listed entity(ies), where the Director of the Company is a director and their category of directorships are:

Name of the Director	Listed entity	Category of directorship
Mr. Anand Mahajan	Grindwell Norton Limited	Managing Director
	Unichem Laboratories Limited	Independent, Non Executive
Ms. Marie-Armelle Chupin	Grindwell Norton Limited	Non Executive
Mr. Padmanabha Shetty	Marathon Nextgen Realty limited	Independent, Non Executive

Mr. M. G. Ramakrishna and Mr. A. Dinakar do not hold directorship in any other listed entity.

### 3. COMMITTEES OF THE BOARD

#### A. AUDIT COMMITTEE

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

##### Terms of Reference:

- To act in accordance with the terms of reference specified in writing by the Board.
- To recommend the appointment, re-appointment and if required, the replacement or removal of the various auditors of the Company and the remuneration and terms of appointment thereof.
- To approve payment to statutory auditors for any other services rendered by the statutory auditors.
- To review and monitor the auditor's independence and performance, and effectiveness of the audit process.
- To examine the financial statement and the auditors' report thereon.
- To approve transactions of the Company with related parties and any subsequent modification thereof.



- To scrutinise inter-corporate loans and investments.
- To undertake valuation of undertakings or assets of the Company, wherever it is necessary.
- To evaluate internal financial controls, risk management systems and internal controls on insider trading.
- To review/monitor with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors.
- To review financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.
- To have oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  2. Changes, if any, in accounting policies and practices and reasons for the same;
  3. Major accounting entries involving estimates based on the exercise of judgment by management;
  4. Significant adjustments made in the financial statements arising out of audit findings;
  5. Compliance with listing and other legal requirements relating to financial statements;
  6. Disclosure of any related party transactions; and
  7. Qualifications in the draft audit report.
- To review with the management, the quarterly financial statements before submission to the Board for approval.
- To review, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- To discuss with internal auditors any significant findings and follow-up there on.
- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- To discuss with statutory auditors, before the audit commences about the nature and scope of audit and post-audit, to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- To approve the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- To carry out any other function as is mentioned in the terms of reference of the Audit Committee.
- To review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- To have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.

- 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.
- To review the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of asset size of the subsidiary, if any, whichever is lower.
- 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 2018-19	
		Held	Attended
Mr. Padmanabha Shetty (Chairman)	Independent, Non Executive	4	4
Mr. M. G. Ramakrishna	Independent, Non-Executive	4	4
Mr. A. Dinakar	Executive	4	4

Mr. Padmanabha Shetty, Independent Director, is the Chairman of the Committee. Mr. Padmanabha Shetty is a Law Graduate, Post Graduate in Economics and a Certified Associate of Indian Institute of Bankers. He has experience of over two decades in commercial and investment banking.

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

Mr. Padmanabha Shetty, Chairman of the Committee was present at the previous Annual General Meeting (“AGM”) of the Company held on 4<sup>th</sup> August 2018.

### Meetings of the Audit Committee:

During the year ended 31<sup>st</sup> March 2019, four Audit Committee meetings were held. The meetings were held on:

30<sup>th</sup> May 2018; 4<sup>th</sup> August 2018; 31<sup>st</sup> October 2018 and 5<sup>th</sup> February 2019.

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 2018-19	
		Held	Attended
Mr. Padmanabha Shetty (Chairman)	Independent, Non-Executive	2	2
Mr. M. G. Ramakrishna	Independent, Non-Executive	2	2
Mr. Anand Mahajan	Promoter, Non-Executive	2	2

**Meetings of the Nomination and Remuneration Committee:**

During the year ended 31<sup>st</sup> March 2019, two Nomination and Remuneration Committee meetings were held. The meetings were held on 30<sup>th</sup> May 2018 and 5<sup>th</sup> February 2019.

**Nomination and Remuneration Policy:**

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

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

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

- 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 as prescribed under the Act and Listing Regulations.

**Performance evaluation criteria for Independent Directors:**

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

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

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

**Details of the remuneration to the Directors for the financial year ended 31<sup>st</sup> March 2019 are given below:****Executive Directors:**

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

**Non-Executive Directors:**

The Non-Executive Independent Directors are paid sitting fees of ₹ 50,000 per meeting of the Board and Audit Committee and ₹ 30,000 for its other committees. On the recommendation of Nomination and Remuneration Committee, the Board of Directors have increased the sitting fees for meetings of Board and Audit Committee, with effect from 1<sup>st</sup> October 2018, from ₹ 30,000 to ₹ 50,000 per meeting.

The details of sitting fees paid during 2018-19 to Non-Executive Independent Directors are as follows:

(₹ Lakhs)

Name	Sitting Fees
Mr. M. G. Ramakrishna	4.10
Mr. Padmanabha Shetty	4.10

**Equity Shares held by Non-Executive Directors:**

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

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE**

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

**Terms of Reference:**

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

**Meetings of the Stakeholders Relationship Committee:**

During the year ended 31<sup>st</sup> March 2019, two meetings of the Stakeholders Relationship Committee were held. The meetings were held on 30<sup>th</sup> May 2018 and 31<sup>st</sup> October 2018.

Necessary quorum was present for all the meetings.

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

**Composition:**

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

Name	Category	Number of meetings during the year 2018-19	
		Held	Attended
Mr. Anand Mahajan (Chairman)	Promoter, Non-Executive	2	2
Ms. Marie-Armelle Chupin	Promoter, Non-Executive	2	-
Mr. Padmanabha Shetty*	Independent, Non-Executive	-	-
Mr. A. Dinakar	Executive	2	2

\* Appointed as member of the Committee w.e.f. 5<sup>th</sup> February 2019.

**Details of investor complaints received and redressed during the year 2018-19 are as follows:**

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

All complaints have been resolved to the satisfaction of shareholders.

#### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

##### Meetings of the CSR Committee:

During the year ended 31<sup>st</sup> March 2019, one meeting of the CSR Committee was held. The meeting was held on 30<sup>th</sup> May 2018.

##### 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 2018-19	
		Held	Attended
Mr. M. G. Ramakrishna (Chairman)	Independent, Non-Executive	1	1
Mr. Padmanabha Shetty	Independent, Non-Executive	1	1
Mr. A. Dinakar	Executive	1	1

#### E. SHARE TRANSFER COMMITTEE

The Company has constituted a Share Transfer Committee comprising of Mr. Anand Mahajan as the Chairman, Mr. A. Dinakar and Ms. Marie-Armelle Chupin 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.

#### F. SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the independent directors was held on 5<sup>th</sup> February 2019 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
30 <sup>th</sup> July 2016 at 11:00 a.m.	Hotel Kalasagar, P-4, MIDC, Kasarwadi, Mumbai-Pune Road, Near State Bank of India, Pune 411 034	None
29 <sup>th</sup> July 2017 at 3:00 p.m.	Hotel Kalasagar, P-4, MIDC, Kasarwadi, Mumbai-Pune Road, Near State Bank of India, Pune 411 034	None
4 <sup>th</sup> August 2018 at 11:00 a.m.	Hotel Kalasagar, P-4, MIDC, Kasarwadi, Mumbai-Pune Road, Near State Bank of India, Pune 411 034	1. Reappointment of Mr. M. G. Ramakrishna as Non-Executive Independent Director

#### b. Postal Ballot:

No Postal Ballot was conducted during the year 2018-19. No Special Resolution is proposed to be passed through Postal Ballot at the ensuing Annual General Meeting.

### 5. MEANS OF COMMUNICATION

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

The results are also displayed on the website of the Company, [www.sekuritindia.com](http://www.sekuritindia.com). The Company has not made any presentations to institutional investors and analysts during the year.

**6. GENERAL SHAREHOLDERS' INFORMATION**
**a) Annual General Meeting ("AGM"):**

Day & Date	Saturday, 3 <sup>rd</sup> August 2019
Time	11.00 a.m.
Venue	Courtyard by Marriot, Plot P-7 MIDC, Chakan Industrial Area Phase 1, Pune 410 501, Maharashtra.

**b) Financial Year:**

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

**Calendar of Financial Results for 2019-20:**

(i) First Quarter Results	:	July/August 2019
(ii) Half-yearly Results	:	October/November 2019
(iii) Third Quarter Results	:	January/February 2020
(iv) Results for the year ending 31 <sup>st</sup> March 2020	:	April/May 2020

**c) Date of Book Closure:**

Saturday, 27<sup>th</sup> July 2019 to Saturday, 3<sup>rd</sup> August 2019 (both days inclusive).

**d) Date of payment of Dividend:**

The Board of Directors have not recommended any dividend for the financial year ended on 31<sup>st</sup> March 2019.

**e) Listing on Stock Exchange(s):**

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

The annual listing fee of BSE has been paid for the year 2019-20.

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

BSE : 515043

ISIN FOR NSDL / CDSL : INE068B01017

**g) Corporate Identity Number ("CIN") of the Company: L26101MH1973PLC018367**
**h) Market Price Data: High, Low during each month in the last financial year and Performance in comparison to S&P BSE Sensex (broad based index):**

Month	BSE		S&P BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April 2018	83.05	56.50	35,160.36	33,019.07
May 2018	81.80	67.35	35,556.71	34,344.91
June 2018	68.10	57.65	35,739.16	34,903.21
July 2018	63.05	57.35	37,606.58	35,264.41
August 2018	66.85	59.20	38,896.63	37,165.16
September 2018	64.95	52.25	38,389.82	36,227.14
October 2018	55.45	49.40	36,526.14	33,349.31
November 2018	56.25	52.25	36,194.30	34,431.97
December 2018	57.50	51.60	36,484.33	34,959.72
January 2019	57.55	51.10	36,578.96	35,513.71
February 2019	52.45	47.60	36,975.23	35,352.61
March 2019	61.95	50.60	35,160.36	33,019.07



**i) Registrars and Transfer Agents:**

Link Intime India Private Limited  
C 101, 247 Park,  
L B S Marg, Vikhroli West, Mumbai 400 083  
Telephone : +91 22 4918 6000  
Fax : +91 22 4918 6060  
E-mail : rnt.helpdesk@linkintime.co.in  
Website: www.linkintime.co.in

**j) Share Transfer System:**

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

Securities and Exchange board of India (“SEBI”) vide its Circular No. SEBI/LAD-NRO/ GN/2018/24 dated 8<sup>th</sup> June 2018, amended Regulation 40 of Listing Regulations, pursuant to which after 5<sup>th</sup> December 2018, transfer of securities could not be processed unless the securities are held in dematerialized form with a depository. The said deadline has been extended by SEBI to 1<sup>st</sup> April 2019. Pursuant thereto, the Company has sent letters to those shareholders holding shares in physical form advising them to dematerialize their holding.

