Gabriel India Limited
GABRIEL

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Pune-Nashik Highway,
Village Kuruli, Tal : Khed,
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www.anandgroupindia.com

July 16, 2020

BSE Limited
25th Floor, P. J. Towers,
Dalal Street,
MUMBAI – 400 001
(Company Code: 505714)

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
MUMBAI – 400 051
(Company Code: GABRIEL)

Sub: Notice of 58th Annual General Meeting and Annual Report 2019-20

Dear Sirs,

This is further to our letter dated July 13, 2020, wherein the Company had informed that the Annual General Meeting (AGM) of the Company is scheduled to be held on Friday, August 07, 2020.

Pursuant to the provisions of Regulations of SEBI (LODR) Regulations, 2015, please find attached the Notice of 58th Annual General Meeting and Annual Report of the Company scheduled to be held on Friday, August 07, 2020.

Kindly note that in accordance with MCA circulars dated May 5, 2020, April 8, 2020 and April 13, 2020, the Notice of the 58th AGM and Annual Report are sent by email to those Members whose email addresses are registered with the Depository Participant(s)/ Registrar & Share Transfer Agent. The requirements of sending physical copy of the Notice of the AGM and Annual Report to the Members have been dispensed with vide said MCA Circulars and SEBI Circular dated May 12, 2020. Additionally, the Notice of the AGM and the Annual Report are also being uploaded on the website of the Company at https://www.anandgroupindia.com/gabrielindia/

We request you to take the above information on record and kindly acknowledge the receipt.

Thanking you,

Yours faithfully,
For Gabriel India Limited

Nilesh Jain

Nilesh Jain
Company Secretary

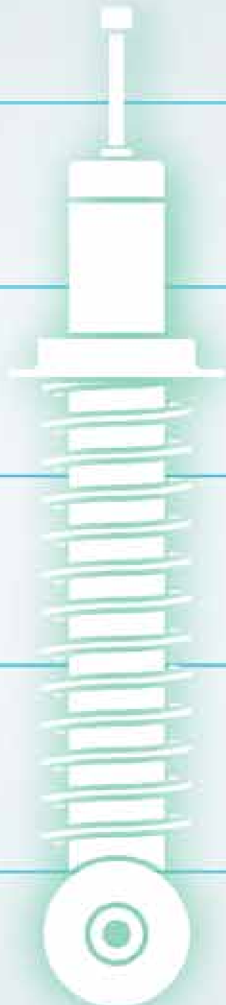
Encl : a/a

Email id: secretarial@gabriel.co.in

Annual Report 2019-20

Building a Sustainable Business

Gabriel India – A Snapshot



	FY 2018-19	FY 2019-20
COUNTRIES WITH SALES PRESENCE	25	29
MANUFACTURING FACILITIES	11	11
EMPLOYEE BASE	3,943	3,684
NUMBER OF OEM CUSTOMERS	31	37
NEW PRODUCTS ADDED TO PORTFOLIO	378	500+
DISTRIBUTOR NETWORK	664	700+
NET SALES (IN ₹ CR.)	2,052.37	1,854.31
REVENUE GROWTH	13.1%	(9.9)%
REVENUE EARNED FROM NEW PRODUCT LAUNCHES (IN ₹ CR.)	86	92
EBITDA MARGIN	8.6%	7.4%

REVENUE CAGR

9.8% (OVER FY 2015-19)

6.9% (OVER FY 2016-20)

MARKET CAPITALISATION (₹ CR.)

2,086 (as on 31 March, 2019) Rank 564 on NSE

766 (as on 31 March, 2020) Rank 589 on NSE

Contents

Building a Sustainable Business

At Gabriel India, we recognise that there will be years marked by Black Swans that affect our profitability and there will be years of robust product demand.

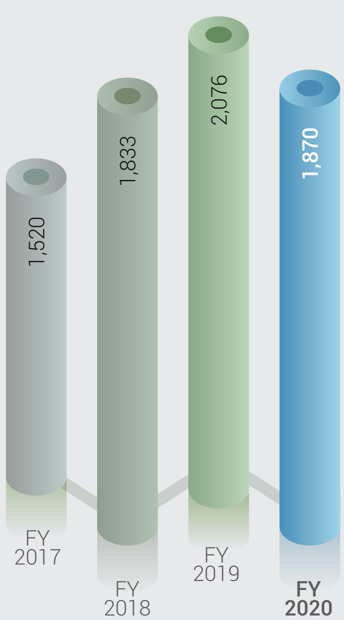
At Gabriel India, over the years, we have been consciously engaged in building a sustainable business, marked by proactive investments in the 5P's of our business - People, Products, Process, Profits and Planet.

These investments have helped us in deepening our overall competencies across these 5P's and supported us in 'Building a Sustainable Business'.

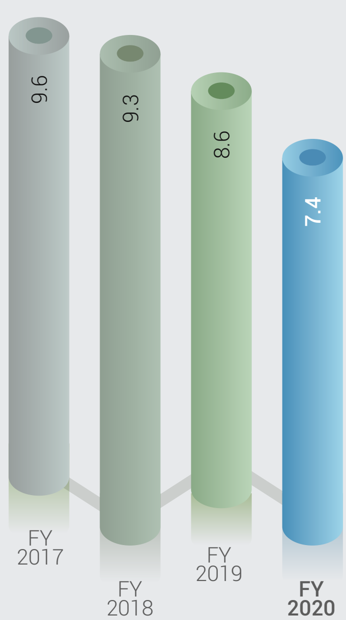
The result – Gabriel India building a sustainable business for the future - is positioned to empower us to resist slowdowns better than peers and capitalise effectively when market conditions revive.

Financial performance

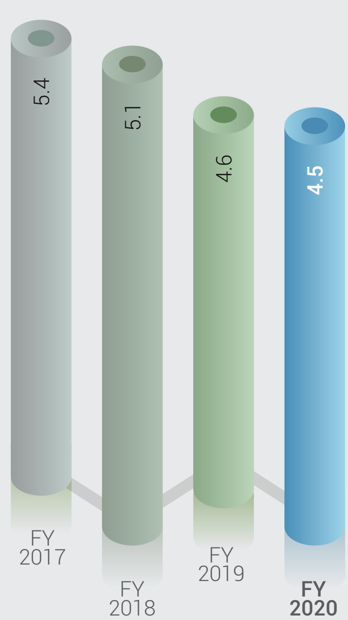
Revenue from operations (₹ cr.)



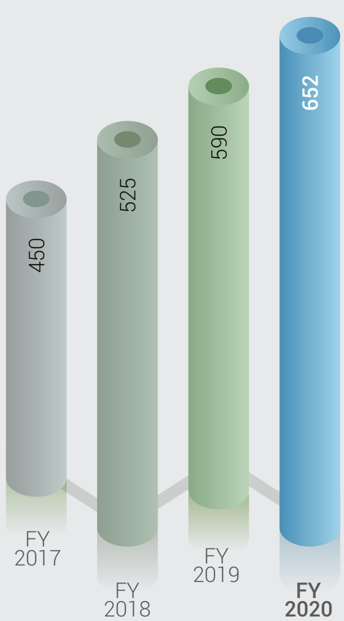
EBITDA (%)



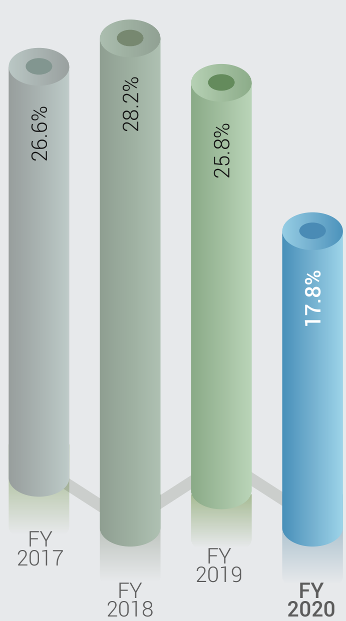
Net profit (PAT %)



Net worth (₹ cr.)

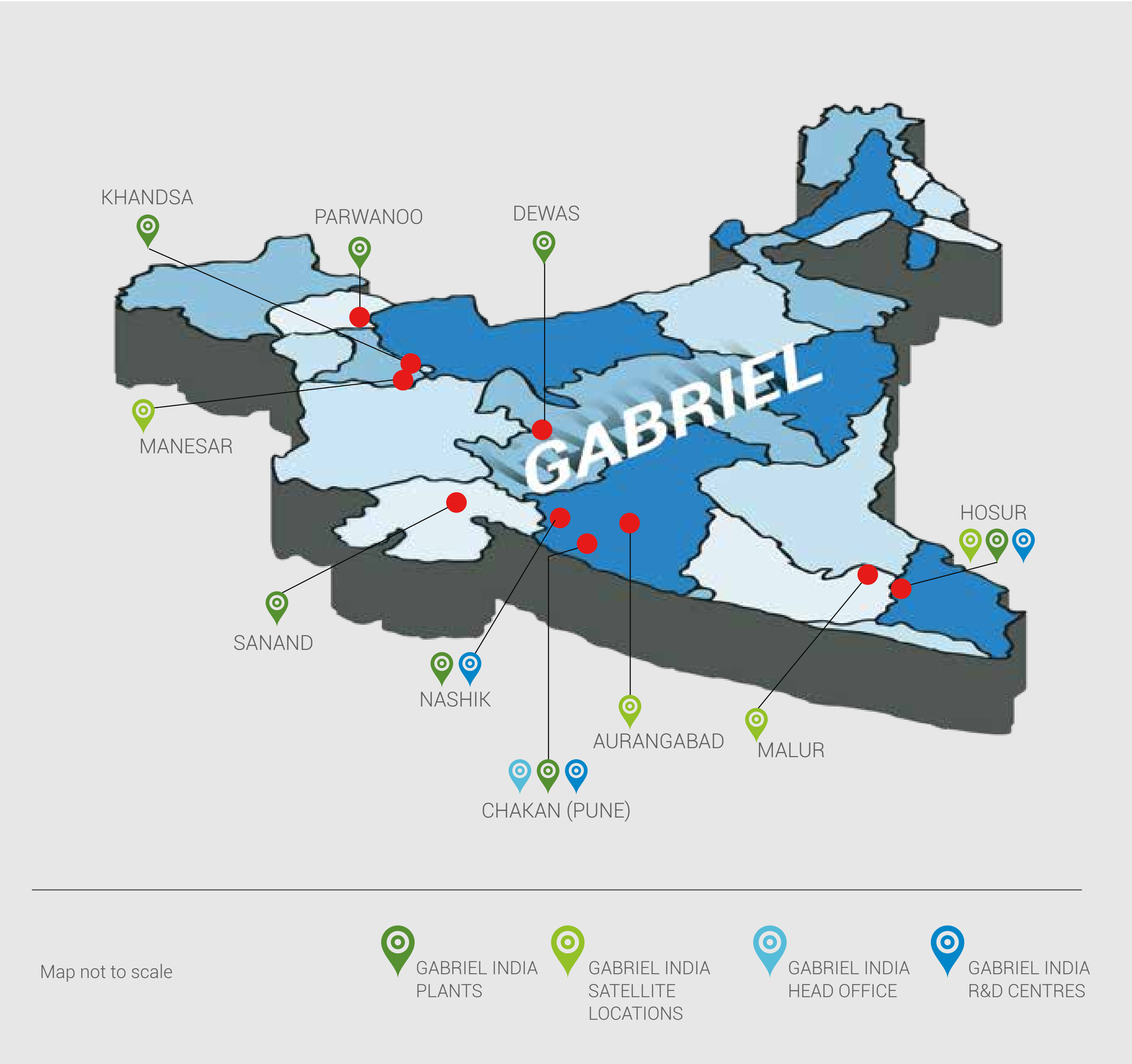


RoCE (%)



Dividend (₹ per share)

Gabriel India's pan-India presence



Some Key Customers

Ashok Leyland, Ather, Bajaj, Daimler, Force Motors, Ford India, Honda, Indian Railways, SML Isuzu, Kinetic, Mahindra, Maruti Suzuki, Okinawa, Piaggio, Renault, Royal Enfield, Suzuki, Tata Motors, Toyota Kirloskar, TVS, Volkswagen, V E Commercial Vehicles, Wheels India Limited, Yamaha, PSA, Bennelli, VW Russia and DAF Netherlands.

Chairperson's overview

Dear shareholders,

I am writing to you during very challenging times and I hope you and your loved ones are in the best of health. Since March 2020, we have been battling an invisible enemy, the COVID-19. This global pandemic and the subsequent lockdown have been a wake-up call for all of us, impacting the socio-economic fabric of society.

In this regard, I also want to update you all that Gabriel India has taken various steps to safeguard the interests of employees, support the customers, hand-hold suppliers and help the communities in our vicinity. We have also implemented all the international standard measures, including the Government guidelines.

Our Business Sustainability platform

Few years ago, Gabriel India embarked on an ambitious vision: 'To be amongst the Top 5 shock absorber manufacturers in the world'. To achieve this goal, it embedded in its DNA a key attribute – Business Sustainability, which includes the five main drivers of PEOPLE, PRODUCT, PROCESS, PROFIT and PLANET. Business Sustainability covers every aspect of Gabriel India's existence and the focus on drivers has given sustained growth over the years. This has made Gabriel India resilient in the face of adversities and provides the impetus to emerge stronger from any eventuality.

The outcome of our sustainability commitment was evident during a challenging FY 2019-20. The revenues declined on account of a sectoral slowdown, market sluggishness and the imposition of a lockdown towards the end of the financial year. Despite this, the Company reported EBITDA margins of 7.4%, a ₹27.3 cr. increase in net cash from operations and Return on Capital Employed (RoCE) of 17.8% in FY 2019-20.

At Gabriel India, the initial trigger of its sustainability initiative was the need for an investment in PEOPLE. The Company recruited fresh talent and empowered them to drive improvement projects. Young achievers were identified and promoted to critical positions. Emphasis was given to training and development as competencies became specialised. The result is the recognition by Great Place to Work® Institute for five consecutive years.

The focus shifted towards manufacturing PRODUCTS of the highest standards, with a substantial increase in y-o-y spending on Research and Development, to around 1.06% of net sales in FY 2019-20. Gabriel India strengthened end-to-end product development along with a broad-based product portfolio from the auto sector to railways. This resulted in Gabriel India being synonymous with Ride Control products.

It responded to the growing need for improved manufacturing PROCESSES. The Company focused on continuous improvements in Quality, Cost and Delivery. It invested in process innovation translating into better products at lower costs.

The natural extension of the sustainability drive translated into a greater respect for the PLANET. The Company invested in the 4 'R's of recycling, reuse, renewable and reduction. By integrating 'green' as a way of life, it invested in environment-friendly processes and renewable energy that moderated its carbon footprint.

The convergence of these initiatives translated into superior and sustainable PROFITABILITY. Over the years, the Company reported a sustained growth in revenues and deeper OEM relationships, resulting in zero long-term debt and a substantial cash corpus. As a validation of the increased financial sustainability, CRISIL maintained the long-term rating at AA/Stable for bank loan facilities.

Our performance in FY 2019-20

The global economy weakened nearly 130 bps to 2.3% during 2019. The Indian economy declined from 6.1% to 4.2% in FY 2019-20, with muted consumer spending.

The slowdown was aggravated by a decline in liquidity, increased insurance premia, run-up to general elections and finally the onslaught of COVID-19. The Indian automobile industry sales de-grew at around 17.96% during FY 2019-20, compared to a growth of around 5.14% in FY 2018-19.

In the backdrop of a severe slowdown, Gabriel India was able to sustain with marginal sales decline across Business Units. It reported a 22.50% decline in EBITDA from ₹177.80 cr. in FY 2018-19 to ₹137.80 cr. in FY 2019-20. The Profit Before Tax declined by 29.91% from ₹143.05 cr. in FY 2018-19 to ₹100.27 cr. in FY 2019-20.

In FY 2019-20, the Business Units supported OEMs in BSVI transition. The 2 & 3-Wheelers Business Unit set up a manufacturing facility in Sanand to support Honda Motorcycle and Scooter India. The Passenger Vehicle Business Unit supported the launch of Maruti Suzuki S Presso. The Commercial Vehicle Business Unit received nomination to supply parts to DAF Netherlands and developed high damping force technology products for Ashok Leyland's new platform. It was heartening to see the Railways Business Unit perform exceptionally well with a growth rate of more than 50% on the back of strong volumes. Finally, the Aftermarket Business Unit also performed relatively well by expanding its range with new SKUs and launching new product lines and de-grew by only 1% in FY 2019-20.

I believe that the Company's sustained margins, overall customer centricity and introduction of new products on the back of a very volatile and tepid industry performance, represents a creditable achievement.

Our Awards and Recognitions

At Gabriel India, we enjoy longstanding relationships with a number of marquee OEMs. During FY 2019-20, the Company received 'Best Support' Award from Maruti Suzuki, 'Cost Reduction' Award from Suzuki Motorcycles, Outstanding Contribution Award for achieving 'Zero Defect Supplies' to Toyota Kirloskar Motors and 'Delivery' Award from Honda Motorcycle and Scooter India. Besides, it also won multiple awards at Federation of Indian Chambers of Commerce & Industry (FICCI), Automotive Component Manufacturers Association of India (ACMA), Quality Circle Forum of India (QCFI), Confederation of Indian Industry (CII) and Kaizen competitions.

> The principal message that I wish to send out to our stakeholders is that in the last few years Gabriel India has deepened its sustainability roots and strengthened your Company through process and product improvement.

Our outlook

I am cautiously optimistic of our future prospects. I believe that the battle against COVID-19 will be a long-drawn-out one and will require sustained and concerted efforts to overcome. On the business front, in the long run, I foresee a positive trend through sustained increase in the need for personal mobility. This could generate a demand rebound for automotive vehicles and translate into traction for our products. The outlook for FY 2020-21 appears uncertain and depends on the effectiveness with which the pandemic can be controlled.

The principal message that I wish to send out to our stakeholders is that in the last few years Gabriel India has deepened its sustainability roots and strengthened your Company through process and product improvement. I am confident that our resilience will empower us to protect our fundamentals. To weather the storm and safeguard long-term interests, the Company has taken various measures like controlling operating costs, optimising manufacturing efficiency and cutting down capital expenditure.

Globally, there is scope to increase exports. The Company will strategically explore opportunities in the overseas markets by leveraging relationships with global OEMs in India.

Through a convergence of these initiatives and priorities, we shall steadily continue to pursue our vision 'To be amongst the Top 5 shock absorber manufacturers in the world' by 2025.

Acknowledgements

I am grateful for the support extended by all our stakeholders, particularly the shareholders. I would like to thank all our customers for reposing their trust in us and we will further strive to provide them with ultimate customer delight.

The wealth of experience and strategic guidance provided by our Board members has helped us during these tough times. I also acknowledge the immense contribution of ANAND Group and the supporting corporate teams. This overview will not be complete without a mention of our employees, who stand by us to counter the prevailing challenges.

We will continue to progress towards building a world-class organisation that enhances value for all its stakeholders in a sustainable way for years to come.

With my best wishes,

Anjali Singh
Executive Chairperson
Gabriel India Limited

The Managing Director's review

Adapting to a rapidly transforming marketplace with speed, security and sustainability in FY 2019-20

Dear shareholders,

I hope you and your family and friends are safe and in good health.

The ongoing global pandemic has inflicted an enormous psychological and economic impact on all of us and it will take years for the world to recover from its after-effects. We at Gabriel India, true to our ethos, have been able to not only hold our ground but also help people in our ecosystem during this crisis.

FY 2019-20 was one of the most challenging years for the Indian economy in general and the automobile sector in particular. The sector faced a number of challenges like increased vehicle insurance and sales costs, uncertainty over scrappage policy, impact of BS-VI implementation, growing competition from pre-owned cars, high GST rate of 28%, liquidity crunch and some amount of haziness on the future of IC Engines with the advent of EVs.

As the downtrend in industry continued unabated, there was an urgent need to tighten our belts, moderate our expenses and register a reasonable performance. I am pleased to report that we were able to achieve a relatively decent performance despite a decline in revenues.

> "The Company had achieved the historical revenue milestone of ₹2000 cr. in FY 2018-19. However, during the year under review, the Company encountered sustained automotive industry headwinds. The sector prepared for the transition to BS-VI norms, which affected offtake across segments. The impact of the global pandemic COVID-19 eroded revenues in the last 10 days of March 2020.

Our performance in FY 2019-20

The Company had achieved the historical revenue milestone of ₹2000 cr. in FY 2018-19. However, during the year under review, the Company encountered sustained automotive industry headwinds. The sector prepared for the transition to BS-VI norms, which affected offtake across segments. The impact of the global pandemic COVID-19 eroded revenues in the last 10 days of March 2020.

The revenue weakness normally makes it difficult to amortize fixed costs and report decent margins. To the contrary, Gabriel India reported an improvement in EBITDA margin from 6.6% in the second quarter to 7.8% during the last quarter of FY 2019-20. This increase in margins at a time when revenues declined represents one of the high points of our performance. This contrarian capability validates our resolve to deliver amidst challenges.

Countering the challenges

At Gabriel India, we recognised that abnormal times warrant special responses.

During the year under review, the Company institutionalized the introduction of CORE-90, which focused on sustainable cost reduction in 90 days. CORE-90 encompassed key cost components related to the manufacture of auto components like Raw Material Costs, Variable Overheads, Fixed Overheads and Productivity. We focused on a tighter management of inventory and receivables, which strengthened working capital efficiency. Gabriel India embarked on productivity improvements using the multiphase optimization strategy

(MOST) methodology. It deepened skill development through online training for all employees.

The result of these business-strengthening initiatives was reflected across many fronts. Gabriel India won major export orders from renowned vehicle manufacturers in Europe and Russia, a breakthrough that could translate into sustainable multi-year relationships.

For a number of years, the Company invested in enhancing workplace passion. During the year, this was once again validated with the recognition as one of 'India's Best Companies to Work For' by Great Place to Work® Institute for the fifth successive year.

Gabriel India consistently positioned itself to take the business of its esteemed customers ahead by delivering the right quality product at the right time. This commitment was validated through awards from top OEMs. Its focus on efficiency-enhancing manufacturing initiatives resulting in operational leanness, was recognised in multiple industry body competitions.

Competitive advantages

At a time of sectoral weakness and a sharp decline in automobile offtake, we continue to remain cautiously optimistic of our long-term prospects.

The Gabriel India brand is synonymous with shock absorbers in India, virtually a generic name. This unique recall has sustained the Company's respect as a go-to vendor for a large cross-section of India's downstream auto customers.

The Company has graduated beyond just product manufacturing; its end to end product development capabilities have translated into brand-strengthening solutions to customers.

Gabriel India has progressively broad-based its presence across a range of mobility solutions to various segments from 2-Wheelers all the way to Railways.

The Company has invested in its future through R&D spending in excess of 1.06% of net sales, translating into various innovative products.

Gabriel India has deepened its people focus, creating a pipeline of leaders that makes it possible to develop talent for critical positions from within.

The Company has strengthened its business sustainability through the institutionalisation of the highest Health-Safety-Environment standards, marked by a greater focus on recycling, material reduction and renewable energy.

Given these realities, we are optimistic that our holistic approach to business will empower the Company to resist the ongoing downtrend and generate a healthy upside when consumer sentiment revives.

The impact of COVID-19 pandemic

As social distancing increased and countries went into lockdowns, there was a rapid decline in auto sales. This affected the offtake of the Company's products, especially in the last 10 days of FY 2019-20, when we encountered a complete loss of sales.

Outlook for FY 2020-21

The outlook appears uncertain for the economy, auto sector and Gabriel India in FY 2020-21. However, we are hopeful that many people may prefer to use personal vehicles over public transport. This could help widen the market for our products, as and when consumer sentiment revives. Favorable monsoons may strengthen rural demand in the second half of FY 2020-21.

To protect the integrity of the Balance Sheet, we have taken a number of initiatives to implement cost austerity. We will execute export orders on schedule and focus on seeking new orders. There will be a clear focus on maximising Aftermarket sales. There will also be an emphasis on cost reduction through import substitution and process automation.

I take this opportunity to thank our shareholders for their continued support and also thank our remarkable employees for their dedicated efforts during the time of crisis. We stand firm in our commitment to achieve sustainable growth and deliver value to all our stakeholders.

I finally urge everyone to stay safe and healthy.