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

**k) Shareholding Pattern as on 31<sup>st</sup> March 2019:**

Category	Number of Shares	Percentage
Foreign Promoters	43969785	48.26
Indian Promoters	24359490	26.74
Financial Institutions / Banks	1700	0.00
Mutual Funds	1300	0.00
Foreign Portfolio Investors	807664	0.89
Non Resident Indians	334644	0.37
Domestic Companies, Trusts and others	4212789	4.62
Resident Individuals	17418328	19.12
<b>Total</b>	<b>91105700</b>	<b>100.00</b>

**l) Distribution of Shareholdings:**

Holding	Shareholders		Shares	
	Number	Percentage	Number	Percentage
Upto 250	13960	56.78	1537622	1.69
251 to 500	4952	20.14	2033272	2.23
501 to 1000	2811	11.43	2387092	2.62
1001 to 5000	2319	9.43	5467002	6.00
5001 to 10000	292	1.19	2244110	2.46
10001 to 100000	239	0.97	6237309	6.85
100001 and above	15	0.06	71199293	78.15
<b>Total</b>	<b>24588</b>	<b>100.00</b>	<b>91105700</b>	<b>100.00</b>

**m) Dematerialisation of shares and liquidity:**

98.89% of the paid-up capital are held in dematerialised form as on 31<sup>st</sup> March 2019.

**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 31<sup>st</sup> March 2019, the Company does not have any outstanding GDRs/ADRs/ Warrants or any convertible instruments.

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

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

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

**p) Plant Locations:**

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

**q) Address for correspondence:**

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

Tel. No. +91 2135 676 400/01

Designated e-mail address for Investor Services: [sekurit.investors@saint-gobain.com](mailto:sekurit.investors@saint-gobain.com)

Website: [www.sekuritindia.com](http://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: 022-26449000,

e-mail: [sebi@sebi.gov.in](mailto:sebi@sebi.gov.in)

**r) Credit Ratings:**

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

**7. DISCLOSURES**

**a) Materially Significant Related Party Transactions:**

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. Transactions with related parties, as per the requirements of Accounting Standard (AS) – 18, are disclosed in Note 36 of Notes forming part of financial statements. The Board has approved a policy for related party transactions which has been uploaded on the website of the Company [www.sekuritindia.com](http://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, 2016-17; 2017-18 and 2018-19.

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 other to report unethical, unlawful or improper practices, acts or activities including leak or suspected leak of unpublished price sensitive information, a Whistle Blower Policy has been operational in the Company.



The Whistle Blower Policy and Vigil Mechanism are disseminated through the website of the Company [www.sekuritindia.com](http://www.sekuritindia.com). We affirm that no employee of the Company was denied access to the Audit Committee.

**d) Certificate from practicing company secretary:**

V. N. Deodhar & Co., Company Secretaries, vide Certificate dated 9<sup>th</sup> May 2019 has confirmed that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

**e) Mandatory and Non-mandatory requirements:**

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

- i) The financial statements of the Company are unmodified.
- ii) The Internal Auditor directly reports to the Audit Committee.

The Company has complied with all the mandatory requirements under the Listing Regulations.

**f) Policy for determining 'material' subsidiaries**

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

**g) Disclosure of commodity price risks and commodity hedging activities**

The Company does not indulge in any commodity hedging activities.

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

Number of complaints filed during the financial year ended 31 <sup>st</sup> March 2019	Nil
Number of complaints disposed of during the financial year ended 31 <sup>st</sup> March 2019	Nil
Number of complaints pending as on 31 <sup>st</sup> March 2019	Nil

- i) **During the financial year ended 31<sup>st</sup> March 2019, the Board of Directors have accepted the recommendations made by the Committees constituted by the Board**
- j) **The fees paid to Kalyaniwalla & Mistry LLP, Statutory Auditors has been disclosed in Note No.30 of the Notes forming part of financial statement.**

**8. Compliance with Corporate Governance:**

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

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

**9. PROMOTERS**

**i) Ultimate Holding Company:**

Compagnie de Saint-Gobain, France

**ii) Foreign Promoter:**

Saint-Gobain Sekurit France S.A., France

**iii) Indian Promoter:**

Saint-Gobain India Private Limited

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

Grindwell Norton Limited

Saint-Gobain India Foundation (Section 8 Company)

## 10. OTHER INFORMATION

### a) CEO/CFO certification:

Pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director (“CEO”) and Chief Financial Officer have issued a certificate to the Board of Directors, for the financial year ended on 31<sup>st</sup> March 2019.

### 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, [www.sekuritindia.com](http://www.sekuritindia.com). Internally, all employees of the Company are expected to strictly follow Saint-Gobain’s Principles of Conduct and Action and the Code of Conduct for Saint-Gobain employees in India.

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

This is to confirm that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March 2019.

For Saint-Gobain Sekurit India Limited

**A. Dinakar**  
Managing Director

Mumbai, 9<sup>th</sup> May 2019

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## 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 31<sup>st</sup> March 2019, 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 31<sup>st</sup> March 2019.

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

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

**V. N. Deodhar**  
PROP.  
FCS NO.1880  
C.P. No. 898

Place: Mumbai  
Date: 9<sup>th</sup> May 2019



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Saint-Gobain Sekurit India Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of SAINT-GOBAIN SEKURIT INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity, the Cash Flow Statement for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profits, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

Sr. no.	Key audit matter description	How the scope of our audit addressed the key audit matter
1	<p><b>Revenue recognition and measurement</b></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, 2019, the Company recognised revenues aggregating to ₹ 15,817.39 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><b>Risk identified:</b> Revenue is recognised when control of the underlying goods is transferred to the customer. There may be a risk of revenue being overstated due to pressure from Management to achieve performance targets at the reporting period end.</p>	<p>Our procedures included:</p> <p><b>Accounting policies:</b> Assessing the Company's revenue recognition policies, including those related to discounts, rebates and returns by comparing with the applicable Ind AS.</p> <p><b>Tests of controls:</b> Evaluating the design and testing the operating effectiveness of controls over the accuracy of discounts, incentives and rebates and correct timing of revenue recognition.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>- Verifying the supporting documentation for determining that the revenue was recognised in the correct accounting period (cut-off testing).</li> <li>- Comparing the discounts, incentives and rebates with the prior year and, where relevant, performed further inquiries and testing.</li> <li>- Verifying the manual journals posted to revenue to identify unusual or irregular items.</li> </ul> <p><b>Performing substantive analytical procedures:</b> Developing an expectation of the current year revenue based on trend analysis and recent market conditions and growth of the Company and compared the same with the actuals, accompanied with further inquiries and testing.</p> <p>We also assessed as to whether the disclosures in respect of revenue were adequate.</p>

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

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

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

### Responsibilities of Management for the Financial Statements

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

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors of the Company as on March 31, 2019 and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2019, 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) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with 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 Financial Statements disclose the impact of pending litigations on the financial position of the Company. Refer Note 37 to the Financial Statements.
    - ii) The Company has made provision, as required under the applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Notes 2(e) and Note 33 to the Financial Statements.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

For **KALYANIWALLA & MISTRY LLP**

CHARTERED ACCOUNTANTS  
Firm Reg. No.: 104607W / W100166

Daraius Z. Fraser  
PARTNER  
M. No.: 42454

Mumbai: May 9, 2019.

## Annexure A to the Independent Auditor's Report

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended March 31, 2019:

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

### 1. Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program for physical verification of fixed assets at periodic intervals. The Company has conducted a physical verification of fixed assets during the year. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification are not material and have been properly dealt with in the books of account.
- 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.

### 2. Inventory:

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

3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. According to the information and explanations given to us, the Company has not advanced any loans or given guarantee or provided any security to parties covered under section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us and records examined by us, the provisions of section 186 of the Companies Act, 2013, in respect of investments made have been complied with by the Company. The Company has not given any loans or guarantees.
5. 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.
6. 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.

### 7. 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 dues pertaining to Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities wherever applicable. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year, for a period of more than six months from the date they became payable.



- b) According to the information and explanations given to us, there are no dues of Income-tax, Goods and Service Tax, Duty of Customs or Cess outstanding on account of any dispute, other than the following :

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944.	Excise Duty and Penalty (Refer Note below)	2,593,035	1989-90	Custom, Excise and Service Tax Appellate Tribunal (CESTAT)
		5,218,586	1990-92	
		24,290,338	2003-04 and 2004-05	
The Andhra Pradesh General Sales Tax Act, 1957.	Sales Tax	278,462	2000-01	Additional Commissioner of Commercial Taxes, Hyderabad.
Central Sales Tax Act, 1956 & Value Added Tax Act.	Value Added tax Input Tax credit disallowances	1,019,657	2006-07	Joint Commissioner of Sales Tax (Appeals), Chakan.
		2,997,073	2008-09	Joint Commissioner of Sales Tax (Appeals), Chakan.
		70,386	2009-10	Joint Commissioner of Sales Tax (Appeals), Chakan.
		2,206,402	2011-12	Joint Commissioner of Sales Tax (Appeals), Chakan.
		1,505,971	2013-14	Deputy Commissioner of Sales Tax, Pune.
	Central Sales Tax pending "C Forms"	619,774	2007-08	Joint Commissioner of Sales Tax (Appeals), Chakan.
		821,741	2008-09	Joint Commissioner of Sales Tax (Appeals), Chakan.
		228,853	2009-10	Joint Commissioner of Sales Tax (Appeals), Chakan.
		269,064	2011-12	Joint Commissioner of Sales Tax (Appeals), Chakan.

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

8. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks, financial institutions or debenture holders. There are no dues to Government.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and the Company did not obtain any term loans during the year.
10. During the course of our examination of the books of account and records of the Company, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud by, or on the Company by its officers or employees, has been noticed or reported during the year.
11. According to the information and explanations given to us and on the basis of the records examined by us, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated with the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with him.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **KALYANIWALLA & MISTRY LLP**

CHARTERED ACCOUNTANTS  
Firm Reg. No.: 104607W / W100166

Daraius Z. Fraser  
PARTNER  
M. No.: 42454

Mumbai: May 9, 2019.

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#### **Annexure B to the Independent Auditor's Report**

Referred to in Paragraph 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended March 31, 2019.

#### **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.**

We have audited the internal financial controls with reference to financial statements of SAINT-GOBAIN SEKURIT INDIA LIMITED ("the Company") as of March 31, 2019, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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



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

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

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

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

#### **Opinion**

In our opinion, to the best of our knowledge and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, 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

Mumbai: May 9, 2019.



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2019

Particulars	Notes	As at 31 <sup>st</sup> March 2019 (₹ Lakhs)	As at 31 <sup>st</sup> March 2018 (₹ Lakhs)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	3,232.41	3,815.16
Capital Work-in-Progress		29.50	16.64
Intangible Assets	4	-	1.62
Financial Assets			
(i) Other Financial Assets	5 (A)	13.21	13.21
(ii) Loans to Employees	5 (B)	1.75	15.71
Deferred Tax Assets (Net)	31	83.21	59.11
Income Tax Assets	23	52.73	83.14
Other Non-Current Assets	6	31.39	33.46
<b>Total Non-Current Assets</b>		<b>3,444.20</b>	<b>4,038.05</b>
<b>Current Assets</b>			
Inventories	7	1,285.25	932.08
Financial Assets			
(i) Investments	8	5,132.37	4,333.36
(ii) Trade Receivables	9	2,188.05	2,431.86
(iii) Cash and Cash Equivalents	10 (A)	171.62	92.38
(iv) Bank Balances other than (iii) above	10 (B)	1,500.00	-
(v) Other Financial Assets	11 (A)	14.45	0.51
(vi) Loans to Employees	11 (B)	15.26	23.41
Other Current Assets	12	309.84	90.64
<b>Total Current Assets</b>		<b>10,616.84</b>	<b>7,904.24</b>
		<b>14,061.04</b>	<b>11,942.29</b>
	<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	13	9,110.57	9,110.57
Other Equity	14	2,521.11	943.63
<b>Total Equity</b>		<b>11,631.68</b>	<b>10,054.20</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
- Other Financial Liabilities	15	112.55	87.55
Provisions	16	5.03	5.03
Employee Benefit Obligations	17	112.88	61.59
Government Grants	18	15.02	24.32
<b>Total Non-Current Liabilities</b>		<b>245.48</b>	<b>178.49</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	19	341.29	447.39
(ii) Trade Payables	20		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		9.99	13.19
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		1,432.76	785.93
(iii) Other Financial Liabilities	21	109.16	156.97
Provisions	22	47.42	50.45
Employee Benefit Obligations	17	46.12	39.40
Government Grants	18	9.30	9.30
Current Tax Liabilities	23	11.89	82.50
Other Current Liabilities	24	175.95	124.47
<b>Total Current Liabilities</b>		<b>2,183.89</b>	<b>1,709.60</b>
<b>Total Liabilities</b>		<b>2,429.36</b>	<b>1,888.09</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,061.04</b>	<b>11,942.29</b>

The above Balance Sheet should be read in conjunction with the accompanying notes.

1 to 42

In terms of our report of even date

**For Kalyaniwalla & Mistry LLP**

**Chartered Accountants**

Firm Registration No.: 104607W / W100166

**Darius Z. Fraser**

Partner

Membership No. 042454

Place : Mumbai

Date : 9<sup>th</sup> May 2019

**For and on behalf of the Board**

**Anand Mahajan**  
Director

DIN. 00066320

**Manigandann R**  
Chief Financial Officer

**A. Dinakar**  
Managing Director

DIN. 00193129

**Rukmini Subramanian**  
Company Secretary

Place : Mumbai

Date : 9<sup>th</sup> May 2019

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

Particulars	Notes	Year ended 31 <sup>st</sup> March 2019 (₹ Lakhs)	Year ended 31 <sup>st</sup> March 2018 (₹ Lakhs)
<b>REVENUE</b>			
Revenue from Operations	25	16,019.14	14,999.16
Other Income	26	566.70	295.88
<b>Total Revenue</b>		<b>16,585.84</b>	<b>15,295.04</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	27(A)	7,413.92	6,471.32
Purchases of Stock-in-Trade		50.74	73.25
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27(B)	(152.34)	136.03
Excise Duty		-	356.44
Employee Benefit Expenses	28	1,200.86	1,093.35
Finance Costs	29	27.50	13.77
Depreciation and Amortisation Expense		850.27	861.94
Other Expenses	30	4,931.18	4,191.52
<b>Total Expenses</b>		<b>14,322.13</b>	<b>13,197.62</b>
<b>Profit Before Tax</b>		<b>2,263.71</b>	<b>2,097.42</b>
<b>Income Tax Expense</b>			
Current Tax	31	751.96	725.69
Deferred Tax	31	(93.94)	(5.72)
Tax Adjustments Related to Earlier Years	31	(2.04)	-
<b>Total Tax Expense</b>		<b>655.99</b>	<b>719.97</b>
<b>Profit for the year</b>		<b>1,607.72</b>	<b>1,377.45</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit and Loss			
Remeasurement gains/(losses) on net defined benefit plans		(42.66)	21.87
Tax relating to above		12.42	(7.57)
<b>Other Comprehensive Income for the year, Net of Tax</b>		<b>(30.24)</b>	<b>14.30</b>
<b>Total Comprehensive Income for the year</b>		<b>1,577.48</b>	<b>1,391.75</b>
<b>Earnings per share attributable to owners of Saint-Gobain Sekurit India Limited</b>			
Basic & Diluted earnings per share (face value ₹10 Each)	39	1.76	1.51
The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.	1 to 42		

In terms of our report of even date

**For Kalyaniwalla & Mistry LLP**  
**Chartered Accountants**

Firm Registration No.: 104607W / W100166

**Darius Z. Fraser**

Partner

Membership No. 042454

Place : Mumbai

Date : 9<sup>th</sup> May 2019

**For and on behalf of the Board**

**Anand Mahajan**

Director

DIN. 00066320

**Manigandann R**

Chief Financial Officer

**A. Dinakar**

Managing Director

DIN. 00193129

**Rukmini Subramanian**

Company Secretary

Place : Mumbai

Date : 9<sup>th</sup> May 2019

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019

### A. Equity share capital

Particulars	Notes	No. of shares	Amount (₹ Lakhs)
Balance as at 1 <sup>st</sup> April 2017		91,105,700	9,110.57
Changes in equity share capital	14	-	-
Balance as at 31 <sup>st</sup> March 2018		<u>91,105,700</u>	<u>9,110.57</u>
Changes in equity share capital	14	-	-
<b>Balance as at 31<sup>st</sup> March 2019</b>		<b><u>91,105,700</u></b>	<b><u>9,110.57</u></b>

### B. Other equity

Particulars	Securities Premium (₹ Lakhs)	Retained Earnings (₹ Lakhs)	Capital Redemption Reserve (₹ Lakhs)	Total Other Equity (₹ Lakhs)
Balance as at 1 <sup>st</sup> April 2017	1,132.48	(1,580.71)	0.11	(448.12)
Profit for the year	-	1,377.45	-	1,377.45
-Re-measurement gains/(losses) on net defined benefit plans (Net of tax)	-	14.30	-	14.30
Balance as at 31 <sup>st</sup> March 2018	<u>1,132.48</u>	<u>(188.96)</u>	<u>0.11</u>	<u>943.63</u>
Profit for the year	-	1,607.72	-	1,607.72
-Re-measurement gains/(losses) on net defined benefit plans (Net of tax)	-	(30.24)	-	(30.24)
<b>Balance as at 31<sup>st</sup> March 2019</b>	<b><u>1,132.48</u></b>	<b><u>1,388.52</u></b>	<b><u>0.11</u></b>	<b><u>2,521.11</u></b>

The above statement of changes in equity should be read in conjunction with the accompanying notes 1 to 42.

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

**Daraius Z. Fraser**  
 Partner  
 Membership No. 042454

Place : Mumbai  
 Date : 9<sup>th</sup> May 2019

**For and on behalf of the Board**

**Anand Mahajan**  
 Director  
 DIN. 00066320

**Manigandann R**  
 Chief Financial Officer

Place : Mumbai  
 Date : 9<sup>th</sup> May 2019

**A. Dinakar**  
 Managing Director  
 DIN. 00193129

**Rukmini Subramanian**  
 Company Secretary

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

### NOTE 1: CORPORATE INFORMATION

Saint-Gobain Sekurit India Limited (the Company) having CIN No. L26101MH1973PLC018367 is engaged primarily in business of manufacture and sale of automotive glass. The Company has its manufacturing facility in Pune and sells primarily in India. The Company is a public limited company and listed on the BSE Limited.

### 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.

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) 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.

#### D) Recent Accounting Pronouncements

All the Ind AS issued and notified by the Ministry of Corporate Affairs are effective and considered for the significant accounting policies to the extent relevant and applicable for the Company except for:

**Ind AS 116 – Leases:** In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain Ind AS. The Standard / amendments are applicable to the Company with effect from 1<sup>st</sup> April 2019.



## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

The Standard changes the recognition, measurement, presentation and disclosure of leases. It requires:

- Lessees to record all leases on the Balance Sheet with exemptions available for low value and short-term leases.
- At the commencement of a lease, a lessee will recognise lease liability and an asset representing the right to use the asset during the lease term (right-of-use asset).
- Lessees will subsequently reduce the lease liability when paid and recognise depreciation on the right of-use asset.
- A lease liability is re-measured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re-measurement normally also adjusts the right-of-use asset.
- The standard has no impact on the actual cash flows of a Company. However, operating lease payments currently expensed as operating cash outflows will instead be capitalised and presented as financing cash outflows in the statement of cash flows.

The Company is in the process of identifying the impact on account of introduction of Ind AS 116 and estimates that the impact of the same will be insignificant. The Company has started reviewing all relevant contracts to identify leases. This review included:

- an assessment about whether the contract depends on a specific asset,
- whether the Company obtains substantially all the economic benefits from the use of that asset; and
- whether the Company has the right to direct the use of that asset.

### E) Critical Estimates and Judgements

The preparation of Financial Statements 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. 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.

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) 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.