With optimism,

Manoj Kolhatkar
Managing Director
Gabriel India Limited

Gabriel India's 5P's sustainability platform

PEOPLE | PRODUCT | PROCESS | PROFIT | PLANET

Overview

- The 5P's of Gabriel India represent a platform for business sustainability
- The Company has invested in a structured manner in these sustainability drivers
- This structured approach has deepened competitiveness across market segments
- This competitiveness has been designed to protect the Company during downturns and maximise profitability during rebounds
- The result is a company that is one of the most respected in the ride control sector across India and many parts of the world

1 People

Among 'India's Best Companies to Work For' as recognised by Great Place to Work® Institute for five successive years

Recruitment of specialised professionals

Increased productivity; driven by outperformance

Prudent recruitment; declining average age

Driven by passion and youthfulness

2 Product

A name synonymous with Shock Absorbers in India

Products made around the highest quality and environment compliance

Superior performance (noise, vibration and harshness)

Integrated one-stop capabilities

End-to-end knowhow from product designing to manufacturing

Pioneered a range of products

3 Process

Respected innovator

Sustained research investments

Technology engagements with global leaders

Investments in 3 R&D centres

Recruited specialised R&D professionals

Sharp increase in patents

4 Profit

Stronger brand; higher revenues

Stronger receivables management

Growing Aftermarket relevance

Deeper OEM relationships

Zero debt

Attractive cash corpus

5 Planet

Moderated carbon footprint of the product

Investments in 4 R's (recycling, replace, renewables and reduction)

Investment in cutting-edge technologies

Preference for cleaner fuels, plants, resources and processes

Zero liquid discharge effluent treatment

Integrated 'green' as a way of life

Building a sustainable business

People: The foundation of Gabriel India's sustainability

At Gabriel India, the principal driver of the 5P's is People.

The quality of people that we recruit, train, retain and inspire represents the biggest driver of our sustainability intent and achievement.

Across the last few years, Gabriel India brought a structured approach in harnessing the power of this most productive resource. The Company introduced a new way of working that was marked by delegation of authority, accountability and a larger freedom in setting targets. The result is that the organisation transitioned from top-controlled to bottom-driven where each employee was empowered to outperform.

The collective energy of 3684 people at Gabriel India (as on 31 March 2020) translated into a number of improvements. Primarily, there was a clear requirement that no standard less than the world's best would do. There was a growing conviction that the Company needed to graduate from being just a shock absorber manufacturer to a ride control specialist. There was a recognition that the Company would need to have quality human resources to deepen its customer orientation. This would translate into products customised around the increasingly sophisticated needs of customers, to empower them to win in competitive marketplaces. A superior use of data analytics helped enhance per person productivity by 10%. Lastly, there was a wider buy-in to invest in cutting-edge research, centres of excellence and qualified professionals that would help position the Company as one of the most respected in the automotive industry within India and the world over.

This transformation in people, passion and practices was validated by Gabriel India being selected as one of 'India's Best Companies to Work For' in 2019 by the Great Place to Work® Institute for the fifth year in a row.

This emphasises the point that the raw material at the Company is the motivation of its people; the Company's ride control leadership is the outcome.

3,684

Number of people at Gabriel India (as on 31 March 2020)

Building a sustainable business

Product: How Gabriel India delights its customers

At Gabriel India, we believe that the ongoing measure of the success of our sustainability commitment is how we transform customer engagement into customer delight.

This focus on enhancing customer delight comes at a relevant time. The entire customer environment has become increasingly demanding. There is a premium not just on timely product delivery and functional quality but also for products to be made around the highest standards of environment compliance.

Besides, ride smoothness standards have risen, product quality tolerance limits have become more stringent; vehicles are required to be quieter with superior corresponding parameters (noise, vibration and harshness). There is also a need for vehicles to cover longer lifecycles without replacement.

At Gabriel India, we have reinforced customer value through a one-stop solution. We have successfully integrated diverse capabilities (forging, casting, machining, grinding, polishing, plating, coating, high precision assembly, heat treatment, super finishing and painting). Besides, we are among few shock absorber companies to have developed an end-to-end knowhow from designing to manufacturing. The Company also designs and fabricates capital equipment, which makes it possible to deliver complete products quicker. In turn, this capability empowers customers to accelerate the launch of their vehicles.

At Gabriel India, we have deepened our positioning as a ride control specialist through the ability to design and manufacture one of the widest shock absorber ranges in the world - from mountain bikes to railways. The Company pioneered the development of new technology for products used in sports motorbikes. It developed the first Adjustable Electronic-Hydraulic Shock Absorber for a leading SUV vehicle in the Aftermarket. It has till now added around 10 product lines and 900+ SKUs in the Aftermarket over the last six years. Its Linke Hofmann Busch (LHB) product for high-speed railway coaches was the only instance of an Indian company's damper products being approved by Indian Railways. It was in the forefront to introduce McPherson struts that later became a standard in Passenger Cars.

The result is that among customers, Gabriel India has evolved from a company and brand into a generic name - 'Get me a Gabriel' - for shock absorbers.

10

Number of new product lines launched in Aftermarket in six years ending FY 2019-20.

Building a sustainable business

Process: Investing in research to enhance excellence

At Gabriel India, structured research investments have helped it graduate from a dependable manufacturer to a respected innovator.

The Company brought to its research programme the discipline of sustained investments: a total of ₹103.89 cr. invested in Research and Development over the last five years. This research spending comprised 1.06% of net sales.

The seriousness of the Company's research programme was reinforced by technical collaborations with Yamaha Motor Hydraulic System Company Limited (Japan), KYB Corporation (Japan and Spain), Yamaha Motor Hydraulic Systems (Japan) and KONI B.V. (The Netherlands) across various products.

This spending was reinforced by three R&D centres (at Chakan, Hosur and Nashik). These centres were positioned as centres of excellence focused on the development of the world's best ride control technologies.

The Company grew its research team to 60 full-time R&D professionals by the end of the last financial year, one of the largest in the country's shock absorber sector. The Company also invested in advanced testing equipment that enhanced specialisation (noise measurement, value engineering, product localisation and ride-tuning exercises).

The result of these initiatives was a substantial increase in patents; nearly 75 patents were applied by the Company till 31 March 2020. As a direct result of research-driven outcomes, the Company annually saved more than ₹5 cr. above the budget across a period of 11 years. Besides, the Company entered into an agreement to provide product and process technologies to Torre Parts & Components (South Africa) and Gabriel de Colombia (South America).

The result is that Gabriel India has not only reinforced its leadership in India; it has also emerged as a respected global ride control organisation.

1.06

% of net sales invested in R&D, in five years ending FY 2019-20.

Building a sustainable business

Profit: How Gabriel India's financial engine sustains organisational sustainability

At Gabriel India, we believe that at the heart of our sustainability resides the ability to generate higher revenues, carve away larger market shares, moderate costs and increase profits. These realities provide the Company with a larger corpus available for reinvestment.

Over the years, the Company leveraged the power of a strong technology-rich product and stronger customisation commitment to address a larger number of OEM customers. The Company was an integral part of various product development initiatives of prominent customer vehicle launches. It was able to generate revenues immediately through the OEM route and for the foreseeable future as well in the replacement market. By addressing the OEM and replacement segments, the Company generated multi-year sales sustainability.

Over the years, Gabriel India did not just focus on growing the size of its Balance Sheet; it also focused on emerging as a better company. The Company's focus on establishing a quality business was reflected in its strategic direction. This involved continuous improvement in various aspects like a growing focus on the Aftermarket, where the Company's products attracted a premium; reduction in the receivables cycle to strengthen the Company's working capital management and cash flows; deep integration into OEM relationships that made the Company the first choice of many customers' prominent vehicle development and launches.

By orientating the Company towards superior working capital management, the Company moderated its debt, strengthened its credit rating, utilised relatively less cash to grow the business and ended the financial year under review with ₹132.60 cr. in cash on the books.

This transformation in the last few years strengthened the visibility of Gabriel India stock on the exchanges, improving the Company's valuation sustainably over the years, gradually enhancing wealth in the hands of all shareholders.

In a very difficult financial year across the automotive sector, the Company was still reasonably valued at ₹766 cr. as on 31 March 2020.

132.6

₹ cr., cash on the Company's books (as on 31 March 2020)

Building a sustainable business

Planet: Gabriel India's investment in responsible manufacturing

At Gabriel India, we have evolved from a company that focused on producing more to producing more with less. We do not just focus on manufacturing a product that will last longer and perform better; We also focus on consuming not only a lower quantum of resources but also resources that are cleaner and 'greener'. The result is that 'sustainability' is not just about what we do; it is also about how we think and plan. It is not just about a way of manufacturing; it is a way of life and a commitment to moderate the carbon footprint .

This conviction to environmental responsibility has been secured through a commitment to the 4 R's (renewable, reduce, recycle and replace).

Renewable: Gabriel India invested in 1.1 MW of roof-top solar energy, addressing 6.8% of its electrical energy needs. This initiative is expected to moderate carbon emissions by 11,668 tonnes by 2031 (equivalent to planting 11,66,000 mango trees).

The Company is also sourcing 12.7% of its total electrical energy needs from Group captive wind power capacity, expected to reduce carbon emissions by 6,558 tonnes by 2023 (equivalent to planting 6,55,000 mango trees).

The Company achieved an aggregate carbon footprint reduction of 14.8% in the five years ending FY 2019-20.

Reduce: The Company switched from T5 lighting to LED lighting in two plants (at Khandsa and Dewas). It invested in a Variable Speed Drive (VSD) to eliminate pump throttling losses in paint shops. The introduction of wet scrubbers for powder coating pre-treatment moderated emissions. The use of direct fired ovens in paint shops and water dry off ovens for powder coating moderated energy consumption. The Company implemented an energy-efficiency project on its spray paint line that reduced fuel consumption. It doubled output per square meter through a superior utilisation of machine change, shopfloor redesign, line automation and warehouse planning. The Company invested in sustainability through a proactive investment where entire facilities are designed to moderate resource consumption (Conveyorised Paint Shop, Nasik Plant and New Powder Coating Plant, Hosur Plant).

Recycle: The Company's investment in paint re-generation and de-rusting acid regeneration in exchangers helped enhance recycling and moderate hazardous waste generation. The Company commissioned a Zero Liquid Discharge effluent treatment facility in the Hosur plant a few years ago. This facility enhanced recycling, with process waste and scrap being disposed to authorised agencies.

Replace: The Company accelerated the switch to cleaner fuels. The Company replaced the legacy chrome plating scrubber with cutting-edge European technology that moderated chromic acid consumption. The complement of gas heating for plating, powder coating and paint shop in select plants helped graduate the Company to cleaner fuels. The Company used water-based autophoretic painting as an environment-friendly investment. The introduction of nano phosphate technology for powder coating proved environment-friendly. The Company converted from electric to gas-based plating heating in the Khandsa Plant, turned to room temperature phosphate in paint shops across all Plants, graduated from electric heating in heat treatment oven to gas heating in some Plants and from electric heating for Chromic Acid to gas heating in the Plating Plant.

The Company implemented the Confederation of Indian Industry (CII) Greenco system of sustainable practices at its Chakan Plant on a trial basis in January 2020. The outcome is that the Company reduced carbon footprint 10% a year by quantum despite increased production.

The Company does not just manufacture products that make rides smoother; it also helps make the world a better place.

14.8

% of carbon footprint reduction by quantum in the five years ending FY 2019-20.

Directors' Profile

MRS. ANJALI SINGH
Executive Chairperson

- Joined ANAND Group in 2005
- Since 2011 serves as the Chairperson of the ANAND Supervisory Board, ANAND Group
- Executive Chairperson of Gabriel India since 2014

MR. MANOJ KOLHATKAR
Managing Director

- Joined Gabriel India in 2011
- Prior to Gabriel India, served with the TATA Group for 22 years, including in senior roles

MR. JAGDISH KUMAR
Group President & Group CFO, ANAND Group

- Joined ANAND Group in 2015
- Prior to ANAND, over 29 years of experience in leadership roles at DuPont, Tata Consultancy Services and Ballarpur Industries Limited

MR. ADITYA VIJ
Non-Executive Independent Director

- Operating Partner, Kedaara Capital Advisors LLP, a Private Equity firm focused on India
- CEO of Fortis Healthcare Ltd. from 2011 to 2014.
- Spent 30 years in the Automotive and Defence Industries including 18 years with General Motors, Europe.

MR. PRADEEP BANERJEE
Non-Executive Independent Director

- Associated with HUL since 1980 in various senior roles including VP, Supply Chain, South Asia and Executive Director
- Member of National Committee on Environment, CII
- Convenor of National Working Group on Plastic Waste Management, CII

MS. MATANGI GOWRISHANKAR
Non-Executive Independent Director

- Senior leadership roles overseas: Standard Chartered Bank, Reebok, GE, Cummins and BP plc
- Was a Board member of National HRD Network in India
- A qualified Executive Coach (Leadership & Organisation Development)
- Independent Director on the Board of other Indian companies

Awards

The Company received the following awards and accolades during the year under review

Gabriel India was bestowed with a special category award for 'Best Support to Maruti Suzuki' at their Annual Vendor Conference in Macau

Gabriel India was awarded 'Best in Cost Reduction Activities' by Suzuki Motorcycles, India at the Suzuki Vendor Conference, 2019

Gabriel India received the Delivery Management Award from Honda Motorcycle and Scooter, India (HMSI) at the 21st Supplier Convention, 2020

Gabriel India has been ranked 90th among the Top 100 companies of 'India's Best Companies to Work For (2019)' by Great Place to Work® Institute

Gabriel India, Dewas plant received 'Gold Award' in the 7th edition of Federation of Indian Chambers of Commerce & Industry Quality Systems Excellence Awards for Industry

Gabriel India Khandsa Plant received 'Best Initiative in Environment and Health' award from the Confederation of Indian Industry (CII)

CORPORATE INFORMATION

Board of Directors
Mrs. Anjali Singh
(Executive Chairperson)

Mr. Manoj Kolhatkar
(Managing Director)

Mr. Jagdish Kumar
(Non-Executive Director)

Mr. Aditya Vij
(Non-Executive Independent Director)

Mr. Pradeep Banerjee
(Non-Executive Independent Director)

Ms. Matangi Gowrishankar
(Non-Executive Independent Director)

Registered Office
29th Milestone, Pune-Nashik Highway,
Village Kuruli, Tal. Khed, Pune – 410 501
Maharashtra
Tel.: 02135-610700/610757
Email: secretarial@gabriel.co.in

Corporate Identity Number
L34101PN1961PLC015735

Chief Operating Officers
Mr. Amitabh Srivastava

Mr. Atul Jaggi

Mr. Sarabjit Kondal

Chief Financial Officer
Mr. Rishi Luharuka

Chief Technology Officer
Mr. Rajendra Abhange

Company Secretary
Mr. Nilesh Jain

Bankers
HDFC Bank Limited

ICICI Bank Limited

Yes Bank Limited

Auditors
M/s. B.K. Khare & Co. Chartered Accountants
706-708, Sharda Chambers, New Marine Lines,
Mumbai - 400 020, Maharashtra

Plants
NH8, 38th Milestone,
Behrampura Road,
Delhi-Jaipur Highway,
Village-Khandsa,
Gurugram - 122 001, Haryana

5, Industrial Area No. 5,
A.B. Road, Dewas - 455 001, Madhya Pradesh

52-55, S.No. 102/3-106 (PT),
SIPCOT Phase II, Momapalli Village,
District Krishnagiri, Hosur - 635 109, Tamil Nadu

Plot No. 5, Sector II,
Parwanoo - 173 220, Himachal Pradesh

C-5, Tata Motors Vendor Park,
P.O. Vironchannagar, Taluka Sanand,
Dist. Ahmedabad – 382 170, Gujarat

B2, MIDC, Ambad Industrial Area,
Nashik - 422 010, Maharashtra

29th Milestone, Pune-Nashik Highway,
Village Kuruli, Tal. Khed, Pune – 410 501,
Maharashtra

Management Discussion and Analysis

About the Company

Gabriel India Limited, ANAND Group's flagship company, is a leading manufacturer of auto components and one of the most recognised brands in India. Established in 1961, it manufactures a wide range of Ride Control products, including shock absorbers, struts and front forks. It is also one of the few brands in India that has sizeable presence across diverse business segments (i.e. 2 & 3 - Wheelers, Passenger Cars, Commercial Vehicles, Railways and Aftermarket). It is well known in the industry for long-term relationships with virtually every OEM, attractive Aftermarket portfolio across various product verticals and a growing exports presence across six continents. The development of each of the Company's business units has been highlighted in this Management Discussion & Analysis.

Global economic review

The global economy grew 2.3% in 2019 compared to 3.6% in 2018, as a result of an increase in global trade disruptions, manufacturing sector slowdown and Brexit impact. The global trade weakened to 0.9% during 2019. The outbreak of the COVID-19 pandemic led to the 'Great Lockdown' of 2020, which is projected to result in global economic de-growth for the first time in decades, triggering the possibility of a deep global recession. Even though the outcome is still speculative, there may be contractions across the vast majority of emerging market and developing economies. Labour productivity and manufacturing output could be severely affected. The cumulative loss to global GDP in 2020 and 2021 could amount to $ 9 trillion, greater than the cumulative economies of Japan and Germany.

Indian economic review

India emerged as the fifth-largest world economy in 2019, overtaking the UK and France with a gross domestic product (GDP) of $2.94 trillion. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking, riding reforms in several areas. Though the overall sentiment towards India is still positive, the Indian economy slowed to 4.2% in FY 2019-20 compared to 6.1% in FY 2018-19.

The COVID-19 lockdown is expected to impact aggregate national demand. The Government took various measures to offset adverse impact on rural demand like direct cash transfers to farmers, increased MGNREGA wages and welfare funds for construction workers. Given the severity, consumer demand is expected to be low to moderate in the foreseeable future.

The intensification of social distancing is expected to lead to supply and demand side shocks to the economy. Despite linkages with the global economy, India's macro-economic situation remains intrinsically stable. Declining crude prices may strengthen Balance of Payments, while benign inflation could allow room for monetary easing while comfortable forex reserves could support the economy's resilience.

Global automotive industry

The global auto industry suffered the biggest impact of the 2019 economic slowdown. Sales dropped 4% and total vehicles sold across major global markets declined to 90.3 million in 2019 compared to 94.4 million in 2018. Geopolitical factors, regulatory pressures and changes in consumer behaviour put a pressure on global automobile industry. The demand slump was also on account of new emission standards like 6a in China and BS-VI in India.

Indian automobile sector overview

The Indian automobile sector is one of its principal industrial catalysts, providing jobs to more than 35 million people, directly or indirectly, and contributing more than 7% to the GDP. The FY 2019-20 proved challenging for the automobile industry following a demand decline across product segments. The sales of passenger cars, commercial vehicles and 2-wheelers stood at 2.78 million, 0.72 million and 17.42 million units respectively compared to 3.38 million, 1.01 million and 21.18 million units in FY 2018-19.

Following the pandemic-induced lockdown, the Indian automotive industry, already facing a severe downtown for over 15 months, was confronted with a total disruption across its value chain. With challenges of unsold inventory, mounting costs and difficulty in accessing working capital, many players in the chain, from component suppliers to dealerships, encountered solvency challenges. It is estimated that Plant closures of OEMs and component manufacturers could lead to a daily revenue loss of ₹2,300 cr.

Indian automotive components industry overview

The year under review was a challenging year for the Indian auto components market due to lower capacity utilisation of around 50%, stalling capacity expansion investments worth $2 billion. A number of small enterprises either closed or were on the verge of closure. The industry underwent an extensive transformation to enhance compliance with emerging emissions, safety and environment regulations including the transition from BS-IV to BS-VI.

In view of these challenges, the industry posted a reasonable performance: turnover stood at ₹1.79 lakh cr. (US$25.61 billion) between April to September 2019. During this period, exports of auto components grew by 2.7% to 51,397 cr. (US$ 7.35 billion).

(Sources: World Economic Outlook, April 2020, CNN, Economic Times, trading economics, Statista, CNBC, CSO, Economic Survey, IMF, RBI, Franklin Templeton, LMC Automotive, IMF, SIAM, Livemint, IBEF, Invest India, ACMA)

MANAGEMENT DISCUSSION AND ANALYSIS

Business Unit Review

Unit #1
2 & 3 - Wheelers

Revenues

Revenues (₹ million)	Contribution to total sales (%)
12,455 FY 2019-20	67% FY 2019-20
12,597 FY 2018-19	62% FY 2018-19

Overview

Gabriel India is one of India's leading players in the 2-Wheeler segment and a leader in the 3-Wheeler segment. It supplies front forks and rear shock absorbers to most leading OEMs. The Business Unit contributed around 67% to the Company's total revenues in FY 2019-20.

Key trends

- There was a sector-wide preparedness in complying with BS-VI norms by April 2020
- The segment reported a sales decline in every single month of 2019 compared to the previous year

Highlights

- The Business Unit revenues de-grew 1%, which was better than the market de-growth of around 17.7%
- Commenced manufacture of HMSI Scooter Front Fork by setting up a facility in Sanand
- Enhanced focus of OEMs and new electric vehicle manufacturers

Outlook

- Due to COVID-19, sales could take time to recover, putting a priority on the need to conserve cash and reduce costs
- The Business Unit will utilise this lean period to enhance product quality, competitiveness and efficiency in line with evolving customer expectations.

Unit #2
Passenger Cars

Revenues

Revenues (₹ million)	Contribution to total sales (%)
3,648 FY 2019-20	20% FY 2019-20
4,916 FY 2018-19	24% FY 2018-19

Overview

In the first half of FY 2019-20, there was sudden demand erosion followed by moderate recovery in the second half. Most institutional customers readied models for BS-VI preparedness and emerging safety requirements. The new product development programmes of Gabriel India with OEMs were on these lines.

Key trends

- The economic slowdown impacted the overall demand for Passenger Cars
- There was a consistent demand growth for compact SUVs

Highlights

- Extended complete support for the timely launch of Maruti Suzuki S Presso
- Supported various OEMs in advance stage development of their new models
- Won a Gold award for QCC from Toyota and an industry award for quality

Outlook

- The immediate objective is to support the timely launch of all new OEM projects
- Optimise expenses, safeguard profits and sustain the quality journey
- Plans to enter new geographies in the medium-term
- Commence production for a new export order from Russia

Unit #3
Commercial Vehicles

Revenues

Revenues (₹ million)	Contribution to total sales (%)
2,177 FY 2019-20	12% FY 2019-20
2,776 FY 2018-19	14% FY 2018-19

Overview

Gabriel India is a market leader in manufacturing shock absorbers for Commercial Vehicles in India. Domestic Commercial Vehicle sales de-grew 28.75% 717,688 units in FY 2019-20 (1,007,311 units in FY 2018-19), the slowest in four years. The Business Unit maintained customer wallet share through stronger product consistency and quality.

Key trends

- There was a sector-wide preparedness in complying with BS-VI norms by April 2020.
- Erratic offtake exerted pressure on medium and small-scale suppliers (MSMEs)

Highlights

- Received a letter of intent to supply parts to DAF Netherlands.
- Developed high damping force technology products (with support of technology partner KONI) for the MBP platform of Ashok Leyland
- Worked with various customers to help in their transition to BS-VI standards
- Won an award from Tata Motors for spare parts supply

Outlook

- The volume challenges could extend into Q4 of FY 2020-21 in view of COVID-19
- Cost conservation remains an immediate focus; capital expenditure proposals were deferred; investments will continue to be made in new technologies and product launches

MANAGEMENT DISCUSSION AND ANALYSIS

Business Unit Review

Unit #4 Railways

Overview

Gabriel India supplies shock absorbers to the Indian Railways for Linke Hofmann Busch (LHB) coaches. As Indian Railways shifted to LHB, the shock absorbers required per coach increased from six to 18. These were earlier imported by the Railways but are now manufactured within India.

Key trends

- Increase in the number of trains needed to manage a larger throughput of passenger and freight volumes

Highlights

- The Business Unit performed exceptionally well in FY 2019-20, reporting a growth of more than 50% on the back of strong volumes.

Outlook

- A number of new players are looking at railways as a potential growth segment, which could affect pricing in a tender-based environment
- With old railway coaches being used for COVID-19 treatment, there could be a requirement for producing new coaches, widening opportunities for Gabriel India.

Unit #5 Aftermarket

Revenues

Revenues (₹ million)	Contribution to total sales (%)
2,676 FY 2019-20	14% FY 2019-20
2,706 FY 2018-19	13% FY 2018-19

Overview

Gabriel India is one of the few companies in India with a presence in all Aftermarket segments – Passenger Cars, Commercial Vehicles and 2 & 3-Wheelers. With a focus on exports, it operates as a private brand in North America, Australia and Singapore, among others. It is also aiming to launch products for the imported premium car segment.