#### b) Recognition of Deferred Tax Assets

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.

Historical differences between forecast and actual taxable profits have not resulted in material adjustments to the recognition of deferred tax assets.

#### c) Useful Lives of Property, Plant and Equipment and Intangible Assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Statement of Profit and Loss.

The useful lives and residual values of assets are determined by Management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.



**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
**d) Provision and Contingent Liabilities**

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

Management estimates and judgements are continually 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.

**e) 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:

- inflation rate;
- life expectancy;
- discount rate; and
- salary and pension growth rates.

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.

**f) Impairment of Trade Receivables**

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.

**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. 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, if any. Cost includes expenses 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.

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



## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

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 Companies Act, 2013
General Plant and Machinery *	15	15
Pallets, Racks and Trolleys	4	15
Moulds and Toolings	4	8
Machinery Spares	2-13	15
Furniture and Fixtures	10	10
IT Hardware (Network / Server)	4	6
Computers (end user devices such as desktops, laptops etc.)	3	3
Motor Vehicles	5	8
Office Equipments	5	5
Buildings (Other than Factory Building)	60	60
Factory Building	30	30

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

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

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

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

### b) Intangible Assets

Computer Software

Computer Software having finite life is amortised 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.

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

**d) Investments and Other Financial Assets**

i) Classification

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

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

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

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

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

ii) Measurement

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

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

- Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). 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. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. 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. Notes 33 details how the Company determines whether there has been a significant increase in credit risk.

iv) Derecognition of financial assets

A financial asset is derecognised 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.



## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

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.

### v) Income recognition

#### 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.

#### Dividend 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.

### e) 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.

### f) 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.

### g) 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.

### h) Trade Receivables

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### i) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials, traded goods and spares comprises cost of purchases. Cost of 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. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials and spares is determined using the standard cost adjusted for variance from actual costs on weighted average basis. 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 their best judgement and estimates..

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019****j) Non-Current Assets Held for Sale**

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

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

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

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Balance Sheet.

**k) 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.

**l) Borrowings**

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

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

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

**m) Borrowing Costs**

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

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

**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.



## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

### o) Foreign Currency Transaction

Functional and presentation currency

The Financial Statements are presented in Indian Rupee (₹), which is the Company's functional and presentation currency.

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.

### p) 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.

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.

### q) Revenue recognition

Effective 1 April 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the Financial Statements of the Company is insignificant.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty / Goods Service taxes and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

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.

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.

### r) Income tax

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

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.

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

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

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

**s) Leases**

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or 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.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

**t) Provisions**

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.

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

Provisions, Contingent Assets, Contingent Liabilities and Commitments are reviewed at each Balance Sheet date.

**u) 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 31<sup>st</sup> MARCH 2019****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 pays provident fund contributions to publicly administered provident funds as per local regulations. 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 liabilities in the Balance Sheet based on when the actual settlement is expected to occur.

**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.

**v) Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**w) 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 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**NOTE 3 - PROPERTY, PLANT AND EQUIPMENT**

Particulars	Freehold Land	Buildings	Plant and Equipments (Refer Note)	Office Equipments	Furniture and Fixtures	Computers	Total
<b>Gross carrying amount</b>							
Balance as at 1 <sup>st</sup> April 2017	28.67	923.00	4,876.47	24.27	56.07	22.30	5,930.78
Additions	-	147.54	260.71	8.88	-	16.02	433.15
Disposals	-	-	(148.09)	(0.62)	(0.08)	-	(148.79)
Balance as at 31 <sup>st</sup> March 2018	28.67	1,070.54	4,989.09	32.53	55.99	38.32	6,215.14
Additions	-	4.80	243.93	1.81	3.16	12.16	265.86
Disposals	-	-	-	-	-	(0.04)	(0.04)
<b>Balance as at 31<sup>st</sup> March 2019</b>	<b>28.67</b>	<b>1,075.34</b>	<b>5,233.02</b>	<b>34.34</b>	<b>59.15</b>	<b>50.44</b>	<b>6,480.96</b>
<b>Accumulated depreciation</b>							
Balance as at 1 <sup>st</sup> April 2017	-	(74.70)	(1,464.45)	(3.69)	(20.26)	(13.95)	(1,577.05)
Depreciation charge for the year	-	(61.06)	(778.36)	(5.71)	(10.53)	(4.23)	(859.89)
Depreciation on disposals	-	-	36.27	0.62	0.07	-	36.96
Balance as at 31 <sup>st</sup> March 2018	-	(135.76)	(2,206.54)	(8.78)	(30.72)	(18.18)	(2,399.98)
Depreciation charge for the year	-	(65.57)	(757.74)	(9.44)	(8.39)	(7.47)	(848.61)
Depreciation on disposals	-	-	-	-	-	0.04	0.04
<b>Balance as at 31<sup>st</sup> March 2019</b>	<b>-</b>	<b>(201.33)</b>	<b>(2,964.28)</b>	<b>(18.22)</b>	<b>(39.11)</b>	<b>(25.61)</b>	<b>(3,248.55)</b>
Net carrying amount as at 31 <sup>st</sup> March 2018	28.67	934.78	2,782.55	23.75	25.27	20.14	3,815.16
<b>Net carrying amount as at 31<sup>st</sup> March 2019</b>	<b>28.67</b>	<b>874.01</b>	<b>2,268.74</b>	<b>16.12</b>	<b>20.04</b>	<b>24.83</b>	<b>3,232.41</b>

**Note:**

Plant and Equipment included Machinery having a gross carrying amount of ₹ 54.37 Lakhs (net carrying amount NIL) given under operating lease arrangement in the earlier years has been disposed off in the Previous Year.

**NOTE 4 - INTANGIBLE ASSETS**

Particulars	Computer Software
<b>Gross carrying amount</b>	
Balance as at 1 <sup>st</sup> April 2017	8.28
Balance as at 31 <sup>st</sup> March 2018	8.28
<b>Balance as at 31<sup>st</sup> March 2019</b>	<b>8.28</b>
<b>Accumulated amortisation</b>	
Balance as at 1 <sup>st</sup> April 2017	(4.61)
Amortisation charge for the year	(2.05)
Balance as at 31 <sup>st</sup> March 2018	(6.66)
Amortisation charge for the year	(1.62)
<b>Balance as at 31<sup>st</sup> March 2019</b>	<b>(8.28)</b>
Net carrying amount as at 31 <sup>st</sup> March 2018	1.62
<b>Net carrying amount as at 31<sup>st</sup> March 2019</b>	<b>-</b>

**Note:**

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

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

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

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Security deposits		
- Unsecured and considered good	13.21	13.21
- Considered doubtful	9.00	9.00
Less: Provision for doubtful deposits	(9.00)	(9.00)
<b>Total</b>	<b>13.21</b>	<b>13.21</b>

### NOTE 5 (B) - LOANS TO EMPLOYEES (NON-CURRENT)

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Loans to employees (Unsecured and considered good)	1.75	15.71
<b>Total</b>	<b>1.75</b>	<b>15.71</b>

### NOTE 6 - OTHER NON-CURRENT ASSETS

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Unsecured, Considered good, unless otherwise stated</b>		
Capital advance	-	2.33
Deposits made under protest		
- Considered good	28.03	27.71
- Considered doubtful	31.74	38.12
Less: Provision for doubtful deposits	(31.74)	(38.12)
	28.03	27.71
Prepaid expenses for Leasehold Land #	3.36	3.42
<b>Total</b>	<b>31.39</b>	<b>33.46</b>

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

### NOTE 7 - INVENTORIES

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Raw materials (includes in transit: NIL, 31 <sup>st</sup> March 2018: ₹ 22.13 Lakhs)	418.64	311.47
Work in progress	159.02	137.69
Finished goods	514.97	387.40
Stock-in-Trade	5.52	2.08
Consumables and spares (Includes in transit : NIL, 31 <sup>st</sup> March 2018: ₹ 4.30 Lakhs)	187.10	93.44
<b>Total</b>	<b>1,285.25</b>	<b>932.08</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**NOTE 8 - INVESTMENTS**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Mutual Funds (unquoted) at Fair Value though Profit or Loss	5,132.37	4,333.36
<b>Total</b>	<b>5,132.37</b>	<b>4,333.36</b>
Aggregate amount of quoted investment	-	-
Aggregate amount of market value of quoted investment	-	-
Aggregate amount of unquoted investment	5,132.37	4,333.36

**NOTE 9 - TRADE RECEIVABLES**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Trade Receivables	2,192.48	2,201.03
Receivables from related parties (Refer Note 36)	8.57	256.83
Less: Allowance for doubtful debts	(13.00)	(26.00)
<b>Total</b>	<b>2,188.05</b>	<b>2,431.86</b>
Secured, considered good	-	-
Unsecured, considered good	2,188.05	2,431.86
Trade Receivable - Credit impaired	13.00	26.00
<b>Total</b>	<b>2,201.05</b>	<b>2,457.86</b>
Less : Allowance for doubtful debts	(13.00)	(26.00)
<b>Total</b>	<b>2,188.05</b>	<b>2,431.86</b>

**Note :**

The carrying amount of Trade Receivable includes receivable amounting to ₹ 341.29 Lakhs (31<sup>st</sup> March 2018 : ₹ 447.39 Lakhs) against the sale proceeds from Tata Motors Ltd. (TML). The carrying amount reported is based on the balance confirmation received from the bank. The outstanding balance with the bank is shown as borrowing under Note 19 till the amounts are cleared by TML.