Key trends

- The Indian Aftermarket segment suffered a slowdown impact and grew volumes between 2 to 4%

Highlights

- Gabriel India's domestic Aftermarket grew by 6% in a challenging environment, whereas the overall Aftermarket (including exports) de-grew by 1%
- Introduced new product lines like suspension parts, brake fluid and drive shafts with 218 SKUs within the existing product lines
- Conducted 375 Elite Retailer Programmes (ERP) pan-India and 25 Elite Workshop Programmes (EWP) in Bangalore, Punjab and Lucknow. EWP started in the last quarter of FY 2019-20.
- Received the prestigious 'Pune's Best Brand Award' for the second year in a row.

Outlook

- The Business Unit plans to launch a new product line (brake pads) following the lockdown
- Original Equipment Suppliers (OES) represent a growing challenge for the Aftermarket Business Unit; there will be a greater focus on generating sales from Tier-2 and Tier-3 towns
- The Business Unit will continue to focus on new product launches.

Opportunities and threats

Opportunities

- With the introduction of new BS VI models, there could be an increase in production, leading to an increased demand for automotive parts.
- Introduction of new electronic vehicle models in the Indian market could increase demand for ride control products.
- Anti-China sentiment post Covid-19 could prove beneficial for Indian exporters.

Threats

- Increased competition in the sector.
- The lockdown due to the pandemic could affect all business aspects including manufacturing, exports, raw material procurement, distribution network etc.
- An ensuing negative consumer sentiment could moderate spending due to lockdown.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial overview

Net Sales: During the year under review stood at ₹1,854.31 cr., decreasing by 9.7% from ₹2,052.37 cr. in FY 2018-19.

EBITDA: Recorded an EBITDA of ₹137.80 cr. compared to ₹177.80 cr. in FY 2018-19.

Profit before tax (PBT): Recorded PBT of ₹100.27 cr. compared to ₹143.05 cr. in FY 2018-19

Profit after tax (PAT): Recorded PAT of ₹84.74 cr. compared to ₹94.99 cr. in FY 2018-19

Key ratios

Particulars	FY 2018-19	FY 2019-20
EBITDA/Turnover (%)	8.56%	7.37%
EBITDA/Net interest ratio	60.60	38.49
Debt-equity ratio	0.01	0.01
Return on equity (%)	16.10%	13.00%
Book value per share (₹)	41.07	45.37
Earnings per share (₹)	6.61	5.90
Debtors Turnover (days)	7.22	7.17
Inventory Turnover (days)	12.42	10.72
Interest Coverage Ratio (x)	46.61	26.30
Current Ratio (x)	1.47	1.56
Operating Profit Margin (%)	15.94%	15.88%
Net Profit Margin (%)	4.6%	4.5%

Drop in sales by 10% and increase in Raw Material Cost & MPC by 0.8%. Depreciation increased by 0.4%, Interest cost increased due to a penalty in differential custom duty.

Risks and concerns

Risk, which is the manifestation of business uncertainty affecting corporate performance and prospects, is an integral part of business. The Company follows a well-defined and exhaustive risk management process, which is integrated with its operations. This enables the Company to identify, categorise and prioritise operational, financial and strategic business risks. To address the identified risks, the Company continues to spend significant time, effort and human resources to manage and mitigate such risks.

Internal control systems and their adequacy

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees. The control and risk committee and the head of the audit department work under the supervision of the Board appointed Statutory Auditors. The system is under constant review by the Chairperson, Managing Director, COOs, CFO and a few others, which ensures any discrepancies are immediately noted and suitable action can be taken in case of any lapses.

Human resources and industrial relations

The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements. During the year, the Company organised training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct. Gabriel Chakan was awarded 'Best Plant to Work For" and 'Significant Improvement and Contribution towards Audit Score in OE Selection' during the ANAND Corporate HR meet.

HR information of the Company

Total number of employees

31st March 2019 3943

31st March 2020 3684

The average age of employees

31st March 2019 29

31st March 2020 29

The total investment made on training and development program (₹ cr.)

31st March 2019 1.45

31st March 2020 2.21

Percentage of the Company's employees covered through training programmes(%)

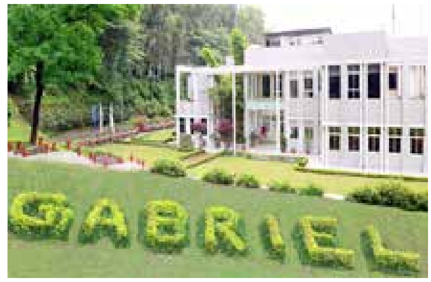
31st March 2019 65%

31st March 2020 80%

Amount of experience (person years) already built in Gabriel India (an aggregate number of years your employees have spent working actively in various companies and in yours)

31st March 2019 7

31st March 2020 8



Environment

Gabriel India's Plants at Hosur, Nashik, Chakan, Dewas, Khandsa and Parwanoo are ISO14001-certified and adhered to all pertinent governmental regulations. A dedicated EHS officer has been deployed at each of these Plants to ensure compliance with the norms pertaining to employee health and safety. All of the Company's Plants are ISO18001-certified for employee health and safety except the Nashik Plant. The Company conducts safety training drills for all operators and employees at the time of their induction. Surveillance audits are carried out by certification bodies that check compliances.

The effect of COVID-19 on our business

With the coronavirus pandemic breaking out, each and every business sector has witnessed a slowdown of operations at best and a complete pause on all its transactions at worst. It is true that Gabriel India, being a company that is dependent on its manufacturing efficiency and the demand generation from the larger automotive sector has seen a considerable de-growth. But, the Company also believes that through changing its strategy, increasing capacity utilisation after the relaxation of the COVID-19 related norms and streamlining its operations it can recover from the effects of the pandemic in a robust way.

DIRECTORS' REPORT

To,
The Members,

Your Directors present the 58th Annual Report on the business and operations of Gabriel India Limited ('the Company'), along with the audited financial statements for the financial year ended March 31, 2020.

FINANCIAL RESULTS

(₹ in million)

Particulars	Financial Year (FY) 2019-20	Financial Year (FY) 2018-19
Net Sales	18,543.14	20,523.75
Earnings before Interest, Tax and Depreciation and Amortization (EBITDA)	1,377.98	1,778.03
Finance Cost	35.80	29.34
Depreciation and amortization expenses	436.47	410.57
Profit/(Loss) Before Tax (PBT)	1,002.70	1,430.53
Provision for Taxation:		
- Current	270.77	462.75
- Deferred Tax	(115.15)	17.90
Total Profit after Taxes (PAT)	847.08	949.88
Profit/(Loss) Account Balance at the beginning of the year	5,112.39	4,425.35
Profit available for appropriations	5,950.10	5,363.49
Appropriations:		
Dividend on Equity Shares	201.10	208.28
Tax on Dividend	41.35	42.82
Transferred to General Reserves	0	0
Profit/(Loss) Account balance at the end of the year	5,707.65	5,112.39

COVID-19

In the last month of FY 2019-20, the Novel Coronavirus disease ('COVID-19') pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. In enforcing social distancing to contain the spread of the disease and ensuring the health and well-being of all employees, the Company's manufacturing facilities and office operations were closed as and when declared by the concerned government authorities. The employees worked from home, wherever possible, in accordance with the guidelines issued by the Central/State/Municipal authorities and necessary office connectivity was placed. While the lockdowns and restrictions imposed on various activities were necessary to contain the spread of COVID-19, it has impacted the business operations of the Company. Consequently, revenues and profitability have been adversely affected, in line with the industry. The Company is quite confident that the demand situation will pick up progressively. However, the Company has readiness to adapt to the changing business environment and respond suitably to fulfil the needs of its customers. The Company is continuing with its Capital projects which are in advanced stages of completion and does not foresee any immediate concerns towards their completion.

PERFORMANCE HIGHLIGHTS

Your Company recorded net sales of Rs. 18,543 million in FY 2019-20 as compared to Rs. 20,524 million in FY 2018-19, a de-growth of 9.7%. It reported a 22.5% de-growth in EBITDA to Rs. 1,378 million, largely based on volume de-growth across all Business Units viz. 2&3 - Wheelers, Passenger Cars, Commercial Vehicles and Aftermarket. There was volume growth in Railways. The Company's PBT stood at Rs. 1,003 million, decrease of 29.9% over FY 2018-19, largely because of volume drop in segments, as above. Profit after tax of the Company was pegged at Rs. 847 million compared to Rs. 950 million in FY 2018-19. The EPS drop to Rs. 5.90 per share in FY 2019-20 from Rs. 6.61 per share in FY 2018-19.

BUSINESS OUTLOOK

The Company's performance may get hampered due to COVID-19 outbreak which has put the country under lockdown for few months. The pandemic has also damaged the sentiments of consumers which may affect the performance of your company in FY 2020-21. However, your Company will continue to focus on qualitative and technological upgradation, improve line efficiency and human productivity. The recent capacity expansion at its Plant at Sanand (Gujarat) will also help to build and sustain the business. Your Company will continue its thrust on cost optimization and quality enhancement to make strong position to enter global platform and deliver FTR (first time right) and ETR (every time right) for export programs for which SOP has been planned during FY 2020-21.

OPERATIONS

The Company's operation efficiency is a result of continuous focus on quality improvement, cost management, employee skill enhancement and technological upgradation. Further growth and improvement in operational efficiency will be driven by the organization's increased focus on higher employee productivity and quality enhancement.

CREDIT RATING

Your Company has obtained the credit rating from CRISIL Limited ("CRISIL") for its Banking facilities in the month of August 2019. The agency has reaffirmed the Company's rating as CRISIL AA/Stable for Long Term facilities and FAA+/Stable for Fixed Deposits.

DIVIDEND

Your Directors declared an interim dividend of Re. 0.45 per equity share of Re. 1 each (previous year Re. 0.55 per equity share of Re. 1 each). This dividend amounted to Rs. 64.64 million (Previous year Rs. 79.00 million). The dividend distribution tax thereon was Rs. 13.29 million. This was distributed to shareholders, whose names appeared on the Register of Members as on November 18, 2019.

Your Directors further recommended for the approval of shareholders a final dividend of Re. 0.85 per equity share of Re. 1 each (previous year Re. 0.95 per equity share of Re. 1 each). This proposed dividend will amount to Rs. 122.10 million (previous year Rs. 136.46 million). Dividend Payout is inclusive of dividend distribution tax. The dividend, subject to its declaration, will be distributed to shareholders whose names appear on the Register of Members on July 31, 2020.

TRANSFER TO RESERVES

The closing balance of the retained earnings of the Company for the FY 2019-20, after all appropriations and adjustments was Rs. 5,707.65 million.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 following dividend, corresponding shares and matured deposits along with the accrued interest were transferred to the Investor Education and Protection Fund following a due notice to the members. The same can be claimed by the respective investor through submission of Form IEPF-5.

The list of shareholders is available on Company's weblink: https://www.anandgroupindia.com/gabrielindia/investors/investor-information/. Future cash benefits like dividend to such transferred shares shall be transferred by the Company to bank account of IEPF authority.

1. Details of unclaimed/unpaid dividend and Corresponding shares transferred to IEPF:

Sr No.	Particulars	Amount of Dividend (Rs.)	No. of Shares
1	2nd Interim Dividend 2011-12	5,64,795	60,846
2	Interim Dividend 2012-13	8,30,445	16,301

2. Details of Matured Fixed Deposit alongwith interest accrued thereon transferred to IEPF :

Sr No.	Month in which amount was transferred	Amount of Unclaimed Matured Deposit (Rs.)	Amount of Unclaimed Interest (Rs.)
1	April-19	30,000	51,450
2	May-19	70,000	41,917
3	July-19	25,000	10,286
4	August-19	-	10,587
5	September-19	-	17,430
6	October-19	-	7,875
7	November-19	-	2,325
8	January-20	-	11,497
9	February-20	25,000	-
10	March-20	-	12,850

3. Details of resultant benefit arising out of shares already transferred to IEPF :

Sr No.	Particulars	Amount (Rs.)
1	Final Dividend 2018-19	9,46,897.30
2	Interim Dividend 2019-20	4,46,460.30

SHARE CAPITAL

The paid-up Equity Share Capital as on March 31, 2020 was Rs. 143.64 million. During the year under review, the Company did not issue any shares and did not grant stock options or sweat equity shares to employees. The details of the shareholding of the Directors as on March 31, 2020 are as mentioned below:

Sr No.	Name of Director	Shareholding	% of shareholding
1	Mrs. Anjali Singh	641,942 equity shares	0.45%
2	Mr. Manoj Kolhatkar	4,000 equity shares	0.003%

DEPOSITS

The Company has discontinued the acceptance of deposits with effect from November 09, 2015. Accordingly, no further deposits shall be accepted by the Company under the said scheme. The deposits already accepted under the said scheme upto November 07, 2015 were served till their applicable tenure. The details pertaining to deposits is as under:

Sr No.	Details	Amount (₹ in million) /Remark
i	Public deposits accepted during the year	NIL
ii	Deposits that remained unpaid or unclaimed as at the end of the year	0.15
iii	Whether there has been any default in repayment of deposits or payment of Interest thereon:	
	a. at the beginning of the year.	NIL
	b. maximum during the year	NIL
	c. at the end of the year	NIL
iv	Details of deposits which are not in compliance with the requirements of Chapter V of the Act	NIL

MEETINGS OF THE BOARD

The Board of the Company comprised six Directors as on March 31, 2020. The Board comprised Mrs. Anjali Singh, Mr. Manoj Kolhatkar, Mr. Jagdish Kumar, Mr. Aditya Vij, Mr. Pradeep Banerjee and Ms. Matangi Gowrishankar.

The details of the meetings during the financial year under review are mentioned below:

Sr No.	Date of Meeting	Board Strength	No. of Directors Present
1	May 16, 2019	6	6
2	August 13, 2019	6	6
3	November 7, 2019	6	5
4	February 14, 2020	6	5

The maximum time gap between two Board meetings was not more than four months.

COMMITTEES

The composition of committees constituted by Board alongwith changes, if any, forms part of the Corporate Governance Report, which is a part of Annual report.

MANAGEMENT

A. Directors

The composition of the Board of Directors of the Company is as below.

Sr No.	Name of Director	DIN	Position
1	Mrs. Anjali Singh	02082840	Executive Chairperson
2	Mr. Manoj Kolhatkar	03553983	Managing Director
3	Mr. Jagdish Kumar	00318558	Non-Executive Director
4	Mr. Pradeep Banerjee	02985965	Non-Executive Independent Director
5	Mr. Aditya Vij	03200194	Non-Executive Independent Director
6	Ms. Matangi Gowrishankar	01518137	Non-Executive Independent Director

During the year under review the following changes occurred:

1. Mr. Pradipta Sen, Independent Director was re-appointed on the same position for second term for three years from September 18, 2019. Subsequently, he resigned from the said position w.e.f. February 03, 2020 due to other pre-occupations and personnel commitments and had no material reason other than that mentioned above.

2. Mr. Aditya Vij, Independent Director was re-appointed on the same position for second term for three years from March 31, 2020.

3. Ms. Matangi Gowrishankar was appointed as an Additional Non-Executive Independent Director w.e.f. February 14, 2020. The Company therefore has also complied with provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR), 2015') mandating the requirement of having one independent woman director on Board.

   The rationale for her appointment is as under :

   Ms. Matangi Gowrishankar is a graduate from XLRI in Personal Management & Industrial Relations and has four decades of leadership experience working across diverse industries like Banking, Financial Services, Information Technology, Manufacturing, Sport and Fitness and Oil and Gas industry. Her selection for the aforesaid appointment was from the Databank of Independent Directors registered with Indian Institute of Corporate Affairs.

   The Nomination and Remuneration Committee at its meeting held on February 14, 2020, based on her credentials, had recommended to the Board for her appointment as a Non- Executive Independent Director (Women Director) on the Board of the Company w.e.f. February 14, 2020 for a term of five consecutive years. The Board approved the same. The said appointment is being placed before the shareholders in the ensuing Annual General Meeting for approval.

In accordance with the Article 128, 129 and 130 of the Articles of Association of the Company and Section 152(6) (d) and (e) of the Companies Act, 2013, Mrs. Anjali Singh retires by rotation and being eligible, offers herself for reappointment.

B. Declaration of independence and statement on compliance of code of conduct

The Non-Executive Independent Directors enlisted below have :

1. Provided a declaration under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence. The declarations from the said Directors is attached as **ANNEXURE- A** to this Report.

2. Complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

3. Complied with the Code of Conduct for Board of Directors, Members of Senior Management and Insiders

Sr No.	Name of Director	DIN	Position
1	Mr. Aditya Vij	03200194	Non-Executive Independent Director
2	Mr. Pradeep Banerjee	02985965	Non-Executive Independent Director
3	Ms. Matangi Gowrishankar	01518137	Non-Executive Independent Director

C. Formal Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Regulations of the SEBI (LODR), 2015, the Board carried out an annual evaluation of its own, its Committees, the Chairperson and the Directors, individually. A detailed note on the manner of evaluation forms a part of the Corporate Governance Report.

D. Audit Committee

The Audit Committee was constituted as per the provisions of the Companies Act, 2013 and Regulation 18 of SEBI (LODR), 2015. The Composition of the Audit Committee as on March 31, 2020 was as below:

Sr No.	Name of Director	DIN	Position
1.	Mr. Aditya Vij	03200194	Chairman, Non-Executive Independent Director
2.	Mr. Pradeep Banerjee	02985965	Member, Non-Executive Independent Director
3.	Mr. Jagdish Kumar	00318558	Member, Non-Executive Director

E. Key Managerial Personnel

During the year under review, Mr. Rishi Luharuka was appointed as Chief Financial Officer of the Company w.e.f. September 02, 2019. There has been no other change in the Key Managerial Person of the Company, except above.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company has in place a Nomination and Remuneration Policy which was duly approved by the Board in the FY 2014-15. The remuneration, in all forms, paid to the Executive Directors was in compliance with the said Policy. The remuneration to Non-Executive Independent Directors in the form of commission and sitting fees was also paid in terms of the said Policy. The disclosure of the details of the Nomination and Remuneration Policy forms part of the Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

Disclosures relating to the Loans, Guarantees or Investments, as defined under Section 186 of the Companies Act, 2013, forms part of the notes to the Financial Statement.

VIGIL MECHANISM

A Vigil Mechanism in the form of an Ethics Helpline and Whistle Blower Policy was established by the Company to trace and deal with instances of fraud and mismanagement. The details/report for the same was directly reported to the Audit Committee Chairman. A brief note on the Whistle Blower Policy is disclosed in the Corporate Governance Report. The full text of Policy is available on Company's weblink: https://www.anandgroupindia.com/wp-content/uploads/2018/01/Gabriel-India-Whistle-Blower-Policy.pdf

INTERNAL CONTROLS AND SYSTEMS

The Company has established adequate internal control systems and vigilance systems commensurate with the size of the business, nature of the business and risk management which are continuously evaluated by professional internal and statutory auditors of repute. The Company continues to improve the present internal control systems by implementation of appropriate policy and processes evaluated based on the Enterprise Risk Management and Internal Financial Controls. Adequate benchmarking is done to upgrade the same from time to time and such update is based on the changes in the risk factors, probability and impact to the organization. The Company has in place an adequate system to ensure effectiveness, efficacy of operations, compliance with applicable legislation, safeguarding of assets, adherence to management policies and promotion of ethical conduct.

Dedicated legal compliance cell ensures that the Company conducts its business with high standards of legal, statutory and regulatory compliances. The Audit Committee reviews the internal control systems and procedures quarterly. The Company maintains a system of Internal Financial Controls (IFC) designed to provide a high degree of assurance on various business areas such as Procure to Pay, Inventory, Order to Cash, Fixed Assets, Human Resource, Legal, Book Close and MIS regarding effectiveness and efficiency of operations, reliability of financial controls and compliance with laws and regulations. This is done by recording the results of key manual controls status across the Company and also retaining the back-up of the same in a common secured server for future reference.

BUSINESS RISK MANAGEMENT

Like any other industry, the Company faces several business risks. There is growing competition in the suspension industry which is putting emphasis on developing competitive products with high performance, quality and longer life at lower cost.

The Company's business is exposed to internal and external risks which are identified and revisited every two years. Some of the key risks identified are a threat to market share due to global competition, strain on margins, exports business growth and regulatory compliance. A Risk Committee formed under the Chairmanship of the Chief Financial Officer (CFO) meets every quarter to review progress of actions planned and an update of the same is presented to the Board. The Company has taken necessary actions for Risk mitigation in the financial year 2019-20.

The key risks of the organization are:

Industry Risk

The Company has customer relationships with a large number of OEMs in all business segments – Passenger Cars, Commercial Vehicles, 2 and 3 - Wheelers and Railways which has substantially mitigated industry risk. Additionally, the Company is continuously widening its Exports and Aftermarket presence.

Competition Risk

The Company is working closely with customers to develop products collaboratively for their upcoming models. The Company has identified Cost Leadership as one of the key drivers to combat competition and is working aggressively to retain its status as a low cost manufacturer.

The Company is investing in automation and process upgradation, thus strengthening margins in the process. The Company invested in renewable energy with the objective to moderate costs in long term. Company is investing at locations close to customer's location to garner new businesses.

Procurement Risk

The Company has a rationalized vendor base to enhance purchasing efficiencies. The Company has successfully minimized excessive dependence on specific vendors. This was achieved by way of strategic partnerships, alternate sourcing and vendor consolidation for high-risk vendors.

Company continue to use e-Sourcing to get additional cost reductions from existing / new vendors on regular basis. Annual Cost reduction workshops are continuing to give new avenues to control the Raw Material costs.

Export Risk

The Company commissioned a full-fledged 2 - Wheelers R&D Centre at Hosur in December 2013 and strengthened its R&D capabilities in its Passenger Cars and Commercial Vehicles and Railways Business Unit at Pune. A modern R & D setup focused on 4W & CVR BU is planned in FY 2020-2021 at Chakan.

The Company has set up a dedicated team to focus on Exports for the regions of South Asia, ASEAN, Middle East and Latin America. The Company is constantly working on upgrading it's manufacturing processes to meet higher product standards for Exports business.

Compliance Risk

The Company has adequate controls to ensure that all transactions are correctly authorised, recorded and reported. Its internal control system is supplemented by an extensive array of internal audits, reviews of findings and assessment of improvement opportunities across business processes, systems and controls. The Company has established Compliance software across all Plants and at its Registered Office to ensure the same. The Company has identified additional risk of Statutory and EHS compliance at key vendors for continuous monitoring. The Company has engaged external agency to work on this key initiative since FY 2017-18.

Contingency Risk

This risk can arise due to unanticipated contingencies which may arise due to internal or external factors. Company has defined Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) to ensure smooth running of Business and operation, safeguarding of the Assets, Employee/People/ Visitor Health safety and compliances. Adequate controls are updated and documented based on the risk factors, Government Guidelines, notifications issued from time to time. BCP plan outlines the procedures for immediate management level responses to manage the crisis which includes business recovery strategies. DRP plan outlines specific procedures required to recover and restore critical IT systems during such unanticipated disruptive events.

Due to recent COVID-19 pandemic, the Company was able to successfully channelize internally with the limited resources available.

FRAUDS REPORTED BY AUDITOR

During the year under review, neither Statutory Auditor nor Secretarial Auditor reported any instance of fraud in the Company.

EXPLANATION IN RESPOSE TO THE AUDITORS' QUALIFICATION

During the year under review, neither Statutory Auditor nor Secretarial Auditor reported any qualifications, reservations or adverse remarks in their respective Reports.

CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

During the year under review, the Company has not entered into any contract/ arrangement/ transaction with related parties which were either not at an arm's length or not in the ordinary course of business and further could be considered material in accordance with the Policy of the Company on materiality of related party transactions.

Hence, there is no information to be provided in Form AOC-2, while the particulars of all Related Party Transactions in terms of IND AS 24 are forming part of the financial statements.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant and material orders passed by the regulators or courts having competent jurisdiction, which could have an impact on the business of the Company under the going concern concept.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on;

1. Meetings of the Board of Directors
2. General Meetings
3. Dividend
4. Reports of the Board of Directors

CORPORATE GOVERNANCE REPORT

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's Auditors, confirming the compliance of conditions of Corporate Governance, as stipulated under SEBI (LODR), 2015 is annexed thereto.

MANAGEMENT DISCUSSION ANALYSIS

In terms of the provisions of Regulation 34 of SEBI (LODR), 2015, the Management's Discussion and Analysis is set out in this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the requirement of Section 135 of the Companies Act, 2013, the Company constituted a CSR Committee and CSR Policy to track related transactions and initiatives. The detailed Policy is posted on the Company's website. Further, a detailed report on the CSR activities inter- alia disclosing the composition of CSR Committee and CSR activities is attached as **ANNEXURE B – I and II** to this Report.

The disclosure pertaining to the constitution of committee and number of meetings held during the year forms part of the Corporate Governance Report which is a part of Annual Report.

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

As required under Section 134(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules 2014, information relating to the foregoing matters is attached as **ANNEXURE C** to this Report.

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has zero tolerance for sexual harassment at workplace. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Through the Policy, the Company has constituted a Committee and established a grievance procedure through Internal Complaints Committee for protection against victimization.

During the year under review, No complaint of sexual harassment was raised.

The Company is committed to provide a healthy environment to all its employees conducive to work without the fear of prejudice and gender bias.

AUDITORS

Statutory Auditors

In 54th Annual General Meeting held on July 29, 2016, M/s. B. K. Khare and Co., Chartered Accountants, have been appointed as Statutory Auditors of the Company for a period of 5 years. M/s B K Khare & Co, Chartered accountant has been continued as statutory Auditor of the Company for the 5th year.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed

KPRC & Associates, a firm of Company Secretaries in practice, to undertake the Secretarial Audit. The self-explanatory Report of the Secretarial Audit is attached as ANNEXURE D to this Report.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return as per Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 in the Form MGT 9 - is available on Company's weblink : https://www.anandgroupindia.com/gabrielindia/investors/annual-reports/

PARTICULARS OF EMPLOYEES

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, are attached as ANNEXURES E and F to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

1. In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2020 and of the Profit of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing / detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.
5. The Directors have laid down internal financial controls followed by the Company and that such financial controls are adequate and operating effectively.

The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors wish to thank the collaborators, technology partners, financial institutions, bankers, customers, suppliers, shareholders and employees for their continued support and co-operation

For and on behalf of the Board

Anjali Singh
Chairperson
(DIN 02082840)

Place: Pune
Date: May 19, 2020

Annexure 'A'
DECLARATION OF INDEPENDENCE

DECLARATION UNDER SECTION 149 (7) OF THE COMPANIES ACT, 2013 AND REGULATION 25(8) OF SEBI (LODR), 2015:

We, Aditya Vij, Pradeep Banerjee and Matangi Gowrishankar being the Independent Directors of Gabriel India Limited ("the Company") hereby acknowledge, confirm and declare that:

(a) We are or were not promoter of the Company or its holding, subsidiary or associate company or member of the promoter group of the Company; nor are we related to promoter or directors in the Company, its holding, subsidiary or associate company;

(b) We do not have or had any pecuniary relationship, other than remuneration as director, with the Company, it's holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;

(c) None of our relatives :

  i. is holding any security of or interest in the Company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

  ii. is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed, during the two immediately preceding financial years or during the current financial year;

  iii. has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed, during the two immediately preceding financial years or during the current financial year; or

  iv. has or had any other pecuniary transaction or relationship with the Company, or its subsidiary, or its holding or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income singly or in combination with the transactions referred to above in sub-clause (i), (ii) or (iii); or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year.

(d) We ourselves nor any of our relatives :

  i. Hold or has held the position of key managerial personnel or is or has been an employee of the Company or its holding, or subsidiary or associate company in any of the three financial years immediately preceding the financial year in which we are proposed to be appointed;

  ii. are or has been an employee or proprietor or partner, in any of the three financial years immediately preceding the financial year in which we are proposed to be appointed, of –

    (A) A firm of auditors or company secretaries in practice or cost auditors of the Company or its holding or subsidiary or associate company; or

    (B) Any legal or consulting firm that has or had any transaction with the Company, or its holding or subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

  iii. Hold together two per cent or more of the total voting power of the Company;

  iv. are Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty five percent or more of its receipt from the Company, any of its promoters or directors or it's holding or subsidiary or associate company or that holds two percent or more of total voting power of the Company;

  v. are material supplier, service provider or customer or a lessor or lessee of the Company.

(e) We are not less than 21 years of age.

(f) We possess appropriate skills, experience and knowledge in one or more discipline(s) related to the Company's business.

(g) We meet the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 of SEBI (LODR), 2015 and that we are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact our ability to discharge duties with an objective independent judgment and without any external influence.

(h) We are registered with Indian Institute of Corporate Affairs for inclusion of our name in the data bank of Independent Directors and confirm to renew the same within prescribed period from the date of expiry of said registration.

Place: Pune	ADITYA VIJ	PRADEEP BANERJEE	MATANGI GOWRISHANKAR
Date: May 19, 2020	DIN 03200194	DIN 02985965	DIN 01518137

Annexure 'B' - I
ANNUAL REPORT ON CSR ACTIVITIES

The Corporate Social Responsibility "CSR" Committee of the Company was constituted on May 14, 2014 in terms of provisions of Section 135 of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility), Rules 2014 (the Rules).

1. CSR POLICY

Pursuant to Section 135 of the Act and the Rules framed thereunder it was a mandatory commitment for a corporate to contribute and operate in an economically, socially and environmentally sustainable manner and also establish a Corporate Social Responsibility Policy and a Committee to track the transactions relating to CSR initiatives. Hence, it is a continuing commitment for a Company to perform ethically and contribute to economic development of the society. CSR, therefore, is not a mere philanthropic activity but also comprises of activities that require a Company to integrate social, environmental and ethical concerns into the Company's vision and mission through such activities.

During the year your Company has amended the CSR Policy as per the Regulations and the same was uploaded on its website at the weblink: https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/

The brief details of the activities undertaken by the Company through SNS Foundation are enlisted below:

1.	Anand Parwanoo School Slum Abhiyan
2.	Anand Sports Complex and Municipal Park
3.	Government Senior Secondary School, Pratha Panchayat
4.	Anand Nasik Village Income School Abhiyan
5.	Anand Jawai Sujan School Abhiyan
6.	Anand Dewas Sarva Shiksha Abhiyan
7.	Promoting Vocational Skills among underprivileged youth especially girls
8.	Anand Hosur Sarva Shiksha Abhiyan

2. COMPOSITION:

The CSR Committee consists of the following members as on March 31, 2020 :

Sr No.	Name of Director	Position
1.	Mrs. Anjali Singh	Chairperson, Executive Director
2.	Mr. Manoj Kolhatkar	Member, Managing Director
3.	Ms. Matangi Gowrishankar	Member, Non-Executive Independent Director

Members of the CSR committee are eminent professionals and financially literate.

3. MEETINGS

Dates	Members Strength	Members Present
May 16, 2019	3	3
August 13, 2019	3	3
November 7, 2019	3	2
February 14, 2020	3	3

4. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS:

(Rs. in million)

Financial Year	2018-2019	2017-2018	2016-2017	Average net profit for last 3 financial years
Net Profit	1401.41	1,388.92	1,105.85	1298.73

5. PRESCRIBED CSR EXPENDITURE :

2% of Average net profit i.e. Rs. 25.97 million

6. DETAILS OF CSR DURING THE FINANCIAL YEAR

A. Total Amount spent during the Financial Year : Rs. 25.97 million

B. Amount unspent, if any : Nil

C. Manner in which the amount spent during the financial year is attached as Annexure B-II.

7. THE COMPANY HAS SPENT TWO PERCENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS ON CSR ACTIVITIES.

8. RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE:

The implementation and monitoring of CSR Policy complies with the CSR objective and Policy of the Company.

By the order of Board

Manoj Kolhatkar
Managing Director
(DIN 03553983)

Anjali Singh
Chairperson of Board and CSR Committee
(DIN 02082840)

Place: Pune
Date: May 19, 2020

Annexure 'B' - II

REPORT ON UTILIZATION OF FUNDS UNDER GABRIEL CORPORATE SOCIAL RESPONSIBILITY

FOR THE PERIOD FROM 1st APRIL 2019 TO 31st MARCH 2020

Sr No.	CSR Project or Activity Identified	Sector in which project is covered	Projects /Program - Local Area or Other, Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) project or program wise (Rs. in million)	Amount spent on the projects or programs Sub Heads : (1) Direct Expenditure on projects or programs (2) Overheads	Actual Expenditure upto the reporting period (Apr 19 - Mar 20) (Rs. in million)	Amount spent: Direct or through Implementing Agency
1	Anand Parwanoo School Slum Abhiyan (APSSA)	Education, Water, Sanitation- Schedule VII (i), (ii) and (iv)	Parwanoo Township, District Solan, Himachal Pradesh	1.94	Continue engagement with 11 Govternment schools of FY 2018-19 for improving quality of education through remedial coaching. 11 schools also include 2 senior secondary schools of Parwanoo township.	0.28	SNS FOUNDATION
					Education Activities in Slums with Adults, School Drop Outs & Vocational Training to Continue	1.22	
					TOTAL of Project APSSA	1.50	
2	Anand Sports Complex and Municipal Park	Environment Schedule VII - (iv)	Parwanoo Township, District Solan, Himachal Pradesh		Maintenance of ANAND Park	0.44	
					TOTAL	0.44	
3	Govt. Senior Secondary School, Pratha Panchayat	Education Schedule VII (ii)	Pratha Panchayat, District Solan, Himachal Pradesh		Improving quality of education through supporting the positioning of para teachers in the school against regular staff vacancies	Included under APSSA	
				1.94	GRAND TOTAL OF PARWANOO BASED PROJECTS	1.94	
4	ANVISA- Anand Nasik Village Income School Abhiyan	Education, Rural Development, Livelihood Enhancement Schedule VII - (ii), (iv), (x)	Block Trimbakeshwar, District Nashik, Maharashtra	7.94	Continue Engagement with 9 tribal / Govternment schools. Development of school infrastructure at Villages of Kharset, Amboli, Pimpri, Velunje and Rohile.	4.91	
					Adult literacy classes at Rohile, Khairapali, Kharset, Sadadpada. Plantation activity at Rohile and Kharset. Repair of Aaganwadi at Village Rohile in a bid to develop it as a Model Village.	3.03	
				7.94	GRAND TOTAL OF NASIK BASED PROJECTS	7.94	
5	AJSSA - Anand Jawai Sujan School Abhiyan	Education, Rural Development, Livelihood Enhancement Schedule VII - (ii), (iv), (x)	Villages Sena and Perwa, Block Bali, District Pali, Rajasthan	0.98	Strengthen engagement with existing 9 partner schools across 5 villages through infrastructure development and positioning of additional teachers to academically weak students	0.43	
					Village based activities of regular garbage collection and adult literacy to continue.	0.28	
					Free veterinary health camps with medicines and mobile health services for better human health along with free distribution of medicines.	0.27	
				0.98	GRAND TOTAL OF JAWAI BASED PROJECTS	0.98	

Annexure 'B' - II *(contd...)*

Sr No.	CSR Project or Activity Identified	Sector in which project is covered	Projects /Program - Local Area or Other, Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) project or program wise (Rs. in million)	Amount spent on the projects or programs Sub Heads : (1) Direct Expenditure on projects or programs (2) Overheads	Actual Expenditure upto the reporting period (Apr 19 - Mar 20) (Rs. in million)	Amount spent: Direct or through Implementing Agency
6	Anand Dewas Sarva Shiksha Abhiyan (ADSSA)	Education Schedule VII (ii)	Village Siya, Block Dewas, District Dewas, Madhya Pradesh	7.85	Engagement with 5 Govternment schools through positioning of additional teachers and infrastructure development.	6.83	SNS FOUNDATION
					MEDHAVI Scholarship Programme (10 Awardees)	1.02	
				7.85	GRAND TOTAL OF DEWAS BASED PROJECTS	7.85	
7	Promoting Vocational Skills among underprivileged youth especially girls	Promoting Vocational skills among women Schedule VII - (ii)	(i) Parwanoo, District Solan, Himachal Pradesh (ii) Gurgaon, Pataudi, Sohna, District Gurgaon, Haryana (iii) Rewari city, District Rewari, Haryana (iv) Dewas, District Dewas, Madhya Pradesh	3.35	Continuation of Vocational Training Programme for Females in Parwanoo, Gurgaon & Rewari and Dewas (M.P.) with reach out of 1500 / year.	3.35	
				3.35	GRAND TOTAL OF VOCATIONAL TRAINING PROJECTS	3.35	
8	Anand Hosur Sarva Shiksha Abhiyan (AHSSA)	Education Schedule VII (ii)	Village Moranapalli, Block Hosur, Dist. Dharmapuri, Tamil Nadu	3.91	Engagement with 3 Govternment schools through positioning of additional teachers and infrastructure development	1.56	
					MEDHAVI Scholarship Programme (30 Awardees)	2.35	
				3.91	GRAND TOTAL OF HOSUR BASED PROJECTS	3.91	
				25.97	TOTAL EXPENDITURE UNDER CSR	25.97	

Annexure 'C'
CONSERVATION OF ENERGY AND GREEN TECHNOLOGY

Information as per Section 134 (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2020.

1. CONSERVATION OF ENERGY AND GREEN TECHNOLOGY/ INITIATIVES

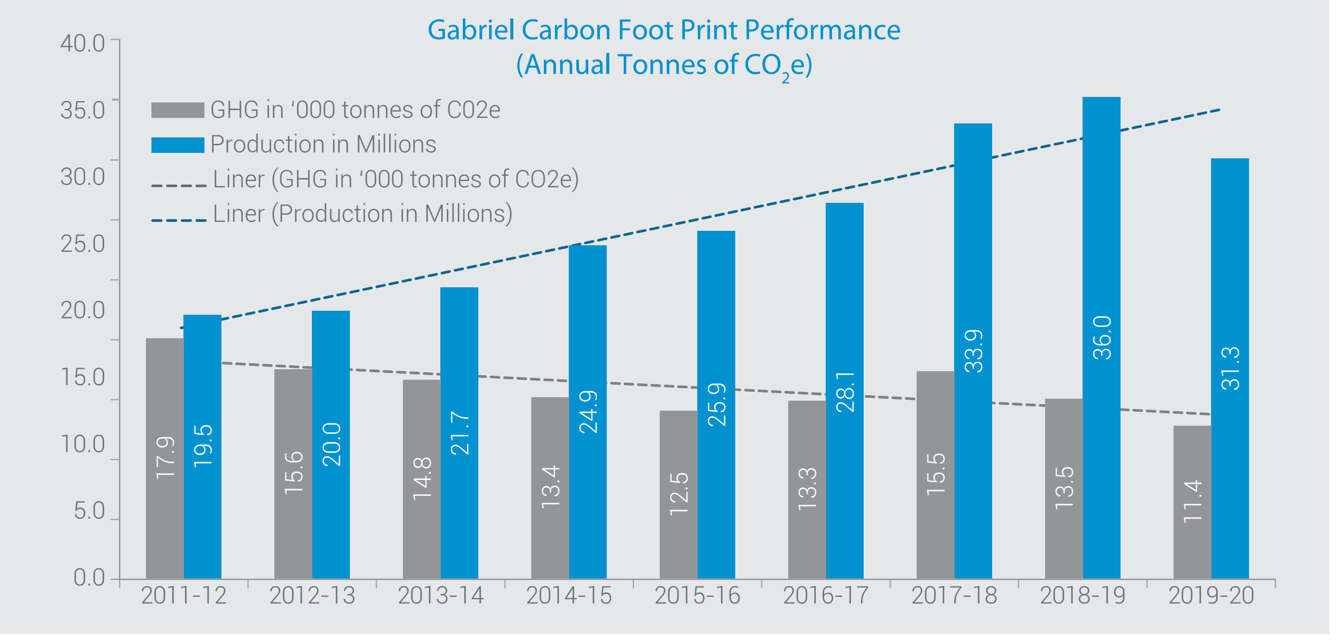
Your Company has been continuously working towards energy conservation green initiatives with innovative solutions. During the FY 2019-20 the Company has worked mainly in the following areas:

1. Reducing energy consumption per unit shock absorber by 7.1%. This is year on year over last financial year wherein it was 7.4%.
2. Using / improving energy efficiency using LED lighting technology at its Plants, saving energy and reducing carbon foot print.
3. Usage of rooftop solar at its Plant at Hosur, Chakan, Casting (Chakan), Dewas and Khandsa. The CO2 reduction in the year by the Company due to solar energy was as follows ::

At Hosur Plant	154 tonnes
At Chakan Plant	269 tonnes
At Casting Plant (Chakan)	63 tonnes
At Dewas Plant	112 tonnes
At Khandsa Plant	57 tonnes

4. Usage of group captive wind power at its Plant at Hosur. The CO2 reduction in the year due to wind power at Hosur Plant was 1221 tonnes.

The Company is committed to reduction of absolute carbon foot print, year on year. Following graph shows the increase in production vis a vis the trend of the carbon foot print reduction.



2. RESEARCH AND DEVELOPMENT (R&D)

(1) Specific areas in which R&D was carried out by the Company :

a. Advanced suspension technologies for enhanced user experience
b. Durability and reliability – enhanced product life
c. Import substitution
d. CO2 footprint reduction by product light-weighting and use of green technologies
e. Road load data acquisition of struts and dampers to improve quality & optimise products
f. Virtual analysis (FEA) of structural components for stress analysis and durability
g. Implementation of PLM to increase reuse of existing components and to improve productivity
h. Joint ride tuning with OEMs to improve ride and handling of vehicle before launch

i. Damping force prediction software for faster damper tunings

(2) Benefits derived as a result of the above R&D :

a. Customer satisfaction
b. Improved technology over competitors
c. Localization
d. Cost reductions
e. Eco friendly products
f. Improve quality
g. Re-use of existing parts
h. Productivity

Inputs are captured from following stake holders to identify R&D objectives and thrust areas:

a. Customers
b. Anand Vision
c. Environment
d. Global trends
e. Gabriel internal departments

(3) Plan of Action

New technology center for Passenger cars, Commercial vehicles and Railways is being developed at Chakan, Pune. The new technology center will improve capability and customer service for future market requirements. The center is under development and is midway to its completion. New technologies for Cars, CVs and High-speed railway coaches are being developed to support modernization programmes. Further the new facility will support:

a. Develop products that meet customer specific current and future needs
b. In house designed and developed products with 100% local content
c. Development of product features to further enhance user experience
d. Design optimization to reduce consumption of natural resources
e. Use of Eco-friendly Green technologies

Expenditure on R & D

	Rs. million
Capital	12.05
Recurring	184.77
Total	**196.82**
Total R&D Expenditure	1.06% of Net Sales

Technology Absorption, Adaptation and Innovation

Efforts, in brief, made towards technology adaptation and innovation:

1. A. Technology from Kayaba Industry Co. Ltd, Japan was used for manufacture of Shock Absorbers, McPherson Struts &Front Forks mainly for Japanese OEMs in India.

   B. KYB Suspensions, Europe, SA a wholly owned subsidiary of Kayaba Industry Co. Ltd. Japan provided technology for new generation vehicles of European origin.

   C. Technical Assistance with Yamaha Motor Hydraulic System Company Limited, Japan (formerly SOQI) for technology of front fork and two-wheeler shock absorbers.

   D. Technical Assistance with KONI B. V., Netherlands for technology of shock absorber for future commercial vehicles (trucks & buses)

2. Benefits derived as a result of the above efforts are acquiring new business, product development, import substitution, product improvement and cost reduction.

3. Particulars of imported technology in the last five years: Technology development and assimilation is an ongoing process. In order to meet the ever increasing demand of customers and continuously changing global standards, access to proven foreign technology is available.

4. R&D facilities for ride control products for 2 & 3 - Wheelers at Hosur and Nashik are being upgraded and expanded with improved capabilities in design, engineering, validation and testing. The Company added bench testing equipment to its R&D facilities with the objective to improve capacity and testing capability.

5. The Company is working on various innovation projects to develop new products and features that will be implemented in India for the first time.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange earned and used:

Earnings	Rs 394.01 million (Previous Year Rs 766.38 million)
Outgoing	Rs. 1,859.64 million (Previous Year Rs. 2,876.02 million)

For and on behalf of the Board

Anjali Singh
Chairperson
(DIN 02082840)

Place: Pune
Date: May 19, 2020

Annexure 'D'

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[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,
Gabriel India Limited
(CIN: L34101PN1961PLC015735)
Regd. Office: 29th Milestone Pune-Nashik Highway,
Village Kuruli, Taluka Khed, Pune - 410501,
Maharashtra India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gabriel India Limited (here in after referred to as "the company") The Secretarial Audit was conducted to the best of our abilities and judgments, during COVID-19 lockdown situations and by following work from home policies of Government of India wherein we got the data access online in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon with inherent limitation of work from home.

Management's Responsibility for Secretarial Compliances

The Company's management is responsible for preparation and maintenance of Secretarial Records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Auditor's Responsibility

Our responsibility is to express an opinion on the Secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances on test basis.

Opinion

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" as made available to us and also the information provided by "the Company", its officers, agents and authorized representatives during the conduct of Secretarial Audit for the financial year ended on March 31, 2020 according to the provisions of;

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; - Not Applicable for the period under review as no events occurred for the compliances.

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;

v. The following Regulations and Guidelines prescribed under the securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - No events had happened under this, however, complied to the extent of shareholding disclosure requirements as applicable.

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 – as no events under this regulation were undertaken/ effected for the period under review.

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not Applicable – as no events under this regulation were undertaken/ effected for the period under review.

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -Not Applicable – as no events under this regulation were undertaken/ effected for the period under review.

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 – as no events under this regulation were undertaken/ effected for the period under review; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable – as no events under this regulation were undertaken/ effected for the period under review.

i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - Not Applicable – as no events under this regulation were undertaken/ effected for the period under review.

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

- Secretarial Standards 1 and 2 as issued and notified by The Institute of Company Secretaries of India.
- The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Based on our verification of the company's relevant books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided to us by the Company, its officers, agents and authorized representatives during the conduct of our physical and online secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2020, complied with the above listed statutory provisions; to the extent in the manner and subject to the reporting herein.

Based on the information received and records maintained, we further report that;

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, wherein the term of Mr. Aditya Vij and Mr. Pradipta Sen, Independent Directors was extended by 3 years on 13th August, 2019 by way of filing Form MGT-14. Further, Mr. Pradipta Sen ceased to act as an Independent Director with effect from 3rd February, 2020 and Ms. Matangi Gowrishankar was appointed as an Independent Director with effect from 14th February, 2020. Mr. Rishi Luharuka was appointed as Chief Financial Officer of the Company with effect from 2nd September, 2019 in place of earlier CFO who had resigned on 8th March 2019.
2. Adequate notices were 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.
3. After going through IEPF data and required compliances, certain discrepancies were observed which we were informed that those were technical errors and the officers of the Company has taken effective steps to comply the same.
4. All the decisions of the Board and its Committee were carried out with requisite majority.

Based on the Compliance mechanism processes as explained by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and authorized departmental compliance officers of the Company and taken on record by the Board of Directors at their duly convened and held meetings, we are of the opinion that the management has;

A. Adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

B. Systems and processes are in place and the Company has implemented compliance tool for better and more efficient compliances for the laws hereinafter as listed, which are applicable to the Company;

   a. The Environment (Protection) Act, 1986.

   b. The Water (Prevention and Control of Pollution) Act, 1974.

   c. The Hazardous Wastes (Management, Handling and Trans - boundary Movement) Rules, 2008.

d. The Air (Prevention and Control of Pollution) Act, 1981.

e. The Factories Act, 1948.

f. The Industrial Dispute Act, 1947.

g. The Payment of Wages Act, 1936.

h. The Minimum Wages Act, 1948.

i. The Employees' State Insurance Act, 1948.

j. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

k. The Payment of Bonus Act, 1965.

l. The Payment of Gratuity Act, 1972.

m. The Contract Labor (Regulation and Abolition) Act, 1970.

n. The Maternity Benefit Act, 1961.

o. The Child Labor (Prohibition and Regulation) Act, 1986.

p. The Industrial Employment (Standing Order) Act, 1946.

q. The Employee Compensation Act, 1923.

r. The Apprentices Act, 1961.

s. The Equal Remuneration Act, 1976.

t. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956.

u. The Company has as on the date of this certificate complied with the Due Diligence report for the half year ended as on 31st March, 2019 and 30th September 2019 as required to be prepared pursuant to RBI Circular - RBI/2008-2009/183/DBOD. No. BP.BC.46/08.12.001/2008-09 dated September 19, 2008.

As informed to us and as per the data of reports of Compliance tool, we report that there are no Legal Dispute/s, corporate and Industrial issues/ cases going on against the Company, other than of normal routine nature, which we were informed that the company is contesting legally.