**NOTE 10(A) - CASH AND CASH EQUIVALENTS**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Cash on hand	-	-
Balances with banks		
-in Current Accounts	171.62	92.38
<b>Total</b>	<b>171.62</b>	<b>92.38</b>

**NOTE 10(B) - OTHER BANK BALANCES**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Balances with banks		
-Fixed Deposit with original maturity of more than 3 months but less than 12 months	1,500.00	-
<b>Total</b>	<b>1,500.00</b>	<b>-</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

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

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Other Advances	5.16	0.36
Derivative financial instruments not designated as hedges		
- Forward exchange contracts	9.29	0.15
<b>Total</b>	<b>14.45</b>	<b>0.51</b>

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

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Loan to employees (Unsecured and Considered good)	15.26	23.41
<b>Total</b>	<b>15.26</b>	<b>23.41</b>

### NOTE 12 - OTHER CURRENT ASSETS

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Other Receivables	16.70	6.88
Advance to suppliers	244.76	41.78
Due from government authorities	1.52	7.50
Prepaid expenses	30.52	34.48
Accrued interest receivable	16.34	-
<b>Total</b>	<b>309.84</b>	<b>90.84</b>

### NOTE 13 - EQUITY SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Authorised equity share capital</b>		
92,000,000 (31 <sup>st</sup> March 2018: 92,000,000) equity shares of ₹ 10 each	9,200.00	9,200.00
<b>Total</b>	<b>9,200.00</b>	<b>9,200.00</b>
<b>Issued, subscribed and paid up</b>		
91,105,700 (31 <sup>st</sup> March 2018: 91,105,700) equity shares of ₹ 10 each fully paid	9,110.57	9,110.57
<b>Total</b>	<b>9,110.57</b>	<b>9,110.57</b>

#### a) Movement in equity share capital

Particulars	No. of shares	Amount
<b>Authorised share capital</b>		
As at 1 <sup>st</sup> April 2017	92,000,000	9,200
Increase/(decrease) during the year	-	-
As at 31 <sup>st</sup> March 2018	92,000,000	9,200
Increase/(decrease) during the year	-	-
<b>As at 31<sup>st</sup> March 2019</b>	<b>92,000,000</b>	<b>9,200</b>
<b>Issued, subscribed and paid up</b>		
As at 1 <sup>st</sup> April 2017	91,105,700	9,110.57
Changes in Equity Share Capital	-	-
As at 31 <sup>st</sup> March 2018	91,105,700	9,110.57
Changes in Equity Share Capital	-	-
<b>As at 31<sup>st</sup> March 2019</b>	<b>91,105,700</b>	<b>9,110.57</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**b) Terms and rights attached to equity shares**

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

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

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

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Saint-Gobain Sekurit France S.A. (Subsidiary of Ultimate Holding Company). 43,969,785 (31 <sup>st</sup> March 2018: 43,969,785) equity shares of ₹ 10 each	<b>4,396.98</b>	4,396.98
Saint-Gobain India Private Limited (Subsidiary of Ultimate Holding Company) 24,359,490 (31 <sup>st</sup> March 2018: 24,359,490) equity shares of ₹ 10 each	<b>2,435.94</b>	2,435.94
<b>Total</b>	<b><u>6,832.92</u></b>	<b><u>6,832.92</u></b>

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

Particulars	As at 31 <sup>st</sup> March 2019		As at 31 <sup>st</sup> March 2018	
	Number of shares	% of Holding	Number of shares	% of Holding
Saint-Gobain Sekurit France S.A. (Subsidiary of Ultimate Holding Company).	<b>43,969,785</b>	<b>48.26%</b>	43,969,785	48.26%
Saint-Gobain India Private Limited (Subsidiary of Ultimate Holding Company)	<b>24,359,490</b>	<b>26.74%</b>	24,359,490	26.74%

e) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts.

f) During the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

- i) The Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash.
- ii) The Company has not allotted the fully paid up bonus shares.
- iii) The Company has not bought back any of its equity shares.

g) There are no securities convertible into equity/ preference shares.

h) There are no calls unpaid on any of the equity shares.

i) There are no forfeited shares.

**NOTE 14 - OTHER EQUITY**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Securities premium	<b>1,132.48</b>	1,132.48
Retained earnings	<b>1,388.52</b>	(188.96)
Capital redemption reserve	<b>0.11</b>	0.11
<b>Total</b>	<b><u>2,521.11</u></b>	<b><u>943.63</u></b>

**Retained earnings**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Opening balance	<b>(188.96)</b>	(1,580.71)
Net profit for the year	<b>1,607.72</b>	1,377.45
Items of other Comprehensive income recognised directly in retained earning.		
Remeasurements of post employment benefit obligation, net of tax	<b>(30.24)</b>	14.30
<b>Closing balance</b>	<b><u>1,388.52</u></b>	<b><u>(188.96)</u></b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

### Securities premium

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

### Capital redemption reserve

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

### NOTE 15 - NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Security deposits received	112.55	87.55
<b>Total</b>	<b>112.55</b>	<b>87.55</b>

### NOTE 16 - NON-CURRENT PROVISIONS

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Provisions for litigations and disputes	2.03	2.03
Provisions for indirect tax matters	3.00	3.00
<b>Total</b>	<b>5.03</b>	<b>5.03</b>

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

### Movement in provisions

Particulars	Provisions for litigations and disputes		Provisions for indirect tax matters	
	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Balance at the beginning of the year	2.03	2.03	53.45	60.82
Additions	-	-	-	19.37
Amounts used / Reversed	-	-	(3.03)	(26.74)
<b>Balance at the end of the year</b>	<b>2.03</b>	<b>2.03</b>	<b>50.42</b>	<b>53.45</b>
Classified as:				
- Current (Note 22)	-	-	47.42	50.45
- Non-current (Note 16)	2.03	2.03	3.00	3.00

### NOTE 17 - EMPLOYEE BENEFIT OBLIGATIONS

#### a) Compensated absences

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

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from 31<sup>st</sup> March 2019 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.

#### b) Post employment obligations

##### i) 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 1<sup>st</sup> July 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.

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**ii) Provident fund – Defined contribution plan**

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 48.29 Lakhs (31<sup>st</sup> March 2018: ₹ 44.90 Lakhs).

**Non-current**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Compensated absences	66.36	55.58
Gratuity	46.52	6.01
<b>Total</b>	<b>112.88</b>	<b>61.59</b>

**Current**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Compensated absences	13.13	10.77
Gratuity	32.99	28.63
<b>Total</b>	<b>46.12</b>	<b>39.40</b>

**Amounts recognised in the Statement of Profit and Loss**

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Defined contribution plans		
Provident fund	48.29	44.90
Defined benefit plans		
Gratuity	20.64	22.57
<b>Total</b>	<b>68.93</b>	<b>67.47</b>

**Amounts recognised in Other Comprehensive Income**

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Remeasurements for:		
Gratuity gains / (losses)	(42.66)	21.87
<b>Total</b>	<b>(42.66)</b>	<b>21.87</b>

**Amounts recognised as a liability - Gratuity**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Present value of funded obligations	368.13	297.33
Fair value of plan assets	(288.62)	(262.69)
<b>Deficit of funded plans</b>	<b>79.51</b>	<b>34.64</b>
Present value of unfunded obligations	-	-
<b>Total deficit of defined benefit obligations</b>	<b>79.51</b>	<b>34.64</b>
Impact of minimum funding requirement / asset ceiling	-	-
<b>Liability in the Balance Sheet</b>	<b>79.51</b>	<b>34.64</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

### 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 1 <sup>st</sup> April 2017	293.55	(241.89)	51.66
Current service cost	18.81	-	18.81
Interest expense / (income)	21.31	(17.55)	3.76
Total amount recognised in profit / loss	40.12	(17.55)	22.57
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	(2.81)	(2.81)
(Gain) / loss from change in demographic assumptions	(7.84)	7.84	-
(Gain) / loss from change in financial assumptions	(13.46)	-	(13.46)
Experience (gains) / losses	(5.61)	-	(5.61)
Total amount recognised in other comprehensive income	(26.91)	5.03	(21.87)
Contributions:			
Employers	-	(17.72)	(17.72)
Benefit payments	(9.44)	9.44	-
As at 31 <sup>st</sup> March 2018	297.33	(262.69)	34.64
Current service cost	17.95	-	17.95
Interest expense / (income)	23.13	(20.45)	2.68
Total amount recognised in Profit / Loss	41.08	(20.45)	20.63
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	3.26	3.26
Liability transferred out	(4.89)	4.89	-
(Gain) / loss from change in financial assumptions	9.13	-	9.13
Experience (gains) / losses	30.28	-	30.28
Total amount recognised in Other Comprehensive Income	34.52	8.14	42.66
Contributions:			
Employers	-	(18.42)	(18.42)
Benefit payments	(4.80)	4.80	-
<b>As at 31<sup>st</sup> March 2019</b>	<b>368.13</b>	<b>(288.62)</b>	<b>79.51</b>

### Significant actuarial assumptions were as follows:

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Discount rate	7.47%	7.78%
Salary growth rate	9.00%	9.00%
Rate of employee turnover	5.00%	5.00%
Expected average remaining working lives of employees in number of years	10 years	11 years



**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*

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

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

**Comparative Figures**

Particulars	Change in assumption (in %)	Impact on defined benefit obligation	
		Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
		As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018
Discount rate	0.50	(13.64)	11.19
Salary growth rate	0.50	10.99	(13.57)
Claim rates	0.50	(1.78)	1.78

**Major categories of plan assets are as follows:**

Particulars	Unquoted	
	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Insurer managed funds	288.62	262.69
<b>Total</b>	<b>288.62</b>	<b>262.69</b>

 The expected contribution to the fund in the next year is ₹ 32.99 Lakhs ( 31<sup>st</sup> March 2018 : ₹ 28.63 Lakhs)

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

Particulars	Less than 1 year	Between 1 - 2 years	Between 2 - 5 years	Between 6 - 10 years	Above 10 years	Total
<b>As at 31<sup>st</sup> March 2019</b>						
Gratuity	31.79	42.24	84.79	197.78	484.06	840.66
<b>Total</b>	<b>31.79</b>	<b>42.24</b>	<b>84.79</b>	<b>197.78</b>	<b>484.06</b>	<b>840.66</b>
<b>As at 31<sup>st</sup> March 2018</b>						
Gratuity	21.91	22.09	77.45	158.08	443.69	723.22
<b>Total</b>	<b>21.91</b>	<b>22.09</b>	<b>77.45</b>	<b>158.08</b>	<b>443.69</b>	<b>723.22</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

### NOTE 18 - GOVERNMENT GRANTS

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Opening balance</b>	<b>33.62</b>	42.92
Less: Released to profit or loss	(9.30)	(9.30)
<b>Closing balance</b>	<b>24.32</b>	<b>33.62</b>
Non-current portion	15.02	24.32
Current portion	9.30	9.30
<b>Total</b>	<b>24.32</b>	<b>33.62</b>

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

### NOTE 19 - SHORT TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Unsecured</b>		
Bills discounted with banks (Refer Note 9)	341.29	447.39
<b>Total</b>	<b>341.29</b>	<b>447.39</b>