For KPRC & Associates Company Secretaries

CS Pawan G. Chandak
Partner
M. No. F-6429
CP. No. 6687
UDIN - F006429B000218069

Place: Pune
Date : May 08, 2020

Annexure 'E'

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended

Statement showing details of Top Ten employees in terms of remuneration drawn and other employees who were in receipt of remuneration exceeding limits prescribed in aforesaid Rule 5(2) :

Sr No.	Name	Designation	Age (in years)	Remuneration received (Rs.)	Nature of employment, whether contractual or otherwise	Qualification	Experience (No. of Years including previous employment)	Date of commencement of employment in the Company	The last employment held before joining the Company	Percentage of equity shares held in the Company along with spouse and dependent children
1	Anjali Singh	Executive Chairperson	38	3,24,80,009	Permanent	Bachelor's and Master's degree from the prestigious Central Martin's School of Art and Design in London	15	15-May-17	Asia Investments Pvt. Ltd.	0.45%
2	Manoj Kolhatkar	Managing Director	51	3,35,86,771	Permanent	B.E. (Mechanical), DBM	30	02-May-11	Tata Yazaki Ltd.	0.003%
3	Umesh Shah	Sr. Vice President Group Head – Strategy & Planning	47	1,38,24,847	Permanent	MBA, Michigan, UDA, 2004, PG (MS Industrial Engineering), University of Ohio, USA, B.E. (Mechanical)	24	01-Apr-10	M/s. Ford Motor Company	Nil
4	Atul Jaggi	Chief Operating Officer - 2&3 Wheelers Business Unit and Commercial Vehicle Business Unit	43	*1,31,51,458	Permanent	BE and MS (Quality Management)	20	16-Jun-99	Stallion Shox Limited (amalgamated to Gabriel India Ltd.)	Nil
5	Rajendra Abhange	Chief Technical Officer	57	1,16,79,666	Permanent	B.E. (Mechanical) from Govt. College of Engineering, Fellow of Institution of Engineers India & certified chartered engineer	34	13-Mar-04	Motor Industries Co. Ltd. - Bosh Group	Nil
6	Sarabjit Kondal	Chief Operating Officer - Passenger Cars Business Unit	43	*1,00,86,133	Permanent	B.E. (Mechanical)	21	01-Jan-17	Takata India Private Limited	Nil
7	Amitabh Srivastava	Chief Operating Officer - Aftermarket Business Unit and Railways Business Unit	52	98,39,606	Permanent	B.E. (Mechanical), OALMP (Oxford University)	25	01-Apr-07	Victor Gaskets India Limited	Nil
8	Prashant Shah	Vice President - Sourcing & Supply Chain Management	54	70,13,219	Permanent	B.E. (Production)	31	16-Nov-12	Magneti Marelli Shock Absorbers Pvt Ltd.	Nil
9	Manoj Sharma	Chief Human Resource Officer	47	69,94,494	Permanent	Masters in Personnel Management	24	01-Apr-16	Anand Automotive Private Limited	Nil
10	Rishi Luharuka**	Chief Financial Officer & Vice President, Information Technology	40	* 67,51,884	Permanent	Chartered Accountant and Chartered Financial Analyst (CFA)	18	02-Sep-19	Sandvik Asia Pvt. Ltd.	Nil

1 Remuneration includes salary, perquisites, performance bonus, contributions to provident fund, superannuation / National pension system and gratuity funds and allowances viz. HRA, LTA, Medical Reimbursement etc. payable as per Rules of the Company.

2 None of the aforesaid employees are relative of any director or manager of the Company.

* Includes Retention Bonus/Joining Bonus paid during FY 2019-20.

** Mr. Rishi Luharuka was appointed as Chief Financial Officer of the Company from September 02, 2019.

Annexure 'F'

Details pertaining to remuneration for the financial year 2019-20 pursuant to Section 197(12) of the Companies Act, 2013 read with Rules thereunder

Sr. No.	Details of disclosure	Remark
a	Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year. (The remuneration of the Managing Director has been considered for the calculation)	1:58
b	Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year :	
	A. Anjali Singh - Executive Chairperson	9%
	B. Manoj Kolhatkar - Managing Director	8%
	C. Rishi Luharuka - Chief Financial Officer	NA
	D. Mr. Nilesh Jain - Company Secretary	20%
c	Percentage increase in median remuneration of employees in the financial year	8%
d	Number of permanent employees on the roll of the Company	2391
e	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof pointing out any exceptional circumstances for the increase in the managerial remuneration.	The average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year was 8.8%. The increase in the managerial remuneration in the last year was 7.9%. Senior Management's annual incentives depend on achieving Company's performance targets.
f	The key parameters for any variable component of remuneration availed by directors	The key Parameters for variable component carries weightage - KRAs (50%) & Company performance (50%)
g	Affirmation that the remuneration paid is as per the remuneration policy of the Company	Yes

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance

The Company's philosophy of Corporate Governance aims at establishing and practicing a system of good Corporate Governance which will assist the management in managing the Company's business in an efficient and transparent manner in all facets of its operations and in its interaction with stakeholders namely :-

➢ Shareholders	as providers of risk capital, to provide them a reasonable return and enhance shareholder value;
➢ Customers	to provide adequate customer service and quality products focusing the activities on customer expectations and meeting them;
➢ Environment	to adhere to the environment standards to make the product and process, environment friendly;
➢ Employees	to promote development and well-being and to enhance innovation and teamwork
➢ Society	to maintain Company's economic viability as producer of goods and services; and
➢ Shareholders	fulfilling the obligations towards other stakeholders namely government, suppliers, creditors, etc.

Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") sets up norms and disclosures that are to be met by the Company on Corporate Governance front. We confirm our compliance with Corporate Governance criteria, as required under the said Regulations and Company's code of Conduct vide this report.

2. BOARD OF DIRECTORS

Composition

The strength of the Board of Directors as on March 31, 2020 was 6 Directors. The Board comprises of two Executive Directors designated as Managing Director and Whole Time Director. The rest are Non-Executive Directors in which three are Independent Directors. The Board meets the requirement of not less than half of the Board being Independent Directors, the Chairperson (woman director) being executive promoter director.

Four Board meetings were held during the financial year 2019-20, details of which are as under:

Date of Meetings	Board Strength	No. of Directors present
May 16, 2019	6	6
August 13, 2019	6	6
November 07, 2019	6	5
February 14, 2020	6	5

The time gap between any two meetings was less than 120 days.

The composition of Board of Directors and attendance of Directors at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorships, committee memberships and chairmanships held by them are given below:

Name of the Director	DIN	Details		Attendance Particulars		No. of other Directorships and Committee Memberships / Chairmanships held in Public Limited Companies			Other listed entity in which the directors have directorships	
		Category	Shares held as on March 31, 2020	Board Meeting	Last AGM	Directorships	Committee Memberships#	Committee Chairman ships#	Name of the listed Entity	Category
Mrs. Anjali Singh	02082840	Promoter and E.C	6,41,942	4	Yes	Nil	Nil	Nil	-	-
Mr. Manoj Kolhatkar	03553983	E.D.	4,000	4	Yes	Nil	Nil	Nil	-	-
Mr. Pradipta Sen$*	00051758	I.N.E.D.	0	3	Yes	Nil	Nil	Nil	-	-
Mr. Aditya Vij **	03200194	I.N.E.D.	0	4	Yes	Nil	Nil	Nil	-	-
Mr. Jagdish Kumar	00318558	N.E.D.	0	3	Yes	Nil	Nil	Nil	-	-
Mr. Pradeep Banerjee	02985965	I.N.E.D	0	3	Yes	2	2	Nil	Whirlpool of India Limited	Independent Director
									Chambal Fertilizers and Chemicals Limited	Independent Director
Ms. Matangi Gowrishankar ***	01518137	I.N.E.D	0	1	NA	3	2	Nil	Cyient Limited	Independent Director

E.C. : Executive Chairperson E.D. : Executive Director; N.E.D. : Non-Executive Director; I.N.E.D: Independent Non-Executive Director

For the purpose of ascertaining, membership and chairmanship, only Audit Committee and Stakeholder Relationship Committee were considered.

$ Mr. Pradipta Sen, Independent Director was re-appointed on the same position for second term for three years on September 18, 2019.

* Mr. Pradipta Sen, Independent Director has resigned from the position w.e.f. February 03, 2020.

** Mr. Aditya Vij, Independent Director was re-appointed on the same position for second term for three years on March 31, 2020.

*** Ms. Matangi Gowrishankar was appointed as an Additional Non-Executive Independent Director (Women Director) on February 14, 2020.

Directors inter-se are not related to each other. The Board periodically reviews Compliance Reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non- compliances, if any. The Board ensures that succession plan for appointment of the board of directors and senior management is in place.

The Details of familiarization programmes imparted to Independent Directors are available on the web link https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/.

The List of core skills/expertise/competencies identified by the board of directors as required in the context of its business and sector(s) for it to function effectively and available with the Board are:

Sr No.	Core Skills and Competencies	Name of the Director
1.	Leadership	All Board members
2.	Industrial Knowledge	All Board members
3.	Corporate Strategy	Mr. Manoj Kolhatkar, Mr. Jagdish Kumar, Ms. Matangi Gowrishankar
4.	Merger and Acquisitions and Reconstruction	Mr. Jagdish Kumar
5.	Finance	Mr. Aditya Vij, Mr. Jagdish Kumar
6.	Technical expertise	Mr. Manoj Kolhatkar, Mr. Pradeep Banerjee

The independent directors fulfilled the conditions of SEBI (LODR) Regulations, 2015 and are independent of the management.

Mr. Pradipta Sen, Independent Director resigned before the expiry of his tenure due to other pre-occupations and personal commitments. There was no other material reason than that mentioned above for his resignation.

The minimum information in terms of Part A of Schedule II of SEBI (LODR) Regulations, 2015 are regularly placed before the board of directors. The chief executive officer and the chief financial officer provides the compliance certificate to the board of directors as specified in Part B of Schedule II of SEBI (LODR) Regulations, 2015.

3. Code of Conduct

In addition to the Anand Code of conduct for the employees of the Company, the Board has laid down the Gabriel Additional Code of Conduct for Board Members and Senior Management of the Company, which also includes the duties of Independent Directors.

Company has amended Gabriel Additional Code of Conduct to incorporate protection of employee against retaliation and victimisation upon reporting suspected violations of insider trading laws in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended effective from 14.02.2020. The said Code of Conduct has been posted on the website of the Company and is available on the web link https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/.

All Board members and Senior Management Personnel have affirmed compliance with the said Code. A declaration to this effect signed by the Managing Director is enclosed as Appendix I.

4. Audit Committee

Audit Committee met four times during the financial year 2019-20 on May 16, 2019, August 13, 2019, November 07, 2019 and February 14, 2020. The time gap between two Audit Committees was less than one hundred and twenty days.

The composition of Audit Committee as on March 31, 2020 and attendance at its meetings is given hereunder:

Name	Chairman / Member	No. of meeting(s) attended
Mr. Aditya Vij	Chairman	2
Mr. Pradeep Banerjee	Member	3
Mr. Jagdish Kumar	Member	3

Mr. Pradipta Sen, Independent Director of the Company was Chairman of the Audit Committee till his resignation on February 03, 2020. During his tenure in the Financial Year 2019-20 he has attended three Meetings.

As on March 31, 2020 the Audit Committee has three members. Two-third of the members are Independent Directors. The members of the Audit Committee are eminent professionals and financially literate. Mr. Aditya Vij was appointed as member of the Audit Committee held on November 07, 2019 in place of Mr. Pradeep Banerjee only for said meeting to have minimum required quorum of the Independent Directors. On February 14, 2020, the Audit Committee was re-constituted and Mr. Aditya Vij was appointed as its Chairman.

The Audit Committee meetings are held at the Registered Office or Group Corporate Office and are attended by the Internal Auditors and the Chief Financial Officer. A representative of the Statutory Auditors is invited. The Company Secretary acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee is an Independent Director and was present at the last Annual General Meeting of the Company.

The broad description of terms of reference of the Audit Committee is as follows:

(1) Review the recommendation for appointment, remuneration and terms of appointment of auditors of the Company.

(2) Review and monitor the auditor's independence and performance and effectiveness of audit process.

(3) Examination of the financial statement and the Auditor's Report thereon.

(4) Approval or any subsequent modification of transaction of the Company with related parties.

(5) Security of inter- corporate loan and investments.

(6) Valuation of undertakings or assets of the Company, wherever it is necessary.

(7) Evaluation of inter financial controls and risk management systems.

(8) Monitoring the end use of funds raised through public offer and related matters.

5. Nomination and Remuneration Committee:

The Committee met three times during the financial year 2019-20 on May 16, 2019, August 13, 2019 and February 14, 2020.

The composition of the Nomination and Remuneration Committee as on March 31, 2020 is as follows:

Name	Chairman / Member	No. of meeting(s) attended
Mr. Pradeep Banerjee	Chairman	1
Mr. Aditya Vij	Member	3
Mr. Jagdish Kumar	Member	2

Mr. Pradipta Sen, Independent Director of the Company was Chairman of the Nomination and Remuneration Committee till his resignation on February 03, 2020. During his tenure in the Financial Year 2019-20 he has attended two Meetings

On February 14, 2020, the Nomination and Remuneration Committee was re-constituted and Mr. Pradeep Banerjee was appointed as its Chairman.

As on March 31, 2020 the said committee has three members. All members of the committee are non-executive directors and at least fifty percent of the directors are independent directors. The Chairman of the Committee is a Non-Executive Independent Director.

The terms of reference of the Nomination and Remuneration Committee are disclosed under objectives of Remuneration Policy forming part of this Report.

Performance Evaluation criteria:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own, of its committee and the Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's and its committee's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

Individual Directors were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Chairperson and the Non-Independent Directors was carried out by the Independent Directors who also reviewed and evaluated the flow of information between the Company Management and the Board of the Company. The Directors expressed their satisfaction with the evaluation process and also suggested improvement areas in the Board Performance.

Performance evaluation criteria for Independent Directors, inter alia, includes the following:

• Ability to contribute to and monitor Company's corporate governance practices.

• Active participation in strategic planning.

• Commitment to the fulfillment of a Director's obligations and fiduciary responsibilities, this includes participation in Board and committee meetings.

6. Remuneration of Directors

A) All pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company

Details of the commission and sitting fees paid to Non-Executive Directors during the financial year 2019-20 are given below:-

(Rs. in million)

Name of Directors	Commission for the financial year ended 31st March 2019, paid during the year under review	Sitting Fees
Mr. Pradipta Sen	2.50	0.04
Mr. Aditya Vij	2.00	0.07
Mr. Pradeep Banerjee	1.90	0.06
Mr. Jagdish Kumar	NA	NA
Ms. Matangi Gowrishankar	NA	0.01

Mr. Pradipta Sen ceased to be a Director w.e.f February 03, 2020.

Ms. Matangi Gowrishankar was appointed as an Additional Director w.e.f. February 14, 2020.

Sitting fee indicated above also includes payment for Board level committee meetings.

B) Criteria of making payments to Non-Executive Directors

The criteria of making payments to Non-Executive Directors is covered hereunder in Remuneration Policy.

C) Remuneration Policy:

The Board has approved the Nomination and Remuneration Policy in the meeting held on March 31, 2015, in compliance with Section 178 of the Companies Act, 2013 read with Rules thereto and Clause 49 of the Listing Agreement, as applicable during that time and amended the same in its meeting held on November 3, 2015. This Policy on Nomination and Remuneration of Directors, Key Managerial Personnel ('KMP') and members of Senior Management has been formulated by the Nomination and Remuneration Committee. This Policy includes the objective, role of the Committee, appointment and removal of Director, KMP and Senior Management and evaluation criteria of Directors, Independent Directors.

The objective of the Policy is:

(i) To guide the Board in relation to appointment of Directors, KMP and members of Senior Management.

(ii) To formulate criteria for determining qualifications, positive attributes and independence of a Director, recommend to the Board a policy, relating to the remuneration of the Directors, KMP and employees in the Senior Management.

(iii) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board to see that relationship of remuneration to performance is clear and meets appropriate benchmarks.

(iv) To recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management, the level and composition of remuneration being reasonable and sufficient to attract, retain and motivate Directors, KMP and Senior Management required to run the Company successfully.

(v) To formulate criteria for evaluation of Independent Directors and the Board.

(vi) To devise a Policy on Board diversity.

The Policy defines the manner of remuneration to Director/ KMP/ Senior Management as given below :

1) Remuneration to Managing Director / Whole-time Directors:

a) The remuneration/ commission etc. to be paid to Managing Director / Whole-time Director etc. shall be governed as per provisions of the Companies Act, 2013 and Rules made there under or any other enactment for the time being in force and the approvals obtained from the members of the Company, if required.

b) The total remuneration payable to Managing Director shall not exceed the limits prescribed under Section 196, 197 read with Schedule V and all other applicable provisions, if any, of the

Companies Act, 2013 and Rules made thereunder. The remuneration shall consist of fixed pay and Management Incentive Bonus pay and in accordance with the Company's Policy and HR Manuals and to be given or increased within the above said limits annually or at such intervals as may be considered appropriate.

2) **Remuneration to Non- Executive / Independent Directors:**

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013.

b) The Non-Executive/ Independent Directors may also be paid commission as decided by the Board of Directors and subject to approval of the shareholders if required within an aggregate limit of 1% of the Net profit of the Company for a particular financial year.

c) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and Rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

d) An Independent Director shall not be eligible to get stock options and also shall not be eligible to participate in any share based payment schemes of the Company.

3) **Remuneration to Key Managerial Personnel and Senior Management:**

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy and HR Manuals.

b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to Pension Fund, Pension Schemes, etc. as decided from time to time.

c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Payment of remuneration to the Managing Director and Whole time Director is governed by the Letter of Appointment issued to the said director by the Company, the terms and conditions of which were approved by the Board of Directors and the Shareholders. The remuneration structure comprises of salary, perquisites and allowances, contributions to provident fund, superannuation / National pension system and gratuity funds. The Non-Executive Directors do not draw any remuneration from the Company other than sitting fees and commission payable to such Non-Executive Directors as may be determined by the Board.

D) Disclosures with respect to remuneration

Name of the Director / KMP	Category / Designation	All elements of remuneration package i.e. salary, benefits, bonuses, pension, etc. (Rs. in million)	Fixed component and performance linked incentives along with the performance criteria (Rs. in million)	Service contracts period, notice severance fees	Stock option with details, if any and issued at discount as well as the period over which accrued and over which exercisable
Mrs. Anjali Singh	Executive Chairperson (Whole-time Director)	32.48	-	-	-
Mr. Manoj Kolhatkar	Managing Director	33.59	-	-	-

Salary includes Basic, HRA, Conveyance, Special Allowances, other allowances and Perquisites.
The Company does not have stock option scheme for grant of stock options either to the Executive Directors or employees.

7. Stakeholders' Relationship Committee

The Committee met four times during the financial year 2019-20 on May 16, 2019, August 13, 2019, November 07, 2019 and February 14, 2020.

The Chairman of the Stakeholders' Relationship Committee is a non-executive director. The composition of Stakeholders' Relationship Committee as on March 31, 2020 and attendance at its meeting is given hereunder:

Name	Chairman / Member	No. of meeting(s) attended
Mr. Jagdish Kumar	Chairman	3
Mr. Pradeep Banerjee	Member	3
Mr. Aditya Vij	Member	4

On February 14, 2020, the Stakeholders' Relationship Committee was re-constituted and Mr. Jagdish Kumar was appointed as its Chairman.

The broad terms of reference of Stakeholders' Relationship Committee is to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

Details of complaints / requests for action (such as change of address, revalidation of warrants, etc.) received from Shareholders / Investors are as under :

Number of complaints/ requests received during the financial year	187
Number of complaints/ requests resolved to the satisfaction of complainant	187
Number of complaints/ requests not resolved to the satisfaction of complainant	Nil
Number of complaints/ requests pending	Nil

The Company has attended to most of the investor's grievances/ correspondence within a period of fifteen days from the date of receipt of the same, while almost all the rest were attended to within maximum period of 30 days.

Mr. Nilesh Jain, Company Secretary is the Compliance officer.

8. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (CSR Committee) of the Board met four times during the financial year 2019-20 on May 16, 2019, August 13, 2019, November 07, 2019 and February 14, 2020.

All Corporate Social Responsibility activities are being routed through the Corporate Social Responsibility Policy under the guidance of the CSR Committee.

The detailed Policy is also posted on the website of the Company. The composition of CSR Committee as on March 31, 2020 is given hereunder:

Name	Chairman / Member	No. of meetings attended
Mrs. Anjali Singh	Chairperson	4
Mr. Manoj Kolhatkar	Member	4
Ms. Matangi Gowrishankar	Member	1

Mr. Pradeep Banerjee, Independent Director of the Company was member of the Corporate Social Responsibility Committee for first three meetings held during the Financial Year 2019-20. He has attended two meetings.

On February 14, 2020, the Corporate Social Responsibility Committee was re-constituted and Ms. Matangi Gowrishankar was appointed as its member.

Terms of reference of CSR Committee are:

(a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act 2013;

(b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

(c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

9. Independent Director's Meeting

During the year under review, the Independent Directors met on February 14, 2020, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and Board of Directors as a whole;
- Evaluation of performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-executive Directors.
- Evaluation of quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

10. General Body Meetings

a) Location and Time where last three Annual General Meeting were held:

Financial Year	Date	Time	Location
2018-19	August 13, 2019	02.30pm	29th Milestone, Pune-Nashik Highway, Village Kuruli, Tal. Khed, Pune – 410501
2017-18	August 08, 2018	2.30 p.m	29th Milestone, Pune-Nashik Highway, Village Kuruli, Tal. Khed, Pune – 410501
2016-17	August 08, 2017	2.30 p.m	29th Milestone, Pune-Nashik Highway, Village Kuruli, Tal. Khed, Pune – 410501

b) Special Resolutions passed in the previous three Annual General Meetings :

The details of the special resolutions passed in the previous three Annual General Meetings are:

➢ At the Annual General Meeting held on August 13, 2019:

1) Re-appointment of Mr. Pradipta Sen as Non-Executive Independent Director for the second term of three years from September 18, 2019 to September 17, 2022.

2) Re-appointment of Mr. Aditya Vij as an Non-Executive Independent Director for the second term of three years from March 31, 2020 to March 30, 2023

➢ At the Annual General Meeting held on August 08, 2018 :

1) Re-classification of Mr. Kuldeep Chand Anand and Ms. Prem Anand as Non-promoters.

➢ At the Annual General Meeting held on August 08, 2017 :

1) Re-classification of Mrs. Kiran J Anand and Ms. Devika Anand as Non-promoters.

2) Appointment of Mrs. Anjali Singh (DIN : 02082840) as Executive Chairperson of the Company for a term of 5 years with effect from May 15, 2017 upto May 14, 2022.

3) Payment of Commission to Non-Executive Directors.

c) Postal Ballot :

No special resolution was passed last year through Postal Ballot. The Company is not proposing passing of any special resolution through postal ballot in the ensuing Annual General Meeting.

11. Means of Communication

i. Quarterly Results	Published in the English and Marathi newspaper every quarter
ii. Newspapers wherein results normally published	a) The Business Standard b) Loksatta
iii. Any Website, where displayed	https://www.anandgroupindia.com/gabrielindia/
iv. Whether it also displays official news release	Yes
v. The presentation made to institutional investors or to the analysts	The presentations are available on the website of the Company

12. Shareholder Information

i.	AGM date, time and venue	August 07, 2020 at 2.30 p.m. through Video Conferencing / Other Audio Visual Means (VC)
ii.	Financial Year	April 01 2019 to March 31 2020
iii.	Date of Book Closure	August 01, 2020 to August 07, 2020 (both days inclusive)
iv.	Dividend payment date	On or before September 05, 2020
v.	Listing on Stock Exchange and Stock Code	
	1. **BSE Limited** 25th Floor, P. J. Towers, Dalal Street, Mumbai – 400 001 Stock code: 505714	
	2. The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Stock code: GABRIEL	

The Company is regular in payment of Listing fee to aforesaid Stock Exchanges.

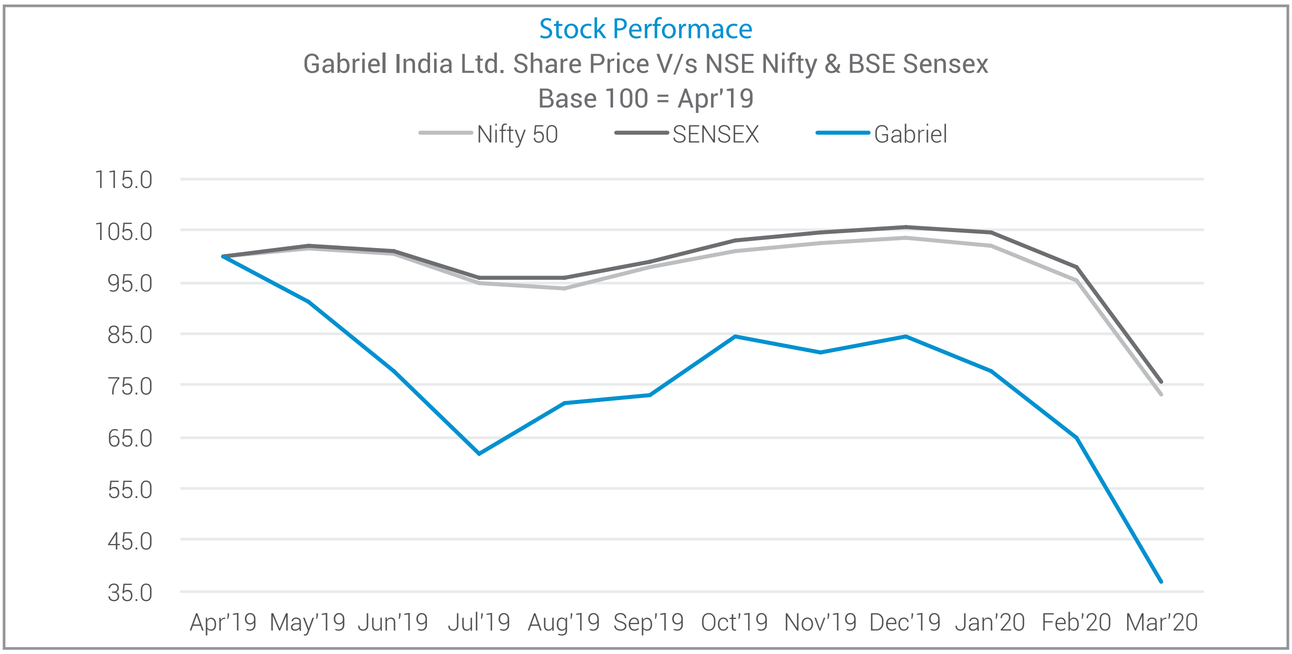
The ISIN Number of the Company is INE524A01029

vi. **Market Price Data: High, Low during each month in last financial year**

High/Low of market price of the Company's shares traded on the BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai during the financial year 2019-20 is furnished below.

Financial Year 2019-20	BSE Limited			The National Stock Exchange of India Limited		
	High	Low	Closing	High	Low	Closing
Apr-19	153.90	142.00	145.15	153.85	143.00	145.55
May-19	149.00	127.10	132.55	148.00	128.00	133.75
June-19	134.45	106.00	112.80	134.25	105.70	112.50
Jul-19	116.95	85.20	89.35	113.90	85.05	89.35
Aug-19	113.20	87.25	103.80	117.00	87.10	103.95
Sep-19	139.90	101.50	106.30	125.75	101.05	106.15
Oct-19	124.90	95.00	122.90	124.80	97.05	123.30
Nov-19	136.90	112.60	118.05	137.00	114.00	118.15
Dec-19	128.70	115.80	122.50	128.75	115.00	122.80
Jan-20	131.00	112.55	112.80	130.90	112.50	112.95
Feb-20	115.00	93.10	94.35	114.80	92.25	94.30
Mar -20	96.80	40.25	53.50	97.55	39.50	53.30

vii. **Performance in comparison to broad –based indices such as BSE Sensex, Nifty, etc,**



viii.	Registrar and Transfer Agent	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) Selenium Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad - 500 032.
ix.	Share Transfer System	All the requests for transfer of shares are processed by Registrar and Transfer Agent and are approved by Authorised officials of the Company in one- two weeks' time.

x. Distribution of Shareholding

Distribution of Shareholding as on 31.03.2020

No. of shares	No. of shareholders	% shareholders	Total no. of shares held	% holding
Upto 5000	59,548	98.73	2,44,54,164	17.02
5001 to 10000	447	0.74	32,52,698	2.26
10001 to 100000	278	0.47	67,58,213	4.72
100001 and above	39	0.06	10,91,78,865	76.00
Total	**60,312**	**100.00**	**14,36,43,940**	**100.00**

Shareholding pattern as on 31.03.2020

Sr. No.	Description	No. of shares	% of shareholding
1	Indian Promoters	7,57,65,026	52.75
2	Insurance Companies & Banks	99,400	0.06
3	Mutual Funds & UTI	75,88,070	5.28
4	FIIs & NRIS	1,94,20,777	13.52
5	Domestic Companies	17,81,669	1.24
6	Resident Individuals	3,70,75,272	25.81
7	Others	19,13,726	1.34
	TOTAL	**143,643,940**	**100.00**

xi. Dematerialization of Shares and Liquidity

The Company's shares are available for trading in the depository system of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on March 31, 2020, the total shares dematerialized were 13,36,86,738 in both depositories accounting for 93.07% of the share capital of the Company.

xii. **Outstanding GDRs/ADRs/Warrants or any** : Not issued

xiii. **Commodity price risk or foreign exchange risk and hedging activities:**

The Company has a Board approved Forex Policy which lays down the principles of hedging forex risk.

xiv. Plant Locations:

The Company's Plants are located at Chakan (Pune), Nashik, Dewas, Hosur, Khandsa, Parwanoo, Sanand, Malur, Aurangabad and Manesar.

xv. Address for Correspondence

Shareholders correspondence and investor grievances should be addressed to the Registrars and Transfer Agent at the address given above or can be emailed to secretarial@gabriel.co.in or be sent to following address of the Registered Office of the Company:

Gabriel India Limited
29th Milestone, Pune - Nashik Highway,
Village Kuruli, Taluka Khed, Pune - 410501

xvi. Credit Rating

Company has obtained the credit rating from CRISIL Limited ("CRISIL") for its Banking facilities in the month of August 2019. The agency has reaffirmed the Company's rating as CRISIL AA/Stable for Long Term facilities and FAA+/Stable for Fixed Deposits.

13. Disclosures

(i) Related Party Transaction

None of the transactions with any of the related parties were in conflict with the interests of the Company at large during the Financial Year 2019-20.

The Company has formulated a Policy on Related Party Transactions and also on dealing with Material Related Party Transactions. The said Policy is also available on the web link: https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/

(ii) Strictures and Penalties

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: None

(iii) Whistle Blower Policy or Vigil Mechanism

The Company has a Whistle Blower Policy as required by SEBI (LODR) Regulations, 2015. The Policy is available on the web link: https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/

During the year Whistle blower Policy has been amended due to change in the chairmanship of the Audit Committee. The Company has established the necessary mechanism in line with SEBI (LODR) Regulations, 2015 for the employees to report concerns about unethical behavior.

No person has been denied access to the Audit Committee.

(iv) The Company has complied with mandatory requirements under SEBI (LODR) Regulations, 2015.

Disclosure with regard to discretionary requirements as specified in part E of Schedule II to the SEBI (LODR) Regulations, 2015 is as under:

	Discretionary Requirement	Discretionary Requirement - to the extent adopted
A	The Board : A Non-Executive Chairperson may be entitled to maintain a chairperson's office at the Company's expense and also allowed reimbursement of expenses incurred in the performance of his duties	The Company has an Executive Chairperson.
B	Shareholder Rights : A half yearly declaration of Financial performance including summary of the significant events in last six months may be sent to each household of shareholders	As the half yearly results are published in English newspapers having wide circulation all over India and in a Marathi newspaper (having circulation in Pune & Mumbai), the same are not sent to the shareholders of the Company. Annual audited financial results are taken on record by the Board and then published in newspapers as aforesaid and also communicated to the shareholders through the Annual report.
C	Modified opinion(s) in audit report	The Company is in the regime of unqualified financial Statements.
D	Separate posts of Chairperson and Chief Executive Officer	The Company has appointed separate persons to the post of Chairperson and Managing Director.
E	Reporting of Internal Auditor	Internal Auditors report directly to the Audit Committee of the Company.

(v) The Company does not have any subsidiary Company.

(vi) Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013 the Company has appointed M/s. KPRC & Associates, Pune, Company Secretaries in Practice to conduct an independent Secretarial Audit of the Company for the Financial Year 2019-20. The detailed Secretarial Audit Report forms part of the Board of Director's Report.

(vii) Risk Management and Risk Management Committee

The Board has approved the Risk Management Policy in the meeting held on May 14, 2014. The Company has laid down the process of Risk Management and Assessment procedure which is periodically reviewed by the Board Members. The Company has formed internal management committee chaired by Chief Financial Officer of the Company to review and identify the risks and work with the Risk Management Committee towards mitigation of the risks.

The objective of the Policy are given below :

- Inculcating a risk culture into the mindsets of the organization;
- Enhance awareness of managing risks across the organization;
- To have a continuous process of identifying pertinent risk in the changing environment;
- To have mitigation measures closely monitored and implemented

(viii) Preferential allotment or qualified institutions placement

Company has not raised any fund from preferential allotment or qualified institutions placement during the Financial Year 2019-20.

(ix) Certificate from a Company Secretary in practice

Pursuant to SEBI (LODR) Regulations, 2015, the Company has taken a certificate from M/s. KPRC & Associates, Pune, Company Secretaries in Practice stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

(x) Non Acceptance by Board for any Recommendation by Committee's

During the Financial year 2019-20, there was no instance where the board had not accepted any recommendation of any committee of the Board which is mandatorily required.

(xi) The Company has paid total fees of Rs. 6.97 MINR for all services to the statutory auditor

(xii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

	Particulars	Number of Complaints
a.	Number of complaints filed during the financial year	0
b.	Number of complaints disposed of during the financial year	NA
c.	Number of complaints pending as on end of the financial year	NA

(xiii) The Company has complied with all requirements of Corporate Governance report.

14. CEO/CFO Certification

The Managing Director have issued certificate pursuant to the SEBI (LODR) Regulations, 2015, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

15. Details of Director seeking appointment/re-appointment at the ensuing Annual General Meeting as required under Regulation 36 of SEBI (LODR) Regulations, 2015 are given under Notice to the Annual General Meeting.

For and on behalf of the Board

Anjali Singh
Chairperson
(DIN 02082840)

Place: Pune
Date: May 19, 2020

Appendix I

Declaration regarding compliance by Board Member and Senior Management Personnel with the Company's Code of Conduct.

I, Manoj Kolhatkar, being the Managing Director and a member of the Board of Directors of Gabriel India Limited ("the Company") hereby acknowledge, confirm and certify that:

i. All the Directors and Senior Management Personnel have received, read and understood the Code of Conduct for Board Members and Senior Management of the Company.

ii. All the Directors/Senior Management Personnel are bound by the said Code to the extent applicable to their functions as a member of the Board of Directors / Senior Management of the Company respectively;

iii. Since the date of appointment as a Directors/ Senior Management Personnel of the Company, all the Directors/Senior Management Personnel, have affirmed compliance with the provisions of the Code of conduct which were adopted by the Company;

iv. Directors and Senior Management Personnel were not a party to any non-compliance with the said Code.

Place: Pune
Date: May 19, 2020

Manoj Kolhatkar
Managing Director

Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance

To the Members of
Gabriel India Limited

1. We have examined the compliance of conditions of Corporate Governance by Gabriel India Limited, ("the Company") for the year ended March 31, 2020, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, and D of Schedule V of the Securities and Exchange Boards of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. The 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

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

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements of the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('the ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for special purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standards on Quality Control for Firms that perform audit and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

1. Based on our examination of the relevant records and according to the information and explanations given 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 regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2020.

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

For BK Khare & Co.
Chartered Accountants
Firm Registration Number: 105102W

Ravi Kapoor
Partner
Membership Number 040404
UDIN : 20040404AAAAEI4768

Place: Mumbai
Date: May 19, 2020

CEO/CFO Certification

We, Manoj Kolhatkar, Managing Director and Rishi Luharuka, Chief Financial Offiicer of the Company certify that:

(A) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2020 and that to the best of our knowledge and belief :

(i) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

(B) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violation of the Company's Code of Conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(D) We have indicated to the Auditors and the Audit Committee that:

(i) There has not been any significant changes in internal control over financial reporting during the year ended March 31, 2020;

(ii) There has not been any significant changes in accounting policies during the year ended March 31, 2020 requiring disclosure in the notes to the financial statements; and

(iii) We have not come across any instance of significant fraud where there was involvement of the management or an employee having a significant role in internal control system with respect to financial reporting during the year ended March 31, 2020.

Place: Pune
Date: May 19, 2020

Manoj Kolhatkar
Managing Director

Rishi Luharuka
Chief Financial Officer

BUSINESS RESPONSIBILITY REPORT

Introduction

In conformance to the requirements of the clause (f) of sub-regulation (2) of regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Business Responsibility Report of Gabriel India Limited for financial year 2019-20 is aligned with the nine principles of the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) notified by the Ministry of Corporate Affairs, Government of India.

Principles

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

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

Principle 3: Businesses should promote the wellbeing of all employees

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

Principle 5: Businesses should respect and promote human rights

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

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

Principle 8: Businesses should support inclusive growth and equitable development

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

Links to Policies:

Principle	Applicable Policy	Link to Policy
Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Anand Code of Conduct	https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Sustainability Policy	* Refer Note
Principle 3: Businesses should promote the wellbeing of all employees	Prevention of Sexual Harassment Policy (POSH)	https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	Corporate, Social Responsibility Policy	https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/
Principle 5: Businesses should respect and promote human rights	Whistle Blower Policy	https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/
Principle 6: Business should respect, protect, and make efforts to restore the environment	EHS Policy	* Refer Note
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Anand Code of Conduct	https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/
Principle 8: Businesses should support inclusive growth and equitable development	Corporate, Social Responsibility Policy	http://www.gabrielindia.com/investors/csr-policy.aspx
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner	Quality Policy	* Refer Note

* Note: Sustainability, EHS & Quality Policy are available on intranet for employees

Business Responsibility Report ('BRR')
[See Regulation 34(2) (f) of SEBI Listing Regulations]

Annexure I

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L34101PN1961PLC015735
2.	Name of the Company	GABRIEL INDIA LIMITED
3.	Registered address	29th Milestone, Pune-Nashik Highway Village Kuruli, Taluka Khed, Pune – 410501.
4.	Website	https://www.anandgroupindia.com/gabrielindia/
5.	E-mail id	secretarial@gabriel.co.in
6.	Financial Year reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	
	Sector	Manufacture of Shock absorbers, Struts and Front forks
	NIC Code	3748
	[As per National Industrial Classification Code 2008 – Ministry of Statistics and Programme Implementation]	
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	• Shock absorbers • Struts • Front forks
9.	Total number of locations where business activity is undertaken by the Company	(a) Number of International Locations : Nil (b) Number of National Locations – Chakan (Pune), Nashik, Dewas, Hosur, Khandsa, Parwanoo, Sanand, Malur, Aurangabad and Manesar
10.	Markets served by the Company	Local/State/National/International: National and International (Exports)

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	143.64 Mn
2.	Total Turnover (INR)	18543.14 Mn
3.	Total profit after taxes (INR)	847.08 Mn
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2%
5.	List of activities in which expenditure in 4 above has been incurred	Please refer Annexure B of Directors' Report.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? : No
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) : Not applicable
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] :

   Suppliers, distributors are critical to our operations and supply chain sustainability issues can impact our operations. We engage with suppliers through various channels for operational issues.

   VSME – a Supplier improvement Programme that enables Tier 1 & Tier 2 to work together to create tier relationship and develop Visionary SMEs. Objective of the VSME is to create mutual benefit for Original Equipment Manufacturers (OEM), Tier 1 and Tier 2 Suppliers.

   There are three basic principles of VSME:

   1) Do & Demonstrate
   2) Focus on Flow
   3) Snow Ball Effect

   The Company selects strategic suppliers for this improvement program every year in which suppliers undergo one-year module training programme on VMAPs, Heijunka Scheduling, Machine transformation and Quality transformation. After completion of one year, the suppliers become community member as per location.

   Company provide awareness on environmental and social issues to Suppliers and Vendors. The Company has circulated the checklist of compliances of various Statutory Laws and other Acts to the vendors for governing and auditing the compliances. Company have assigned Agencies to monitor the compliances.

   As of today 64% of Supplier partners have been covered under VSME initiative.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

1.	DIN Number	03553983
2.	Name	Mr. Manoj Kolhatkar
3.	Designation	Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	03553983
2	Name	Mr. Manoj Kolhatkar
3	Designation	Managing Director
4	Telephone number	02135 – 670161
5	e-mail id	secretarial@gabriel.co.in

2. Principle-wise (as per NVGs) BR Policy/policies

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
		Ethics, Transparency and Accountability	Sustainability	Sexual Harassment Policy	Stakeholder Relationship	Human Rights	Environment	Public Policy	Corporate Social Responsibility	Customer Relations
1	Do you have a policy/ policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any National / International standards? If yes, specify? (50 Words) The policies conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000, UNGC guidelines and ILO principles and meet the regulatory requirements such as SEBI Listing Regulations.	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Mandatory polices i.e Corporate Social Responsibility Policy, Whistle Blower Policy, Code of Conduct have been approved and adopted by the board and other polices are Internal Policies approved and adopted by the Management.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	-	Y	Y	-	-	-	Y	-
6	Indicate the link for the policy to be viewed online?	Please refer to the section on 'Links to Policies' forming part of BRR Document								
7	Has the policy been formally Communicated to all relevant internal and external stakeholders?	The policies have been communicated to all internal stakeholders i.e. Shareholders, Employees and other ground staffs. Anand Code of Conduct and other policies are communicated to suppliers, vendors and dealers based on their relevance.								
8	Does the Company have in-house Structure to implement the policy/ policies.	The Company has established in-house structures to implement these policies.								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The whistle blower mechanism provides employees to report any concerns or grievances pertaining to any potential or actual violation of Code of Conduct, which covers all principles of Business Responsibility Report. Any grievances and feedback related to the policies can be sent to secretarial@gabriel.co.in.								
10	Has the Company carried out Independent audit/ evaluation of the working of this policy by an internal or external agency?	The implementation of Code of Conduct and other policies are reviewed through functional heads and its status are submitted to the Board on regular intervals. The Quality, Safety & Health and Environmental policies are subject to internal and external audits as part of certification process.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task	Not Applicable								
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

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

- The CEO and senior management review the BR performance of the Company through their monthly review meetings. The action points that emerge from the discussions at these meetings are reviewed in subsequent meetings to ensure their closure.

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

- The BR Report is available as part of the Annual Report. The BR report is published annually. https://www.anandgroupindia.com/gabrielindia/investors/annual-reports/

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

1. Does the Policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   No.

   Our Polices related to ethics, bribery and corruption i.e. Anand Code of Conduct and Whistle Blower Mechanism not only covers the Company but it extends to the Group Companies, Suppliers and the public at large.

   For more details, refer to the 'Corporate Governance Report' part of the Annual Report for financial year 2019-20.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   Our Stakeholders include Investors, Customers, Employees, Clients, Statutory Authority, and Vendors.

   Status of complaints for financial year 2019-20

Number of complaints received during the financial year	187
Number of complaints satisfactorily resolved during the financial year	187
Number of complaints pending	Nil

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

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
   (a) Change over rom lead based paint to powder coating.
   (b) Elimination of use of Electricity and use of LPG for heating purpose for plating and powder coating
   (c) Provide solar powered street lamps with battery backup
   (d) Motion sensors in utility areas to conserve electricity.
   (e) Drive energy saving project through Core – 90 initiatives
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
   Company has focused a lot on reducing carbon footprint in manufacturing area. This is achieved by way of :
   - Reduced material consumption in components such as use of hollow strut rods.
   - Conversion from electrically operated equipment to Gas fired equipment.

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
   - Please refer details in Annexure C viz. 'Conservation of Energy and Green Technology' of the Directors' Report forming part of the Annual Report.
3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

   If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Sourcing of material for the product and indirect material required for manufacturing has continuously evolved with the concept of using only material which can be recycled. This starts with design and selection of raw material and manufacturing process with suppliers. The manufacturing process is selected and improved year on year to reduce energy and resource consumption.

   The Company has enabled consolidation of transportation requirements of various internal business divisions and achieving economies of scale. By following this process, the Company is not only able to reduce the transportation cost but also carbon footprint paving the way for a greener tomorrow.
4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The Company conducts various initiatives to improve the capacity and capability of local and small vendors, viz.:

   VSME:
   VSME is a Supplier improvement Programme that enables Tier 1 & Tier 2 Suppliers to work together to create tier relationship and develop Visionary SMEs. Objective of the VSME is to create mutual benefit for Original Equipment Manufacturers (OEM), Tier 1 and Tier 2 Suppliers.

   There are three basic principles of VSME:
   1) Do & Demonstrate
   2) Focus on Flow
   3) Snow Ball Effect

   The Company selects strategic Suppliers for this improvement program every year in which Suppliers undergo one-year module training programme on VMAPs, Heijunka Scheduling, Machine transformation and Quality transformation. After completion of one year the suppliers become community member as per location.

Supplier Capability Up-gradation:

The Company drives multiple initiatives across Supplier Base to enhance the capability of suppliers in terms of quality, delivery, technology, EHS, etc. aspects. Every year the Company identify a list of 18-20 suppliers who are critical to the Company's business and need up-gradation in terms of Quality. (including local vendors). These suppliers are identified for each Company's Plant based on last year performance levels like rejections, incidents at the Company's Plant, Audit rating, Customer complaints, Vendor rating and future potential constraints to meet the Company's requirements. Out of the twelve Suppliers identified for up-gradation, nine Suppliers improved their capability.

Management by Fact (MBF):

Supplying Products with Zero Defect to customers is one of the key enablers of the Company to achieve Customer Satisfaction. Overall quality of our Shock Absorbers also depends on the parts received by our Supplier Partners. Therefore, receiving Zero Defect parts from our Suppliers is a key focus area. To attain the Zero Defect at Supplier end, the Company has initiated MBF (Manage By Fact) approach which is a Problem-Solving Methodology with focus on Elimination of Defect. Fifteen number of Defects have been eliminated from the system and so far fifteen Suppliers are covered under MBF initiative.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   Yes, the Company has a mechanism to recycle waste at > 10%. At few Company's Plant locations, waste generated from one process are recycled and used in the other process of manufacturing.

Principle 3: Businesses should promote the wellbeing of all employees

1.	Please indicate the Total number of employees	3684
2.	Please indicate the Total number of Employees hired on temporary/ contractual/Casual basis	1263
3.	Please indicate the Number of permanent Women employees	470
4.	Please indicate the Number of permanent Employees with disabilities	3
5.	Do you have an employee association that is recognized by management?	Yes, We have employees Association at Plants located at Nashik and Dewas
6.	What percentage of your permanent employees is members of this recognized employee association	10%
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	

No.	Category	No. of complaints Filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced Labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8.	What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?	89%
	(a) Permanent Employees	95%
	(b) Permanent Women Employees	
	(c) Casual/Temporary/ Contractual Employees	>80%
	(d) Employees with Disabilities	100%

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

1. Has the Company mapped its internal and external stakeholders? Yes/No

   Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations. Individual departments within the organization have roles and responsibilities identified and defined to engage with various stakeholders:

   (1) Employees and their families

   (2) Local community and society

   (3) Environment and regulatory authorities

   (4) Customers and their families

   (5) Shareholders and investors

   (6) Dealers, suppliers and other business partners

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

   The Company has identified the following vulnerable sections:

   (1) Local community

   (2) Economically disadvantaged sections of the society

   (3) Employees and their families

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   For the local community at the respective Plant locations, the Company has taken initiatives for improvement of quality of Education, Village Sanitation Rural development, etc, through various Corporate Social Responsibility.

   For economically disadvantaged sections of the society, the Company is promoting vocational skills, Slum development, Human and Veterinary Health, Skill development programmed for women under various CSR activities.

   (For more details refer Annexure B – I and II of the Directors' Report forming part of the Annual Report)

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others ?

   Company does not have a separate Human Rights Policy. Aspects of human rights such as child labour, forced labour, occupational safety, Prevention of Sexual Harassment, Non-discrimination, Health and Safety of the employees, associates, customers and societies are covered by its various Internal Human Resource Policies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   The Company received 187 stakeholder's complaint in the financial year 2019-20. All such complaints were satisfactorily resolved.

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

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?

   Protection of the environment ranks high among Company's corporate goals and as a responsible corporate citizen, the Company is committed to putting a specific policy in place to ensure to take definite steps to protect the environment. The Company has implemented the Consolidated Environment, Health and Safety Policy for all its plants. Policy is placed across the campus of the respective Plants. The Company have received ISO 14001:2004 and OHSAS 18001 certification for its Plant locations in India. The Company's objectives and targets have been documented at the corporate and development center levels and are monitored and tracked at regular intervals.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Yes, the Company has taken initiatives. Innovative technologies are used to reduce the impact on the environment. Company has achieved year on year reduction in consumption of electric power. Steps taken by the Company are as under:

   - Reducing electricity cost and reducing carbon footprint.
   - Installation of various types of solar panels at few plants to reduce CO2 Consumption.
   - Installation of energy efficient hot water generator to mitigate the climate change and global warming
   - Use of LED Lightning technology at Company's Plants

   Note : Sustainability, EHS & Quality Policy are available on intranet for employees.