### NOTE 20 - TRADE PAYABLES

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Total outstanding dues of micro enterprises and small enterprises	9.99	13.19
Trade payables to related parties (Refer Note 36)	290.82	6.13
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	1,141.94	779.80
<b>Total</b>	<b>1,442.75</b>	<b>799.12</b>

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
The principal amount remaining unpaid to any supplier at the end of each accounting year.	9.37	8.74
The interest due thereon remaining unpaid to any supplier at the end of each accounting year.	0.62	4.45
The principal amount paid by the buyer during the year to any supplier beyond the appointed day.	22.32	13.11
The amount of interest paid by the buyer during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006).	-	-
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.62	0.35
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	12.90	12.28

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

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**NOTE 21 - OTHER FINANCIAL LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Capital creditors	5.97	13.01
Payables in respect of employees	97.17	139.08
Other payables	6.02	4.88
<b>Total</b>	<b>109.16</b>	<b>156.97</b>

**NOTE 22 - CURRENT PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Provision for indirect tax matters (Refer Note 16)	47.42	50.45
<b>Total</b>	<b>47.42</b>	<b>50.45</b>

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

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

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Opening balances</b>		
- Current tax liabilities	82.50	-
- Income tax assets	(83.14)	(230.58)
Add: Current tax payable for the year	751.96	725.69
Less: Tax Adjustments related to earlier years	(2.04)	
Less: MAT credit utilised	(82.27)	(233.81)
Add / (Less): Refund received / (Taxes paid)	(626.17)	(261.94)
<b>Closing balance</b>		
- Current tax liabilities	11.89	82.50
- Income tax assets	(52.73)	83.14

**NOTE 24 - OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Advance from customers	64.22	21.57
Statutory dues payable (TDS, VAT, GST and other dues payable)	111.11	102.90
Sundry liabilities	0.62	-
<b>Total</b>	<b>175.95</b>	<b>124.47</b>

**NOTE 25 - REVENUE FROM OPERATIONS**

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>Sales of Products (including Excise Duty)</b> Refer Note below.		
Finished goods	15,804.04	14,739.50
Traded goods	13.35	92.98
	<b>15,817.39</b>	<b>14,832.48</b>
<b>Other Operating Revenue</b>		
Scrap Sales	174.49	150.31
Tool Development Income	27.26	16.37
	<b>201.75</b>	<b>166.68</b>
<b>Total</b>	<b>16,019.14</b>	<b>14,999.16</b>

Note : Pursuant to the introduction of the Goods and Service Tax Act (GST) with effect from 1<sup>st</sup> July 2017, Central Excise, Value Added Taxes etc. have been subsumed into GST. In accordance with the accounting requirements, unlike excise duty, GST is not a part of Revenue from Operations. Excise Duty expenses amounting to Nil ( 31<sup>st</sup> March 2018 ₹ 356.44 Lakhs ) is presented separately on the face of the Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2019 and not netted off under Revenue from Operations.

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

### NOTE 26 - OTHER INCOME

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Rental income	-	1.44
Net gain on sale of investments	486.89	169.44
Net gain on investments measured at fair value through profit or loss	-	64.21
Government grants (Refer Note 18)	9.30	9.30
Net foreign exchange gains	0.99	-
Net profit on sale of property, plant and equipment	-	22.75
Provision no longer required written back	24.95	19.75
Allowance for doubtful debts - Trade receivable written back	13.00	-
Other items	31.57	8.99
<b>Total</b>	<b>566.70</b>	<b>295.88</b>

### NOTE 27 (A) - COST OF MATERIALS CONSUMED

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Opening stock	311.47	400.82
Add: Purchases	7,521.09	6,381.97
Less: Closing Stock	(418.64)	(311.47)
<b>Total</b>	<b>7,413.92</b>	<b>6,471.32</b>

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

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>Opening stock</b>		
Work in progress	137.69	107.57
Finished goods (Manufactured)	387.40	554.34
Stock-in-trade	2.08	1.29
<b>Closing stock</b>		
Work in progress	159.02	137.69
Finished goods (Manufactured)	514.97	387.40
Stock-in-trade	5.52	2.08
<b>Total</b>	<b>(152.34)</b>	<b>136.03</b>

### NOTE 28 - EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Salaries, wages and bonus	1,040.61	923.20
Staff welfare expenses	91.32	102.68
Contribution to provident and other funds	48.29	44.90
Gratuity contribution/expenses (Refer Note 17)	20.64	22.57
<b>Total</b>	<b>1,200.86</b>	<b>1,093.35</b>

### NOTE 29 - FINANCE COSTS

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Bank Charges	3.98	7.37
Interest on Dealer Deposits	6.05	4.35
Other Finance costs	17.47	2.05
<b>Total</b>	<b>27.50</b>	<b>13.77</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**NOTE 30 - OTHER EXPENSES**

<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March 2019</b>	<b>Year ended 31<sup>st</sup> March 2018</b>
Consumption of stores and spare parts	<b>601.25</b>	342.36
Labour charges	<b>687.41</b>	641.85
Power and fuel	<b>1,528.29</b>	1,366.57
Rental charges (Refer Note 38(b))	<b>28.47</b>	29.58
Repairs and maintenance		
Plant and machinery	<b>56.34</b>	61.01
Buildings	<b>2.16</b>	0.36
Others	<b>48.98</b>	46.14
Travelling and conveyance	<b>65.42</b>	56.23
Communication expenses	<b>7.87</b>	8.72
Rates and Taxes	<b>32.13</b>	75.71
Insurance	<b>19.70</b>	20.17
Environment, health and safety expenses	<b>13.46</b>	6.04
Legal and professional fees	<b>56.00</b>	55.74
Packing costs	<b>194.45</b>	196.34
Freight expense	<b>508.92</b>	461.44
Pool research and development	<b>331.80</b>	247.36
General assistance fees	<b>326.24</b>	260.79
Information technology support fees	<b>86.00</b>	68.99
Net foreign exchange losses	-	21.82
Net loss on investments measured at fair value through profit or loss	<b>63.19</b>	-
Payment to auditors		
Statutory audit	<b>6.90</b>	6.90
Limited review	<b>5.10</b>	5.10
Audit under Tax Statutes	<b>9.35</b>	9.35
Reimbursement of Expenses	<b>0.30</b>	0.66
Corporate social responsibility expenditure (Refer Note below)	<b>10.19</b>	8.47
Allowance for doubtful debts - Trade receivable	-	14.17
Miscellaneous expenses	<b>241.26</b>	179.65
<b>Total</b>	<b><u>4,931.18</u></b>	<b><u>4,191.52</u></b>

**Corporate Social Responsibility expenditure (CSR)**

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

<b>Particulars</b>	<b>Construction / Acquisition of Assets</b>	<b>On any other purpose</b>	<b>Total</b>
A. Gross amount required to be spent by the Company	-	<b>30.39</b>	<b>30.39</b>
	-	(21.58)	(21.58)
B. Amount spent during the year			
In cash	-	<b>10.19</b>	<b>10.19</b>
	-	(8.47)	(8.47)

\*Figures in brackets pertain to the previous year.

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**NOTE 31 - TAXATION**
**(a) Income tax expense**

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>Current tax</b>		
Current tax on Profit for the year	751.96	725.69
Tax Adjustments related to earlier years	(2.04)	-
<b>Total current tax expenses</b>	<u>749.93</u>	<u>725.69</u>
<b>Deferred tax</b>		
Decrease / (Increase) in deferred tax assets	16.31	28.82
(Decrease) / Increase in deferred tax liabilities	(110.25)	(34.55)
<b>Total deferred tax expenses / (benefit)</b>	<u>(93.94)</u>	<u>(5.72)</u>
<b>Income tax expense</b>	<u>655.99</u>	<u>719.97</u>

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

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Profit from operations before income tax expense	2,263.71	2,097.42
India tax rate	29.12%	34.60%
<b>Tax at India tax rate</b>	<u>659.19</u>	<u>725.79</u>
Tax effect of amounts which are not deductible (not allowable) in calculating taxable income :		
Corporate social responsibility expenditure	1.48	1.46
Other items	(4.68)	(7.25)
<b>Income tax expense</b>	<u>655.99</u>	<u>719.98</u>

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**(c) Deferred tax asset (net)**

The balance comprises temporary differences attributable to :

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Tax credits available:</b>		
MAT credit entitlement	-	82.27
	<u>-</u>	<u>82.27</u>
<b>Deferred tax asset:</b>		
Defined benefit obligations	33.88	34.95
Allowance of doubtful debts - trade receivable	3.79	9.00
Allowance of doubtful debts - security deposits	2.62	3.23
Property plant and equipment and intangible assets	13.85	-
Financial assets at fair value through profit or loss	18.40	-
Others	<u>10.67</u>	<u>39.91</u>
	<u>83.21</u>	<u>87.09</u>
<b>Total deferred tax assets</b>	<u><u>83.21</u></u>	<u><u>169.36</u></u>
<b>Deferred tax liability:</b>		
Property plant and equipment and intangible assets	-	88.03
Financial assets at fair value through profit or loss	<u>-</u>	<u>22.22</u>
<b>Total deferred tax liabilities</b>	<u>-</u>	<u>(110.25)</u>
<b>Net deferred tax assets</b>	<u><u>83.21</u></u>	<u><u>59.11</u></u>

**Movement in deferred tax assets**

Particulars	Property plant and equipment and intangible assets	Financial assets at fair value through profit loss	Defined benefit obligations	Allowance of doubtful debts - trade receivable	Allowance of doubtful debts - security deposits	Other items	Total deferred tax assets
As at 1 <sup>st</sup> April 2017	-	-	17.88	28.26	3.14	74.21	123.49
(charged)/credited :							
to Profit and Loss	-	-	24.64	(19.26)	0.09	(34.30)	(28.83)
to Other Comprehensive Income	-	-	(7.57)	-	-	-	(7.57)
As at 31 <sup>st</sup> March 2018	<u>-</u>	<u>-</u>	<u>34.95</u>	<u>9.00</u>	<u>3.23</u>	<u>39.91</u>	<u>87.09</u>
(charged)/credited :							
to Profit and Loss	13.85	18.40	(13.49)	(5.21)	(0.61)	(29.24)	(16.31)
to Other Comprehensive Income	-	-	12.42	-	-	-	12.42
<b>As at 31<sup>st</sup> March 2019</b>	<u><u>13.85</u></u>	<u><u>18.40</u></u>	<u><u>33.88</u></u>	<u><u>3.79</u></u>	<u><u>2.62</u></u>	<u><u>10.67</u></u>	<u><u>83.21</u></u>