3. Does the Company identify and assess potential environmental risks? Y/N

   Yes, the potential environmental risks are identified and evaluated using a tool to determine the identified aspects. In case of significant risks appropriate controls are established to minimize the impact on environment. The Company has EHS Policy and the ISO standards which identify the risks and guides the efforts in managing environmental impacts of our operations.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes.

   Note : Sustainability, EHS & Quality Policy are available on intranet for employees.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?

   Yes, the emissions/ waste generated by the Company are monitored within the permissible limits.

   The Company conducts regular audits at the locations where the wastes are disposed to ensure it is treated and disposed in a scientific manner with minimum impact on the environment.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

   Nil

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

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   Yes, as an industry influencer, we are part of global and local associations. We forge strategic partnerships with industry bodies and consortiums.

   The major ones during financial year 2019-20 was 'Automotive Component Manufactures Association of India'.

2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes.

   Economic Reforms

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.

   Our corporate social responsibility supports inclusive growth of not only communities where we have our operations, but also encompasses the overall development of societies and human capabilities. From uplifting the poorest sections of the society through the SNS Foundation, Company promote improvement of quality of Education, Village Sanitation Rural development, vocational skills, Slum development, Human and Veterinary Health, Skill development programmed for women. The Company continue to strive towards inclusive growth and community development. The Company has a three members CSR Committee of the Board. The Company's CSR Policy has been approved by the CSR Committee and the Board. The CSR programmes are clearly mentioned in the CSR policy.

   For more details refer Annexure B of the Directors' Report forming part of the Annual Report 2019-20.

2. Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?

   The Company undertakes its CSR activities through own foundation – 'SNS Foundation'.

3. Have you done any impact assessment of your initiative?

   Yes

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   Details of the projects and the contribution made are given in Annual Report on CSR Activities enclosed as Annexure 'B' of Directors Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   The Company ensures that its presence is established right from the commencement of the initiatives. The Company has extensive engagement with various stakeholders. The feedback from the stakeholders is analyzed and actions thereon are taken. The same is also reported to the Corporate Social Responsibility Committee of the Board from time to time.

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

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

   Nil

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

   No

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   Nil

4. Did your Company carry out any consumer survey/ consumer satisfaction trends

   Yes, consumer survey/ consumer satisfaction trends are carried out annually to obtain feedback on quality, design, response, cost competitiveness etc.

Independent Auditor's Report

To the Members of,
GABRIEL INDIA LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying financial statements of Gabriel India limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and loss (including Other comprehensive income), Statement of changes in equity and Statement of cash flows 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 act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, 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 ("the Act"). 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 act 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.

Emphasis of Matter

We invite attention to Note No. 49 to the financial statements, regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financial statements, including provision for impairment of financial assets for the year ended March 31, 2020 and also the future impact on supply chains and consumer demand. This assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods. The impact, therefore, in future periods may be different from the estimates made as on the date of approval of these financial results. Our opinion is not modified in respect of this matter.

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.

Key Audit Matters	Response to Key Audit Matters
Revenue recognition Revenue is measured at the fair value of the consideration received or receivable as reduced by estimated customer returns, rebates, discounts and other similar allowances. Accumulated experience is used to estimate and provide for the discounts and returns. the volume discounts are assessed based on anticipated sales. Further, timing of revenue recognition is dependent on the shipping terms agreed with customers in relation to passing of risk and rewards of ownership. The application of the new revenue accounting standard (Ind AS 115) involves significant judgements/material estimates relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.	Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • Understanding the policies and procedures applied to revenue recognition, as well as compliance therewith, including an analysis of the effectiveness of controls related to revenue recognition processes. • Analysing and discussing with management significant contracts including contractual terms and conditions related to discounts, incentives, and rebates. • Selected a sample of continuing and new contracts and performed the following procedures: a. read, analysed and identified the distinct performance obligations in these contracts. b. compared such performance obligations with that identified and recorded by the Company.

Key Audit Matters	Response to Key Audit Matters
Reference: Refer notes 1.2.8 to the Financial Statements.	c. reviewed contracts terms to determine the transaction price including any variable consideration to determine the appropriate transaction price for computing revenue and to test the basis of estimation of the variable consideration. • Performing operations cut-off procedures for a sample of revenue transactions at year end in order to conclude on whether they were recognized at the moment the related goods or services actually took place. • Analysing other adjustments and credit notes issued after the reporting date. Performing analytical procedures on entries in the ledger related to revenue.
Recording of price variation in respect of customer and vendor agreements requires evaluation of contractual terms and estimation of amounts to be recognised as revenue and cost of purchases Contracts with customers and vendors contain clauses that require variation in prices of materials to be passed on to the customer and vendors. Further, price variations may be subject to negotiations with customers and vendors. Management is required to analyse terms of contracts and assess the quantum and likelihood of such price variations to be passed on to customers or claimed by vendors. Reference: Refer notes 1.2.8 (1) and 1.2.16 (1) to the Financial Statements.	Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • Understanding the policies and procedures applied to recognition of revenue and purchase costs due to price variations including an analysis of the effectiveness of controls related to revenue recognition processes. • Read agreements with customers and vendors to evaluate terms relating to price variation. Tested the computation of provision for price variation recorded by the Company as at the end of the financial year for completeness.

Information Other than Ind AS Financial Statements and Auditor's Report thereon

The Company's board of directors is responsible for the other information. The other information comprises the information included in Company's board report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information 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 and Those Charged with Governance for the Financial Statements

The Company's board of directors is responsible for the matters stated in section 134(5) of 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 of 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those board of directors are 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 standard on auditing 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 standard on auditing, 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 act, 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.

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 act, 2013, we give in the "Annexure-B", a statement on the matters specified in paragraphs 3 and 4 of the 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 purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and loss, 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 as at March 31, 2020 taken on record by the board of directors, none of the directors are disqualified as at March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

(g) With respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Indian Accounting Standards financial statements.

ii. The Company has made provision, as required under the applicable law or Indian Accounting Standard for material foreseeable losses, if any, on long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B.K. Khare & Co.**
Chartered Accountants
Firm's registration no. 105102W

Ravi Kapoor
Partner
Membership no. 040404
UDIN : 20040404AAAAEJ8826
Mumbai, May 19, 2020

Annexure "A" to the Independent Auditor's Report of Even Date on the Financial Statements of Gabriel India Limited

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of Gabriel India Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 issued by the Institute of Chartered Accountants of India ("the 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 over financial reporting 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 over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that:

i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii. 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

iii. 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting 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 issued by the ICAI.

For B.K. Khare & Co.
Chartered Accountants
Firm's registration no. 105102W

Ravi Kapoor
Partner
Membership no. 040404
UDIN : 20040404AAAAEJ8826
Mumbai, May 19, 2020

Annexure "B" to the Independent Auditor's Report of Even Date on the Financial Statements of Gabriel India Limited

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1) i. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment properties.

ii. The Company has a regular programme of physical verification of its property, plant and equipment and investment properties by which the property, plant and equipment and investment properties are verified by the management according to a phased programme designed to cover all the items over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment and investment properties during the year and no discrepancies were noticed in respect of assets verified during the year.

iii. According to the information and explanations given by the management and the records examined by us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

2) The inventory has been physically verified by the management during the year. in our opinion, the frequency of verification is reasonable. No material discrepancies were noted on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2020 and no material discrepancies were noticed in respect on such confirmations.

3) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the act.

4) According to information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees or securities and accordingly reporting under clause (iv) of CARO 2016 is not applicable to the Company.

5) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 73, 74, 75 and 76 or any other relevant provisions of the act and the rules framed there under to the extent notified with regard to deposits accepted from the public. According to the information and explanations given to us, no order has been passed by NCLT or Reserve Bank of India or any court or tribunal on the Company in respect of aforesaid deposits.

6) The Central Government has not specified the maintenance of cost records under sub-section (1) of the Section 148 of the Act for any of the products/Services rendered by the Company.

7) According to the information and explanation given to us, in respect of statutory dues:

i. The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State insurance, Income-tax, Goods and Services tax, customs duty and other material statutory dues applicable to it to the appropriate authorities.

ii. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Goods & Service Tax, Sales tax, Service tax, Customs duty, Excise duty, Value Added Tax (VAT), Cess and other material applicable statutory dues as at March 31, 2020 for a period of more than six months from the date they become payable.

iii. According to the information and explanations given to us and records of the Company examined by us, particulars of dues of Income Tax, Goods & Service Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax and Cess which have not been deposited as on March 31, 2020 on account of disputes are as under:

Name of the Statute	Nature of Dues	Amount involved (₹ Millions)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	4.43	FY 2016-17	Appellate Authority Upto Commissioner's / Revisionary Authorities level
		1.35	FY 2011-14	Appellate Authority-
		43.59	FY 2003-07	Appellate Authority- Tribunal
		49.88	FY 2015-18	Appellate Authority- Upto Commissioner's / Revisionary Authorities level

Name of the Statute	Nature of Dues	Amount involved (₹ Millions)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act and Local Sales tax	Sales Tax and VAT	34.06	FY 2008-17	Appellate Authority- Upto Commissioner's / Revisionary Authorities level
		2.43	FY 2004-07	Appellate Authority- Tribunal
	Entry Tax	14.53	FY 2011-18	High Court
Service Tax (Finance Act, 1994)	Service Tax	9.26	FY 2005-18	Appellate Authority- Tribunal
Income Tax Act, 1961	Income Tax	12.26	FY 2008-12	High Court
		7.23	FY 2011-12	ITAT
		2.68	FY 2013-14	CIT(A)
		4.31	FY 2016-17	CIT(A)
	Income Tax-TDS	0.01	FY 2008-17	Income Tax Officer

8) On the basis of examination of relevant records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. The Company does not have any loan/dues towards any financial institution or debenture holders or government.

9) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or no material fraud on the Company by its officers or employees, nor have any instances of material fraud been reported to us by the management during the year.

11) According to the information and explanations given to us and based on our examination of records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the provisions of section 197 read with schedule V to the act.

12) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company and the Nidhi rules, 2014 are not applicable to it, accordingly reporting under clause (xii) of CARO 2016 is not applicable to the Company.

13) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes to the IND AS financial statements as required by the applicable Indian accounting standards.

14) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and accordingly reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

15) Based on the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the act, are not applicable.

16) According to the information and explanation given to us, the provisions of section 45-1 of the Reserve Bank of India act, 1934 are not applicable to the Company. accordingly reporting under clause (xvi) of CARO 2016 is not applicable to the Company.

For **B.K. Khare & Co.**
Chartered Accountants
Firm's registration no. 105102W

Ravi Kapoor
Partner
Membership no. 040404
UDIN : 20040404AAAAEJ8826
Mumbai, May 19, 2020

Balance Sheet as at 31st March 2020

(Amt in ₹ Million)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A. ASSETS			
Non Current Assets			
(a) Property, plant and equipment	2	3,444.17	2,954.80
(b) Capital work-in-progress	2	196.11	537.89
(c) Investment Property	3	21.91	22.30
(d) Intangible assets	2	20.25	29.50
(e) Financial assets			
i) Investments	4	0.38	0.38
ii) Loans	5	13.20	13.62
iii) Other financial assets	6	571.52	74.21
(f) Non-current Tax assets (net)	7	304.62	278.54
(g) Other non current assets	8	104.76	57.82
		4,676.92	3,969.06
Current Assets			
(a) Inventories	9	1,561.07	1,652.97
(b) Financial assets			
i) Investments	10	351.44	468.49
ii) Trade receivables	11	2,332.81	2,843.03
iii) Cash and cash equivalents	12	8.42	47.82
iv) Bank Balances other than iii) above	13	558.18	437.83
v) Loans	14	4.49	4.15
vi) Other financial assets	15	38.99	32.17
(c) Other current assets	16	200.72	236.00
		5,056.12	5,722.46
Total Assets		9,733.04	9,691.52
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	17	143.64	143.64
(b) Other Equity	18	6,374.16	5,756.36
		6,517.80	5,900.00
Non-Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	19	78.23	69.82
ii) Other Non Current Financial Liabilities	20	55.49	49.39
(b) Provisions	21	121.55	125.20
(c) Deferred tax liabilities (net)	22	80.15	190.87
		335.42	435.28
Current Liabilities			
(a) Financial Liabilities			
i) Trade payables	23		
:- Total Outstanding dues of micro, small and medium enterprises		15.78	30.04
:- Total Outstanding dues of creditors other than micro, small and medium enterprises		2,176.52	2,580.35
ii) Other financial liabilities	24	470.59	501.71
(b) Other current liabilities	25	74.53	80.85
(c) Provisions	26	142.40	163.29
		2,879.82	3,356.24
Total Equity and Liabilities		9,733.04	9,691.52
Significant Accounting Policies	1		
Notes to Accounts	2-50		
The accompanying notes are an integral part of these financial statements			

In terms of our report attached.

For B.K. Khare & Co
Chartered Accountants
Firm Registration No. 105102W

For and on behalf of the Board of Directors

RAVI KAPOOR
Partner
Membership No. 040404

ANJALI SINGH
Chairperson
DIN No. 02082840

MANOJ KOLHATKAR
Managing Director
DIN No. 03553983

RISHI LUHARUKA
Chief Financial Officer

NILESH JAIN
Company Secretary

Place : Pune
Date : 19 May 2020

Statement of Profit and Loss for the year ended 31st March 2020

(Amt in ₹ Million)

S. NO.	Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
	Income			
I.	Revenue from Operations	27	18,699.62	20,764.63
II.	Other income	28	96.98	92.41
III.	**Total Income (I+II)**		**18,796.60**	**20,857.04**
IV.	Expenses			
	Cost of material consumed	29a	13,499.49	14,910.95
	Purchases of stock-in-trade (traded goods)	29b	235.04	198.14
	Changes in inventories of finished goods, work-in-progress and stock-in-trade (increase)/decrease	29c	(37.58)	(38.61)
	Employee benefit expenses	30	1,553.48	1,540.48
	Finance costs	31	35.80	29.34
	Depreciation and amortisation expense	32	436.47	410.57
	Other expenses	33	2,071.20	2,375.64
	Total expenses (IV)		**17,793.90**	**19,426.51**
V	**Profit before tax (I-IV)**		**1,002.70**	**1,430.53**
VI	Tax expense:			
	Current tax expense for the year	34	272.39	449.94
	Tax expense charge / (credit) relating to prior years		(1.62)	12.81
	(Less) : MAT credit entitlement		-	-
	(1) Current tax		270.77	462.75
	(2) Deferred tax	34	(115.15)	17.90
	Total tax expense (1+2)		**155.62**	**480.65**
VIII	**Profit for the year (V-VI)**		**847.08**	**949.88**
IX	Other comprehensive income			
	Items than will not be reclassified to profit and loss -			
	Remeasurement of post-employment benefit obligations	41	(12.52)	(18.04)
	Income tax relating to above	34b	3.15	6.30
	Items that will be reclassified subsequently to profit or loss		-	-
	Fair value changes on derivative designated as cash flow hedges	18	30.12	(55.08)
	Income tax relating to above	34b	(7.58)	19.19
	Total other comprehensive income for the year, net of tax		**13.17**	**(47.63)**
X	**Total comprehensive income for the year (VIII - IX)**		**860.25**	**902.25**
XI	Earnings per share (of ₹1/- each):			
	Basic / Diluted (₹)	46	5.90	6.61
	Face value per share (₹)		1.00	1.00
	Significant Accounting Policies	1		
	Notes to Accounts	2-50		
	The accompanying notes are an integral part of these financial statements			

In terms of our report attached.

For **B.K. Khare & Co**
Chartered Accountants
Firm Registration No. 105102W

For and on behalf of the Board of Directors

RAVI KAPOOR
Partner
Membership No. 040404

ANJALI SINGH
Chairperson
DIN No. 02082840

MANOJ KOLHATKAR
Managing Director
DIN No. 03553983

RISHI LUHARUKA
Chief Financial Officer

NILESH JAIN
Company Secretary

Place : Pune
Date : 19 May 2020

Statement of Changes in Equity for the year ended 31st March 2020

A. Equity share capital

Particulars	Note No.	(Amt in ₹ Million)
As at March 31, 2018	17	143.64
Changes in equity share capital		-
As at March 31, 2019		143.64
Changes in equity share capital		-
As at March 31, 2020		143.64

B. Changes in other equity

(Amt in ₹ Million)

Particulars	Note No.	Attributable to owners of Gabriel India Limited				
		Reserves and Surplus			Effective portion of cash flow hedges	Total other equity
		Securities Premium	General reserve	Retained earnings		
Balance As at March 31, 2018	18	271.77	387.57	4,425.35	20.52	5,105.21
Profit for the year		-	-	949.88	-	949.88
Remeasurement gain/(loss) on defined benefit plan (net of tax)		-	-	(11.74)	-	(11.74)
Effect of foreign exchange rate variations on hedging instrument outstanding (net of tax)		-	-	-	(35.89)	(35.89)
Total comprehensive income for the year		-	-	938.14	(35.89)	902.25
Transactions with owners in their capacity as owners:		-	-	-	-	-
Dividend paid (including dividend distribution tax)		-	-	251.10	-	251.10
Balance As at March 31, 2019		271.77	387.57	5,112.39	(15.37)	5,756.36
Profit for the year		-	-	847.08	-	847.08
Remeasurement gain/(loss) on defined benefit plan (net of tax)		-	-	(9.37)	-	(9.37)
Effect of foreign exchange rate variations on hedging instrument outstanding (net of tax)		-	-	-	22.54	22.54
Total comprehensive income		-	-	837.71	22.54	860.25
Transactions with owners in their capacity as owners:		-	-	-	-	-
Amount credited to opening reserve due to decognition of financial asset		-	-	-	-	-
Dividend paid (including dividend distribution tax)		-	-	242.45	-	242.45
Balance As at March 31, 2020		271.77	387.57	5,707.65	7.17	6,374.16

In terms of our report attached.

For **B.K. Khare & Co**
Chartered Accountants
Firm Registration No. 105102W

RAVI KAPOOR
Partner
Membership No. 040404

Place : Pune
Date : 19 May 2020

For and on behalf of the Board of Directors

ANJALI SINGH
Chairperson
DIN No. 02082840

MANOJ KOLHATKAR
Managing Director
DIN No. 03553983

RISHI LUHARUKA
Chief Financial Officer

NILESH JAIN
Company Secretary

Statement of Cash Flow for the year ended 31st March 2020

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities:		
Profit before tax	1,002.70	1,430.53
Adjustments for:		
Depreciation and amortisation and impairment	436.47	410.57
(Profit) / Loss from sale of assets	(6.74)	1.58
Finance costs	35.80	29.34
Interest income	(43.73)	(34.55)
Profit on sale of investment and mutual funds	(22.74)	(33.08)
Foreign exchange (gain) / loss	(0.14)	(63.28)
Dividend income	(0.04)	(0.03)
Operating profit / (loss) before working capital changes	**1,401.58**	**1,741.08**
Changes in working capital:		
Adjustments for (increase) / decrease in Operating assets:		
Non-current loans	0.42	0.94
Other non-current financial assets	(70.31)	(10.98)
Other non-current assets	2.67	2.68
Inventories	91.90	(162.26)
Trade receivables	504.85	(46.22)
Other current financial assets	(2.50)	54.83
Other current assets	35.28	(15.24)
Adjustments for (increase) / decrease in Operating liabilities		
Non current provisions	(3.65)	8.07
Trade payables	(417.96)	23.32
Other current financial liabilities	(22.31)	(3.07)
Other current liabilities	(6.32)	(40.46)
Current Provisions	(15.49)	(3.14)
Cash generated from operations	**1,498.16**	**1,549.55**
Deferred tax effect		
Income taxes paid	(296.84)	(621.29)
Net cash flow from / (used in) operating activities (A)	**1,201.32**	**928.26**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment & intangible Assets	(904.28)	(437.04)
Decrease / (increase) in Capital work in progress	341.78	(410.16)
Proceeds from sale of property, plant and equipment	18.35	5.56
Decrease / (increase) in Capital advances	(50.01)	(6.65)
Decrease/ (increase) in Other bank balances	(547.34)	(117.37)
Interest received	39.06	30.70
Dividend received	0.04	0.03
Proceeds from sale/ (Purchase) of investment	140.18	186.30
Net cash flow from / (used in) investing activities (B)	**(962.22)**	**(748.63)**

Statement of Cash Flow for the year ended 31st March 2020

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
C. Cash flow from financing activities		
Proceeds / (Repayment) of long term borrowings	(0.63)	(3.88)
Proceeds / (Repayment) fixed deposits from public	(0.07)	(27.76)
Interest paid	(35.80)	(31.03)
Dividend paid	(200.65)	(205.86)
Dividend distribution tax paid	(41.35)	(42.82)
Net cash flow from / (used in) financing activities (C)	(278.50)	(311.35)
Net Increase in Cash & Cash Equivalents (A+B+C)	(39.40)	(131.72)
Cash and cash equivalents as at the beginning of the year	47.82	179.54
Cash and cash equivalents as at the end of the year	8.42	47.82
Cash and cash equivalents consists of:		
Cash-in-Hand	-	-
In Current Accounts	8.42	47.82
Fixed deposit maturing within 3 months	-	-
	8.42	47.82
Non cash financing and investing activities		
EPCG License duty saved on acquisition of imported assets	(55.49)	(49.39)
Proceeds from Long Term Borrowing includes non cash item pertaining to acquisition of property, plant and equipment by means of Right of Use (Printer Lease Gross Value ₹2.00 million. & Other Leases Gross Value ₹27.91 million)	(29.91)	

Notes:

1 Above cash flow statement has been prepared under indirect method in accordance with the Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows

2 Figures in brackets indicate cash outgo.

In terms of our report attached.

For **B.K. Khare & Co**
Chartered Accountants
Firm Registration No. 105102W

RAVI KAPOOR
Partner
Membership No. 040404

Place : Pune
Date : 19 May 2020

For and on behalf of the Board of Directors

ANJALI SINGH
Chairperson
DIN No. 02082840

MANOJ KOLHATKAR
Managing Director
DIN No. 03553983

RISHI LUHARUKA
Chief Financial Officer

NILESH JAIN
Company Secretary

Notes to Financial Statements

General Information

Gabriel India Limited (the "Company") offers ride control products catering to all segments in the automotive industry. The Company is domiciled in India and is listed on Bombay Stock exchange and National Stock Exchange of India.

The financial statements are approved for issue by the Company's Board of Directors on 19th May 2020

1 Significant accounting policies

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

1.1. Basis of preparation, measurement and transition to Ind AS

1.1.1. Basis of preparation

The financial statements have been prepared taking into consideration all material aspects with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015, as amended] and the other relevant provisions of the Act.

1.1.2. Basis of measurement

The financial statements have been prepared on a historical cost convention except for the following.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value
- Defined benefit plans – plan assets measured at fair value.

1.2. Summary of significant accounting policies

1.2.1. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current and non-current classification of assets and liabilities.

Notes to Financial Statements

1.2.2. Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

1.2.3. Foreign currencies

1. Functional and presentation currency

The functional and presentation currency of the Company is Indian rupee.

2. 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 generally recognised in statement of profit or loss unless they are relating to qualifying cash flow hedges in which case they are deferred in equity.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

1.2.4. Property, plant and equipment

1. Initial Recognition

Property, plant & equipment are stated at cost of acquisition less accumulated depreciation / amortization and impairment loss, if any. All costs directly relating to the acquisition and installation of assets are capitalised and include borrowing costs relating to funds attributable to construction or acquisition of qualifying assets, up to the date the asset / plant is ready for intended use.

Certain assets which are internally developed, all the incidental costs directly attributable to such machinery are capitalized.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodies within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized.

The cost for day-to-day servicing of property, plant and equipment are recognized in Statement of Profit and Loss as and when incurred.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation.

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 derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2. Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment which will be depreciated over its remaining useful life.

3. Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Part C of Schedule II of the Companies Act, 2013 except in respect

Notes to Financial Statements

of certain assets listed below where the useful life is estimated different from prescribed rate based on internal assessment or independent technical evaluation carried out by external valuers. The Management believes that the useful lives as given below represent the period over which management expects to use these assets

Asset Class	Estimated Useful Life (No. of Years)	Specified Useful Life in Schedule II (No. of Years)
Building **	60	60
Factory Building	30	30
Investment Property	60	60
Roads/Fences-Wells-Tube Wells	3-8	5
Material Handling Equipment	1-15	15
Plant & Machinery*	1-15	15
Air Conditioner	5-8	10
Furniture & Office Equipments	3-8	10
Computer Hardware	1-3	1-3
Servers	6	6
Vehicle	3-8	8

** Components pertaining to Building in nature ancilliaries like Flooring, Liaisoning works etc. has estimated life other than 30 years and 60 years

*Electrical installations and Equipments are included in Plant and Machinery

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

Tools, dyes and moulds are depreciated over their estimated economic life determined on the basis of their usage or under straight line method in the manner specified in schedule II.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Assets less than ₹5000 are fully depreciated in the year of acquisition.