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

### Movement in deferred tax liabilities

Particulars	Property plant and equipment and intangible assets	Financial assets at fair value through profit and loss	Defined benefit obligations	Allowance of doubtful debts - trade receivable	Allowance of doubtful debts - security deposits	Other items	Total deferred tax liabilities
As at 1 <sup>st</sup> April 2017	128.57	16.23	-	-	-	-	144.80
(charged)/credited :							
to Profit and Loss	(40.54)	6.00	-	-	-	-	(34.55)
As at 31 <sup>st</sup> March 2018	<u>88.03</u>	<u>22.22</u>	-	-	-	-	<u>110.25</u>
(charged)/credited :							
to Profit and Loss	(88.03)	(22.22)	-	-	-	-	(110.25)
<b>As at 31<sup>st</sup> March 2019</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

### NOTE 32 - FAIR VALUE MEASUREMENT

#### Financial instruments by category

Particulars	As at 31 <sup>st</sup> March 2019			As at 31 <sup>st</sup> March 2018		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets</b>						
Investments in mutual funds	<b>5,132.37</b>	-	-	4,333.36	-	-
Trade and other receivables	-	-	<b>2,188.05</b>	-	-	2,431.86
Other non-current financial assets	-	-	<b>14.96</b>	-	-	28.92
Cash and Cash equivalents	-	-	<b>171.62</b>	-	-	92.38
Bank Balances other than above	-	-	<b>1,500.00</b>	-	-	-
Derivative financial asset	<b>9.29</b>	-	-	0.15	-	-
Other current financial assets	-	-	<b>20.42</b>	-	-	23.77
<b>Total financial assets</b>	<u><b>5,141.66</b></u>	<u>-</u>	<u><b>3,895.05</b></u>	<u><b>4,333.51</b></u>	<u>-</u>	<u><b>2,576.93</b></u>
<b>Financial Liabilities</b>						
Borrowings	-	-	<b>341.29</b>	-	-	447.39
Trade payables	-	-	<b>1,442.75</b>	-	-	799.12
Security deposits	-	-	<b>112.55</b>	-	-	87.55
Other financial liabilities	-	-	<b>109.16</b>	-	-	156.97
<b>Total financial liabilities</b>	<u>-</u>	<u>-</u>	<u><b>2,005.75</b></u>	<u>-</u>	<u>-</u>	<u><b>1,491.03</b></u>

#### Fair value hierarchy

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



**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**Financial assets and liabilities measured at fair value**

	Level 1	Level 2	Level 3	Total
<b>As at 31<sup>st</sup> March 2019</b>				
<b>Financial assets</b>				
Investments in mutual funds	-	5,132.37	-	5,132.37
Derivative financial assets		9.29		9.29
<b>Total</b>	<u>-</u>	<u>5,141.66</u>	<u>-</u>	<u>5,141.66</u>
<b>As at 31<sup>st</sup> March 2018</b>				
<b>Financial assets</b>				
Investments in mutual funds	-	4,333.36	-	4,333.36
Derivative financial assets		0.15		0.15
<b>Total</b>	<u>-</u>	<u>4,333.51</u>	<u>-</u>	<u>4,333.51</u>
<b>Financial liabilities</b>				
Derivative financial liabilities	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Financial assets and liabilities measured at Amortised cost:**

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

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

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

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

**Valuation techniques used to determine fair value**

Specific valuation techniques used to value financial instruments include:

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

**NOTE 33 - FINANCIAL RISK MANAGEMENT**

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

**A. Credit Risk**

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

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

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

Especially the following indicators are incorporated:

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

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

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

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

### Debtors ageing

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
As at 31 <sup>st</sup> March 2019	1,379.98	713.38	55.56	27.25	5.57	6.30	2,188.05
As at 31 <sup>st</sup> March 2018	1,904.43	4.03	61.36	324.28	11.66	126.10	2,431.86

### Reconciliation of loss allowance provision

Loss allowance on 1 <sup>st</sup> April 2017	11.83
Changes in loss allowance	14.17
Loss allowance on 31 <sup>st</sup> March 2018	<u>26.00</u>
Changes in loss allowance	(13.00)
<b>Loss allowance on 31<sup>st</sup> March 2019</b>	<b><u>13.00</u></b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**B. Liquidity risk**

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

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

**a. Financing arrangements**

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

**b. Maturities of financial liabilities**

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

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

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

Particulars	As at 31 <sup>st</sup> March 2018					
	Less than 3 months	3-6 months	6-12 months	1-2 years	2-5 years	Total
<b>Non-Derivatives</b>						
Trade payables	799.12	-	-	-	-	799.12
Borrowing	447.39	-	-	-	-	447.39
Security deposits	-	-	-	-	87.55	87.55
Other financial liabilities	156.97	-	-	-	-	156.97
<b>Derivatives</b>						
Forward exchange contracts	-	-	-	-	-	-
<b>Total</b>	<u>1,403.48</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87.55</u>	<u>1,491.03</u>

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

### C. Market risk

#### Foreign currency risk

##### 1. Foreign currency exposure

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

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

As at 31<sup>st</sup> March 2019, the Company's exposure to foreign currency risk, expressed in ₹, is given in the table below. The amounts represent only the financial assets and liabilities that are denominated in currencies other than the functional currency of the Company.

##### Net exposure to foreign currency risk assets and liabilities

Particulars	As at 31 <sup>st</sup> March 2019				As at 31 <sup>st</sup> March 2018			
	EUR	USD	CHF	GBP	EUR	USD	CHF	GBP
<b>Financial assets</b>								
Trade receivable	5.37				4.42			
<b>Financial liabilities</b>								
Trade payable	(78.66)	(179.20)	(2.02)		(11.08)	(2.55)	(4.77)	(1.11)

The forward contract outstandings as at year end are as follows :

Particulars	Currency	As at 31 <sup>st</sup> March 2019		As at 31 <sup>st</sup> March 2018	
		No of contracts	Amount	No of contracts	Amount
Forward contracts to purchase	EUR	4	388.26	5	121.09
Forward contracts to purchase	USD	4	248.31	4	175.04

##### 2. Foreign exchange sensitivity

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

Particulars	Decrease/(Increase) in income	
	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>EUR Sensitivity</b>		
Increase by 5% (previous year 5%)	3.66	0.33
Decrease by 5% (previous year 5%)	(3.66)	(0.33)
<b>USD Sensitivity</b>		
Increase by 5% (previous year 5%)	8.96	0.13
Decrease by 5% (previous year 5%)	(8.96)	(0.13)
<b>CHF Sensitivity</b>		
Increase by 5% (previous year 5%)	0.10	0.24
Decrease by 5% (previous year 5%)	(0.10)	(0.24)
<b>GBP Sensitivity</b>		
Increase by 5% (previous year 5%)	-	0.06
Decrease by 5% (previous year 5%)	-	(0.06)

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**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**

The Company's objectives when managing capital are to:

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

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

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

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Gross Debt	341.29	447.39
Less: Cash and cash equivalents	(171.62)	(92.38)
Net debt	169.67	355.01
Total Equity	11,631.68	10,054.20
Net debt to equity ratio	1.46%	3.53%

**NOTE 35 - SEGMENT INFORMATION**

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

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

Revenue from external customers	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Laminated Safety Glass	15,830.99	14,677.26
Tempered Glass	26.70	184.63
<b>Total sales</b>	<b>15,857.69</b>	<b>14,861.89</b>

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 ₹ 4091.79 Lakhs (31<sup>st</sup> March, 2018: ₹ 4,381.82 Lakhs) are derived from a single external customer which represents 10% or more of the total revenue for the year ended 31<sup>st</sup> March 2019 and 31<sup>st</sup> March 2018.

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

### NOTE 36 - RELATED PARTY DISCLOSURES

#### a) Related parties and their relationship

##### Parent entities

Name of the company	Type	Place of incorporation	Effective Ownership interest (includes indirect interests)	
			As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Compagnie de Saint-Gobain	Ultimate Holding Company	France	74.99%	74.78%
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%

##### Fellow Subsidiaries:

Saint-Gobain Glass, France  
 Saint-Gobain Seva, France  
 Grindwell Norton Limited, India  
 Saint-Gobain Sekurit (Thailand) Co. Limited, Thailand  
 Saint-Gobain Sekurit Deutschland GmbH & Co KG, Germany  
 Saint-Gobain Consulting Information Organisation, France  
 Saint-Gobain India Foundation, India

##### Key Managerial Personnel:

Mr. A. Dinakar - Managing Director

##### Independent Directors:

Mr. M. G. Ramakrishna  
 Mr. Padmanabha Shetty

#### b) Key Management Personnel compensation

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Sitting fees to Independent Directors	8.20	7.20
<b>Total</b>	<b>8.20</b>	<b>7.20</b>

#### c) Transactions with Related parties

The following transactions occurred with related parties during the year:

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
<b>Sales and purchases of goods and services</b>		
From Fellow Subsidiaries		
Purchase of goods	3,939.71	4,991.74
Purchase of consumables & spares	24.56	42.81
Received IT support service	86.00	69.13
Received general assistance	326.24	260.79
Other services received	308.80	311.08
Pool research and development service	331.80	247.36
To Fellow Subsidiaries		
Sale of goods	1,462.70	1,177.35
Services rendered	141.63	105.81
<b>Other transactions</b>		
From Fellow Subsidiaries		
Purchase of fixed assets*	-	0.00
To Fellow Subsidiaries		
Sale of Fixed Assets	-	158.80
CSR Expenses paid	10.19	8.47

\*Amounts less than ₹ 0.01 Lakhs

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**d) Outstanding balances**

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

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Trade payables</b> (for purchase of goods and services)		
Fellow subsidiaries	290.82	6.13
<b>Total trade payables to related parties (Refer Note 20)</b>	<u>290.82</u>	<u>6.13</u>
<b>Trade receivables</b> (for sale of goods and services)		
Immediate Holding Company	-	4.70
Fellow Subsidiaries	8.57	252.13
<b>Total trade receivables from related parties (Refer Note 9)</b>	<u>8.57</u>	<u>256.83</u>

- All outstanding balances are unsecured and settlement will be made through banking channels.
- All the related party transaction entered during the year were in ordinary course of business and on arms length basis.

**NOTE 37 - CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Contingent Liabilities (to the extent not provided for)</b>		
Claims against the Company not acknowledged as debt		
Sales tax matters	79.73	94.03
Excise matters*	332.26	332.26
Other matters	1.70	1.70
<b>Total</b>	<u>413.69</u>	<u>427.99</u>

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

**NOTE 38 - COMMITMENTS**
**(a) Capital Commitments**

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

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Property, Plant and Equipment (net of advances are NIL) (31 <sup>st</sup> March 2018 ₹ 2.33 Lakhs)	21.34	73.20
<b>Total</b>	<u>21.34</u>	<u>73.20</u>

**(b) Non-cancellable operating leases**

The Company has leased a warehouse located at Kuruli (Pune). The lease term is 5 years with a 3 year lock-in period.

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Commitments for minimum lease payments in relation to non cancellable operating leases are payable as follows:		
Within 1 year	-	9.82
<b>Total</b>	<u>-</u>	<u>9.82</u>

## NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

### Rental expense relating to operating leases recognised in Profit and Loss

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Rental Charges	28.47	29.58
<b>Total rental expense relating to operating leases</b>	<b><u>28.47</u></b>	<b><u>29.58</u></b>

### NOTE 39 - EARNINGS PER SHARE

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Basic and Diluted earnings per share		
From continuing operations attributable to equity holders of the company	1.76	1.51
<b>Total Basic and Diluted earnings per share attributable to equity holders of the Company</b>	<b><u>1.76</u></b>	<b><u>1.51</u></b>

### a) Reconciliation of earnings used in calculating earnings per share

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
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	1,607.72	1,377.45
<b>Profit attributable to the equity holders of the Company used in calculating basic earnings per share</b>	<b><u>1,607.72</u></b>	<b><u>1,377.45</u></b>

### b) Weighted average number of shares used as the denominator

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
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	-	-
<b>Weighted average number of equity shares used as the denominator in calculating diluted earnings per share</b>	<b><u>91,105,700</u></b>	<b><u>91,105,700</u></b>



**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**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 31<sup>st</sup> March 2019 and 31<sup>st</sup> March 2018. 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
<b>As at 31<sup>st</sup> March 2019</b>			
Financial assets			
- Trade receivables <sup>#</sup>	2,887.63	564.17	2,188.05
<b>Total</b>	<b><u>2,887.63</u></b>	<b><u>564.17</u></b>	<b><u>2,188.05</u></b>
Financial liabilities			
- Trade payables <sup>#</sup>	2,142.33	564.17	1,442.75
<b>Total</b>	<b><u>2,142.33</u></b>	<b><u>564.17</u></b>	<b><u>1,442.75</u></b>
<b>As at 31<sup>st</sup> March 2018</b>			
Financial assets			
- Trade receivables <sup>#</sup>	6,044.73	(3,612.87)	2,431.86
<b>Total</b>	<b><u>6,044.73</u></b>	<b><u>(3,612.87)</u></b>	<b><u>2,431.86</u></b>
Financial liabilities			
- Trade payables <sup>#</sup>	4,412.00	(3,612.87)	799.12
<b>Total</b>	<b><u>4,412.00</u></b>	<b><u>(3,612.87)</u></b>	<b><u>799.12</u></b>

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

**Note 41 - Subsequent Events**

There are no subsequent events that would require adjustments or disclosure in the Financial Statements between the date of signing of accounts, and as on the Balance Sheet date.

**Note 42 - General**

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

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

Particulars	Year ended 31 <sup>st</sup> March 2019 (₹ Lakhs)		Year ended 31 <sup>st</sup> March 2018 (₹ Lakhs)	
<b>Cash flow from operating activities:</b>				
Profit before taxation and exceptional items		2,263.71		2,097.42
<b>Adjusted for :</b>				
Depreciation and amortisation expense	850.27		861.94	
Unrealised foreign exchange (Gain)/ Loss	(9.30)		0.97	
Gain on disposal of property, plant and equipment	-		(22.75)	
Income from government grant	(9.30)		(9.30)	
Gain on sale of investments	(486.89)		(169.44)	
Changes in fair value of investments at fair value through profit or loss	63.19		(64.21)	
Provision no longer required written back	(24.95)		(19.75)	
Provision/ (reversal of provision) for indirect tax matters	(3.03)		(7.37)	
Provision/ (reversal of provision) for doubtful debts	(13.00)		14.17	
Finance costs	27.50		13.77	
Accrued Interest income	17.75		-	
		<u>412.24</u>		<u>598.03</u>
<b>Operating Profit before Working Capital Changes</b>		<b>2,675.95</b>		<b>2,695.45</b>
<b>Changes in Working Capital</b>				
Increase/(decrease) in trade payables	669.36		(121.97)	
Increase/(decrease) in provisions and employee benefit obligations	15.35		1.58	
Increase/(decrease) in other financial liabilities	(29.85)		(131.72)	
Increase/(decrease) in other current liabilities	51.48		(41.86)	
(Increase)/decrease in other financial assets	8.17		5.98	
(Increase)/decrease in inventories	(353.17)		177.26	
(Increase)/decrease in trade receivables	243.81		(878.54)	
(Increase)/decrease in other current assets	(219.20)		206.50	
(Increase)/decrease in other non current assets	2.07		0.06	
		<u>388.02</u>		<u>(782.71)</u>
<b>Cash Generated From Operations</b>		<b>3,063.97</b>		<b>1,912.74</b>
Income taxes paid		(707.87)		(261.94)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>		<b>2,356.10</b>		<b>1,650.81</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Payments for property, plant and equipment	(267.95)		(193.39)	
Investment in fixed deposit	(1,500.00)		-	
Proceeds from sale of property, plant and equipment/ asset held for sale	-		134.58	
Payment for purchase of investments	(9,125.00)		(6,240.00)	
Proceeds from sale of investments	8,749.69		4,464.44	
		<u>(2,143.26)</u>		<u>(1,834.37)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>		<b>(2,143.26)</b>		<b>(1,834.37)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from borrowings	(106.10)		235.55	
Interest Paid	(27.50)		(13.77)	
		<u>(133.60)</u>		<u>221.78</u>
<b>NET CASH GENERATED FROM /(USED) IN FINANCING ACTIVITIES (C)</b>		<b>(133.60)</b>		<b>221.78</b>
<b>Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)</b>		<b>79.24</b>		<b>38.20</b>
Cash and cash equivalents (Opening Balance)		92.38		54.18
Cash and cash equivalents (Closing Balance)		171.62		92.38
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>79.24</b>		<b>38.20</b>

In terms of our report of even date

**For Kalyaniwalla & Mistry LLP**  
**Chartered Accountants**

Firm Registration No.: 104607W / W100166

**Darius Z. Fraser**

Partner

Membership No. 042454

Place : Mumbai

Date : 9<sup>th</sup> May 2019

**For and on behalf of the Board**

**Anand Mahajan**

Director

DIN. 00066320

**Manigandann R**

Chief Financial Officer

Place : Mumbai

Date : 9<sup>th</sup> May 2019

**A. Dinakar**

Managing Director

DIN. 00193129

**Rukmini Subramanian**

Company Secretary







**Saint-Gobain Sekurit India Limited**

**Saint-Gobain Sekurit India Limited**

CIN – L26101MH1973PLC018367

**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

**ATTENDANCE SLIP**

**46<sup>th</sup> Annual General Meeting on Saturday, 3<sup>rd</sup> August 2019 at 11:00 A.M.**

Serial No. \_\_\_\_\_

Shareholder's Name: \_\_\_\_\_

Address: \_\_\_\_\_

I/We hereby record my/our presence at the 46<sup>th</sup> Annual General Meeting of the Company held on Saturday, 3<sup>rd</sup> August 2019 at 11:00 a.m. at Courtyard by Marriot, Plot P-7 MIDC, Chakan Industrial Area Phase 1, Khalumbre, Pune 410 501, Maharashtra.

\_\_\_\_\_  
 (Member's/Folio/DP ID-Client ID No.)

\_\_\_\_\_  
 (Member's/Proxy's name in Block Letters)

\_\_\_\_\_  
 (Member's/Proxy's Signature)

**Note**

1. Only Members/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his / her copy of the Annual Report for reference at the Meeting.

TEAR HERE

**Saint-Gobain Sekurit India Limited**

CIN – L26101MH1973PLC018367

**Registered Office:** Plot No. 616 & 617, Village Kuruli, Pune - Nashik Road, Chakan, Pune 410 501, Maharashtra.  
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**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Folio No. / Client Id No.: \_\_\_\_\_ DP ID No.: \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the Saint-Gobain Sekurit India Limited, hereby appoint.

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her
2. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her
3. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 46<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, 3<sup>rd</sup> August 2019 at 11:00 a.m. at Courtyard by Marriot, Plot P-7 MIDC, Chakan Industrial Area Phase 1, Khalumbre, Pune 410 501, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Description of Resolution	Number of Equity Shares	Vote (Optional see Note 2)	
			For	Against
<b>Ordinary Business</b>				
1.	Adopt Audited Financial Statements for the year ended 31 <sup>st</sup> March 2019.			
2.	Appointment of a Director in place of Mr. Anand Mahajan, Director retiring by rotation.			
<b>Special Business</b>				
3.	Ratification of remuneration to Cost Auditors.			
4.	Appointment of Mr. Santhanam as Non-Executive Director of the Company, liable to retire by rotation.			
5.	Reappointment of Mr. Padmanabha Shetty as an Independent Director.			
6.	Appointment of Mr. Joseph Andrew Jude Pereira as an Independent Director.			
7.	Approve material related party transactions.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

\_\_\_\_\_  
 (Signature of Shareholder)

\_\_\_\_\_  
 (Signature of Proxyholder(s))

Affix  
 Revenue  
 Stamp

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.
2. It is optional to indicate your preference, if you leave the "Vote" column blank (for or against) for any or all resolution, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

**ELECTRONIC VOTING PARTICULARS**

EVSN (E-Voting Sequence Number)	USER ID	PASSWORD

**NOTE :** Please read carefully the remote e-voting process given in the Notice of the 46<sup>th</sup> Annual General Meeting.