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 disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

1.2.5. Investment properties:

1. Classification and Measurement

Property that is held for rental income and that is not occupied by the Company, is classified as investment property. Investment properties are measured initially at cost, including related transaction cost. It is carried at cost less accumulated depreciation.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Land is carried at historical cost, however, buildings are depreciated using the written down value method over their estimated useful lives as mentioned in note reference no. 3.

Notes to Financial Statements

Investment properties are depreciated using 'Straight Line Method' over the estimated useful life of the assets, based on the technical evaluation performed by the management's expert.

Useful Life of Investment properties is estimated at 60 years

1.2.6. Intangible assets

1. Initial Recognition

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. Expenditure on the development costs is recognised only when criteria for recognition is met.

2. Amortization methods and periods

The amortization period and the amortization method for an intangible asset is reviewed at least at the end of each reporting period. The amortization expense on intangible assets is recognized in the statement of profit and loss.

The company amortizes intangible assets with a finite useful life using the straight-line method, commencing from the date the asset is available to the Company.

Estimated useful lives are as under:-

Asset Class	Estimated Useful Life (No. of Years)
Computer software	6
Technical Knowhow	6 or period of agreement whichever is lower

1.2.7. Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of raw materials and traded goods 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 include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable 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.

1.2.8. Revenue Recognition

1. Initial Recognition

Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard is applicable w.e.f 1st April 2018. Revenue is measured at the fair value of the consideration received or receivable. Core principle to recognise the revenue on transfer of goods and services i.e.Sales is recognised Revenue is reduced for estimated customer returns, rebates and other similar allowances.

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

Notes to Financial Statements

Revenue from operation excludes Goods & Service Tax

a) Sale of goods

i) Timing of recognition:

- Sales are recognised when control parameters as laid down in Ind AS 115 are satisfied. Control means customer has accepted the product, legal title has been transferred, transfer of significant risk and rewards, right to receive the payment and transfer of physical possession
- Sales are recognised at a point in time or overtime based on the revenue recognition standard
- Sales are recognised at point in time or over time as per the Ind AS

ii) Measurement of revenue:

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

Any change resulting in increase or decrease in estimated revenue or cost are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by Management.

Transaction price is the amount of consideration expected to be entitled to in exchange for transferring of goods and services excluding the amount collected from third party.

Revenue from sales is based on the price specified in the sales contracts, net of the estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases.

No element of financing is deemed present as the sales are made with an average credit term of 45-60 days, which is consistent with market practice.

b) Sale of services

i) Timing of recognition:

Revenue from rendering of services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method).

Job-work revenues are accounted as and when such services are rendered

ii) Measurement of revenue:

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change.

are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

c) Modification of Transaction price

Contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. Contract modification are accounted based on the prospective accounting and cumulative catch up.

An entity accounts for a modification as a separate contract, if both the scope increases due to the addition of 'distinct' goods or services and The price increase reflects the goods' or services' stand-alone selling prices under the circumstances of the modified contract.

Notes to Financial Statements

Contract modification is treated accounted under cumulative catch up based on the fulfilment of conditions as specified in the Ind AS.

d) Interest income

Interest income from debt instruments is recognised using the effective interest rate method as per Ind AS 109. 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.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) Dividend

Dividends are recognised in profit or 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.

f) Other Operating Income

Benefit on account of entitlement of import of goods free of duty under the "Duty Entitlement Pass Book" (DEPB Scheme) and "Merchandise Export Incentive Scheme" under Duty Exemption Scheme is accounted in the year of export, if the entitlements can be estimated with reasonable assurance and condition precedent to claim are fulfilled as per Ind AS 20.

A government grant is not recognised until there is reasonable assurance that the entity will comply with the conditions attaching to it, and that the grant will be received. Accounting of grant in the nature of subsidy/revenue is on the basis of Income approach.

1.2.9. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value.

1. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

2. Financial Assets

a) Classification

On initial recognition the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset

b) Initial Recognition & Measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or

Notes to Financial Statements

convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset

c) Financial Assets at amortised cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets are held to collect (HTC Business Model) contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/income in the Statement of Profit or Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

d) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

e) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

f) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

a) The rights to receive cash flows from the asset have expired, or

b) The Company has transferred its rights to receive cash flows from the asset or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

g) Impairment of financial assets (Other than Fair Value)

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. For trade receivables only, Company performs credit assessment for customers on an annual basis. Company recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than twelve months.

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3. Equity investments

   All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income

   subsequent changes in the fair value. The Company makes such an election on an instrument-by-instrument basis, at initial recognition and is irrevocable.

   If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on the sale of the investment. However, the Company may transfer the cumulative gain or loss within equity.

   Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in Statement of profit and loss.

4. Financial liabilities

   1. Classification

      The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss

   2. Initial Recognition

      a) Financial Liabilities at amortised cost

         Financial liabilities are measured at amortised cost using the effective interest method.

      b) Initial recognition and measurement

         Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

         All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

         Terms of trade payables i.e. non-interest bearing and generally settled in 30 to 60 days to be included.

      c) Subsequent measurement

         The measurement of financial liabilities depends on their classification, as described below:

      d) Financial liabilities at fair value through profit or loss (FVTPL)

         Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

5. Loans and borrowings

   After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate Method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the Effective Interest Rate Method amortization process.

   Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. The Effective Interest Rate amortization is included as finance costs in the statement of profit and loss.

Notes to Financial Statements

6. Offsetting of 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 realize 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.

7. Embedded derivatives

   If the hybrid contract contains a host that is a financial asset within the scope Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

   Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss.

   These embedded derivatives are measured at fair value with changes in fair value recognised in Consolidated Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

8. Derivative financial instruments and hedging activities

   a) Classification

      The Company uses derivative financial instruments, such as foreign exchange forward contracts in to manage its exposure to interest rate and foreign exchange risks.

   b) Initial Recognition

      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 accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

      The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of underlying assets or liabilities or firm commitments.

      The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

      The full fair value of a hedging derivative is classified as a non-current Financial asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current Financial asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current Financial asset or liability.

   c) Cash flow hedges that qualify for hedge accounting

      The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit or loss.

   d) Designation of Hedging Instrument:

      The Company uses forward contracts to hedge exposure to foreign currency forecast transactions and firm commitment. The Company designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective

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portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When the hedged forecast transaction results in the recognition of a non-financial asset the amounts accumulated in equity are transferred to the initial carrying amount of non-financial asset or liability.

When a hedging instrument expires or is sold or terminated or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to Statement of profit and loss.

1.2.10. 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 attached conditions.

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

Government grant received, whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets is accounted for as deferred income. As prescribed in the EPCG scheme, the grant received is to compensate the import cost of assets subject to an export obligation and recognition of grant in the statement of profit and loss will be linked to fulfilment of associated export obligations

Changes in the rationale of deferred income is reviewed every year.

1.2.11. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares or stock options are recognized as a deduction from equity, net of any related income tax effects.

1.2.12. Taxation

1. Initial Recognition

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

2. Current income-tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

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3. Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. 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 and deferred tax is recognised in Statement of profit and 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.

The Company recognizes interest levied and penalties related to income tax assessments in income tax expenses.

1.2.13. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.2.14. Leases

1. Initial Recognition

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

2. Company as a lessee

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option 'on lease by lease basis'. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the

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option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Accounting

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" in respect of lease contracts outstanding on April 1,2019 using modified retrospective method and has opted to measure Right-of-use asset at an amount equal to present value of lease liability outstanding on the date of initial application adjusted for any outstanding lease payment related to that lease recognised before that date. Accordingly, company has not restated comparative information.

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.

Right of use Assets are classified as Assets and liability and Finance cost is charged over profit or loss over Lease period so as to produce a constant periodic rate of interest on the remaining balance of liability for each period over the lease tenor. Right of use assets are valued at Present value of Minimum lease payment for Lease tenor.

3. Company 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.

1.2.15 Impairment of assets- Non Financial Assets

Tangible and intangible assets Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

1.2.16 Provisions and Contingent Liability

1. Recognition

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions (excluding retirement benefits

Notes to Financial Statements

and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and 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 the 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.

2. Product warranty expenses

The estimated liability for product warranties is accounted when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

1.2.17. Employee benefits

1. 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.

2. 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.

3. Gratuity obligations

The Company operates defined benefit plan for its employees viz. Gratuity. 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 denominated in INR 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 finance costs 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.

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4. 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.

1.2.18. Earnings per share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share.

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

Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the authorization for issue of the financial statements by the Board of Directors.

1.2.19. Dividend

The Company recognizes a liability to make cash or non -cash distribution to equity shareholders when the distribution is authorised. on the date of approval by the shareholders.

1.2.20. Segment reporting

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of the Company assesses the financial performance and position of the company, and makes strategic decisions. The board of directors of the Company have been identified as being the chief operating decision maker. It consists of Chief Executive officer of the company. Chief financial officer of the company assists board of directors in their decision making process. The Company is in the business of manufacture and sale automobile components, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment.

1.2.21. Rounding of amounts

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

1.2.22. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements included in relevant notes together with information about the basis of calculation of each different line item in the financial statements.

Notes to Financial Statements

The areas involving critical estimates or judgements are

1 Estimation of useful life of asset (Refer 1.2.4 , 1.2.5 & 1.2.6)

2 Estimation of provision and for contingent liabilities (Refer note 42)

3 Estimation of provision for warranty obligation (Refer note 26)

4 Accounting for arrangements in the nature of lease (Refer note 45)

5 Estimation of defined benefit obligation (Refer note 41)

1. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Useful life is determined based on the technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act 2013, in order to reflect the actual usage of the assets.

2. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

3. Product warranty expenses

The estimated liability for product warranties is accounted when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

4. Lease

Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement.

The determination of whether an agreement is, or contains, a 'Right of Use' is based on the substance of the agreement at the date of inception. Accounting of Right of Use is based on the Ind AS 116.

5. Estimation of defined benefit obligations

The Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. The cost of providing benefits under abovementioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Notes to Financial Statements

Note - 2 Property, Plant & Equipment

(Amt in ₹ Million)

Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION/IMPAIRMENT				NET BLOCK	
	Cost as on 01.04.19	Additions during the year	Disposal	Cost as on 31.03.2020	Accumulated Depreciation/ amortisation as on 01.04.2019	Depreciation/ amortisation for the year	Disposal	Accumulated Depreciation/ amortisation as on 31.03.2020	As at 31.03.2020	As at 31.03.2019
A. Property,Plant & Equipment										
Freehold Land	519.21	-	-	519.21	-	-	-	-	519.21	519.21
	502.62	16.59	-	519.21	-	-	-	-	519.21	502.62
Leasehold Land	10.99	-	-	10.99	0.37	0.12	-	0.49	10.50	10.62
	10.99	-	-	10.99	0.25	0.12	-	0.37	10.62	10.74
Buildings	678.66	150.65	0.31	829.00	81.89	30.56	0.14	112.31	716.69	596.77
	652.37	26.36	0.07	678.66	52.65	29.30	0.06	81.89	596.77	599.72
Roads	22.76	4.14	-	26.90	14.03	3.47	-	17.50	9.40	8.73
	22.76	-	-	22.76	9.33	4.70	-	14.03	8.73	13.43
Plant & Machinery	2,320.87	711.20	55.77	2,976.29	686.80	328.91	46.45	969.26	2,007.03	1,634.06
	2,024.32	345.13	48.58	2,320.87	418.79	310.77	42.76	686.80	1,634.06	1,605.53
Severs & Networks	-	8.96	-	8.96	-	0.74	-	0.74	8.22	-
	-	-	-	-	-	-	-	-	-	-
Computer Hardware	83.36	0.81	3.63	80.54	41.85	16.23	3.54	54.54	26.00	41.51
	67.29	18.23	2.16	83.36	25.84	18.05	2.04	41.85	41.51	41.45
Right to Use	70.23	29.91	-	100.14	9.89	18.46	-	28.35	71.79	60.34
	70.23	-	-	70.23	5.57	4.32	-	9.89	60.34	64.66
Vehicle	50.62	12.51	8.61	54.52	16.13	11.29	6.82	20.60	33.92	34.49
	43.51	8.99	1.88	50.62	7.85	9.04	0.76	16.13	34.49	35.66
Furniture & Fixtures	57.71	3.30	2.38	58.63	15.95	9.97	2.23	23.69	34.94	41.76
	53.05	5.04	0.38	57.71	6.55	9.75	0.35	15.95	41.76	46.50
Office Equipments	11.90	0.75	0.24	12.42	4.60	1.49	0.15	5.95	6.47	7.30
	8.81	3.14	0.04	11.90	2.91	1.70	0.01	4.60	7.30	5.89
Sub Total	3,826.31	922.23	70.94	4,677.60	871.51	421.25	59.33	1,233.43	3,444.17	2,954.80
Sub Total (Previous year)	3,455.94	423.48	53.11	3,826.31	529.74	387.75	45.98	871.51	2,954.80	2,926.20
B. Intangible Assets-Acquired										
Computer Software	69.38	5.59	-	74.97	40.34	14.40	-	54.74	20.24	29.05
	55.83	13.55	-	69.38	25.00	15.34	-	40.34	29.05	30.84
Technical Knowhow	33.03	-	-	33.03	32.58	0.44	-	33.02	0.02	0.46
	33.03	-	-	33.03	25.50	7.08	-	32.58	0.46	7.54
Sub Total	102.41	5.59	-	108.00	72.91	14.84	-	87.75	20.25	29.50
Sub Total (Previous year)	88.86	13.55	-	102.41	50.49	22.42	-	72.91	29.50	38.37
Total	3,928.72	927.82	70.94	4,785.60	944.42	436.09	59.33	1,321.18	3,464.42	2,984.30
Total (Previous year)	3,544.80	437.03	53.11	3,928.72	580.23	410.17	45.98	944.42	2,984.30	2,964.57
Capital working in progress	537.89	(341.78)	-	196.11					196.11	537.89
Sub Total (Previous year)	78.34	459.55	-	537.89					537.89	-

1. Previous year figures are given in Italics below current year figures in cash class of assets

2. Cost of Plant & Machinery include ₹55.49 million on account of savings in customs duty on imported items recognised as Government Grants. In the Previous Year, duty saved amounting to ₹49.89 million was accounted in Capital Work in Progress (CWIP) for assets pending capitalization

Notes to Financial Statements

Note - 3 Investment Property

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Gross carrying amount		
Opening gross carrying amount / Deemed cost	24.75	24.75
Additions	-	-
Closing Gross carrying amount	24.75	24.75
Accumulated depreciation		
Opening Accumulated depreciation	2.45	2.05
Depreciation charge	0.39	0.40
Closing accumulated depreciation	2.84	2.45
Net carrying amount	21.91	22.30

i) Amounts recognised in statement profit or loss for investment properties

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rental income	3.32	3.03
Profit from investment property before depreciation	3.32	3.03
Depreciation	(0.39)	(0.40)
Profit from investment properties	2.93	2.64

ii) Fair value of investment properties

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment properties	61.46	60.27

iii) Estimation of Fair Value

The fair values of investment properties have been determined with the help independent certified valuer on a case to case basis. Valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

Note - 4 Non-current investments

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in equity instruments at FVTPL		
Unquoted		
Shivalik Solid Waste Management Ltd. 20,000 Equity shares of ₹10 each fully paid (In 2019- 20,000 Equity shares of ₹10 each fully paid)	0.37	0.37
	0.37	0.37
Investment in Government at FVTPL		
Unquoted		
National Savings Certificates	0.01	0.01
Total	0.38	0.38

Note -5 Loans

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Loans to employees	13.20	13.62
Total	13.20	13.62

Notes to Financial Statements

Note - 6 Other non-current financial assets

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	84.47	74.21
Deposits with banks with remaining maturity of more than 12 months from reporting date	427.00	-
Contract Assets	60.05	-
Total	571.52	74.21

Note - 7 Non-current tax asset (Net)

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Income taxes	304.62	278.54
(Net of provisions of ₹1579.7 million (₹1313.4 million as at 31 March 2019)		
Total	304.62	278.54

Note - 8 Other non-current assets

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good unless stated otherwise		
Considered good	84.28	34.27
Considered doubtful	-	-
	84.28	34.27
Less :- Provision for doubtful advances	-	-
	84.28	34.27
Equity shares-Watsun Infrabuild Private Limited	0.67	1.06
Prepaid rent	19.81	22.49
Total	104.76	57.82

Note - 9 Inventories

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
At lower of cost or net realisable value		
Raw materials and components	663.87	770.31
Goods-in-transit- Raw Material	104.16	88.22
	768.03	858.53
Work-in-progress	260.50	283.74
Finished goods	349.99	285.22
Goods-in-transit-Finised Goods	94.72	112.23
	444.71	397.45
Stock-in-trade	49.69	36.12
Stores and spares	115.98	108.44
	1,638.91	1,684.29
Less:- Provision for slow and non moving Inventories	77.84	31.31
Total	1,561.07	1,652.97

Notes to Financial Statements

Note - 10 Current Investments

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments measured at Fair value through Profit and Loss		
Unquoted:		
Investment in mutual funds	351.44	468.49
Total	351.44	468.49

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments in liquid schemes of mutual funds comprises:		
HDFC Liquid Fund - Regular	-	186.60
No. of Units as on 31.03.2020- Nil 31.03.2019 - 50844.77		
Axis Liquid Fund - Direct Growth	-	20.02
No. of Units as on 31.03.2020 -Nil 31.03.2019- 9657.06		
Kotak Liquid Direct Plan Growth	-	20.02
No. of Units as on 31.03.2020 - Nil 31.03.2019 - 5289.33		
ICICI Prudential Liquid Plan - Growth	17.31	231.84
No. of Units as on 31.03.2020- 58922.93 31.03.2019 - 840446.68		
Reliance Liquid Fund- Direct Plan Growth	-	10.01
No. of Units as on 31.03.2020- Nil 31.03.2019- 2194.26		
HSBC Ultra Short Duration Fund Direct Growth	203.64	-
No. of Units as on 31.03.2020- 2017558.65 31.03.2019- Nil		
SBI Premier Liquid Fund	130.49	-
No. of Units as on 31.03.2020- 41972.39 31.03.2019- Nil		
Total	351.44	468.49

Note - 11 Trade Receivables

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured:		
Considered good	2,332.81	2,843.03
Considered doubtful	14.19	8.80
Less: allowance for expected credit loss	(14.19)	(8.80)
Total	2,332.81	2,843.03

Notes to Financial Statements

Note - 11 Trade Receivables *(contd.)*

Notes:

1. Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.
2. The normal credit period allowed by the Company generally ranges from 45 to 60 days. These are non interest bearing.
3. Trade receivables include receivables from related parties (Refer note 35).

Note - 12 Cash and cash equivalents

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
In current accounts	8.42	47.82
Total	8.42	47.82

Note - 13 Other bank balances

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Deposit accounts (Original maturity more than 3 months but less than 12 months)	539.90	420.00
Unclaimed dividend accounts with bank	18.28	17.83
Total	558.18	437.83

Note - 14 Loans

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Loans to employees	4.49	4.15
Total	4.49	4.15

Note - 15 Other current financial assets

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Derivatives designated as cash flow hedges	7.03	-
Deferred government grants	0.44	0.44
Insurance claims receivables	3.41	0.01
Interest accrued on deposits	16.96	12.30
Accrued export benefits	11.15	19.42
Total	38.99	32.17

Note - 16 Other current assets

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance to employees	4.84	3.40
Advances to suppliers	94.61	136.65
Prepayments	23.15	23.47
Contract Assets	-	14.00
Balances with government authorities	66.40	52.24
Other current assets	11.72	6.24
Total	200.72	236.00

Notes to Financial Statements

Note - 17 Equity Share Capital

A. Authorised, Issued, subscribed and paid up share capital: (Amt in ₹ Million)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	In ₹ million	Number of shares	In ₹ million
Authorised:				
Equity shares of Re. 1/- each	15,00,00,000	150.00	15,00,00,000	150.00
Redeemable preference shares of ₹100/- each	1,00,000	10.00	1,00,000	10.00
Total	15,01,00,000	160.00	15,01,00,000	160.00
Issued, subscribed and fully paid up:				
Equity shares of Re. 1/- each	14,36,43,940	143.64	14,36,43,940	143.64
Add: Share forfeiture				
Total	14,36,43,940	143.64	14,36,43,940	143.64

B. Rights, preferences and restrictions attached to Equity shares:

The Company has only one class of share referred to as Equity shares having a par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the unlikely event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	Amount originally paid up (In ₹ Million)	Number of shares held	Amount originally paid up (In ₹ Million)
At the beginning of the year	14,36,43,940	143.64	14,36,43,940	143.64
Issued during the year	-	-	-	-
Outstanding at the end of the year	14,36,43,940	143.64	14,36,43,940	143.64

D. Details of shares held by the Holding /ultimate Holding company:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% of Shareholding	Number of shares held	% of Shareholding
Equity shares of Re. 1 Each fully paid up held by Asia Investments Pvt Ltd (Holding/ultimate holding company)	7,23,77,938	50.39	7,23,77,938	50.39

E. Details of shares held by each shareholder holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% of Shareholding	Number of shares held	% of Shareholding
Equity shares of Re. 1 Each fully paid up held by Asia Investments Pvt Ltd	7,23,77,938	50.39	7,23,77,938	50.39
Equity shares of Re. 1 Each fully paid up held by Kayaba Industry Co Ltd.	79,37,360	5.53	79,37,360	5.53

Notes to Financial Statements

Note - 18 Other equity

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Securities Premium account		
Opening balance as per last balance sheet	271.77	271.77
Add/(Less) : Utilised during the year		
Balance as at the year end	271.77	271.77
b) General Reserve		
Opening balance	387.57	387.57
Add: Transferred from Surplus in Statement of Profit and Loss/capital reserve		
Balance as at the year end	387.57	387.57
c) Retained earnings		
Opening balance as per last balance sheet	5,136.58	4,437.80
Add: Profit for the year	847.08	949.88
Less: Interim dividend on Equity shares	64.64	79.00
Less: Final Dividend on Equity shares	136.46	129.28
Less: Corporate Tax on Dividend	41.35	42.82
Balance as at the year end	5,741.21	5,136.58
Actuarial gain / (loss)		
Opening balance as per last balance sheet	(24.19)	(12.45)
Add/(less):Additions during the year (net of tax)	(9.37)	(11.74)
Balance as at the year end	(33.56)	(24.19)
Balance as at the year end	5,707.65	5,112.39
d) Cash flow hedge reserve		
Opening balance as per last balance sheet	(15.37)	20.52
Add/(less):Effect of foreign exchange rate variations on hedging instrument (net of tax)	22.54	(35.89)
Balance as at the year end	7.17	(15.37)
Total	6,374.16	5,756.36

Nature of Reserves

Securities Premium : Securities premium account comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

General Reserve : The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

Cash Flow Hedge Reserve : The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for Cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to statement of profit and loss only when the hedged items affect the profit or loss.

Notes to Financial Statements

Note - 19 Non-current borrowings

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured:		
Long term maturities of finance lease obligations (refer note 24 & 45)	78.23	69.82
Total	78.23	69.82

Note - 20 Other Non Current Financial Liabilities

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Other non current financial liabilities @	55.49	49.39
Total	55.49	49.39

@ Others includes Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.

Note - 21 Non-current provisions

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits:		
Compensated absences	91.44	71.07
Gratuity (refer note 41)	30.11	54.13
Total	121.55	125.20

Note - 22 Deferred tax liabilties (Net)

A Breakup of deferred tax balances

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilties		
Depreciation on property,plant,equipment and intangibles	178.06	305.70
	178.06	305.70
Deferred tax assets		
Expenditure allowable for tax purpose on payment basis	15.05	20.95
Cashflow hedge Reserve	0.65	8.23
Employee Benefit Expenss	50.75	65.40
Other Temporary differences	31.46	20.26
	97.91	114.84
Total	80.15	190.87

B Movement in opening and closing deferred tax balances

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	(190.87)	(198.46)
Recognized in P&L	115.15	(17.90)
Recognised in OCI	(4.43)	25.49
Closing Balance	(80.15)	(190.87)

Notes to Financial Statements

Note - 23 Trade payables

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Outstanding dues of micro, small and medium enterprises (refer note 43)	15.78	30.04
Total Outstanding dues of Creditors other than micro, small and medium enterprises	2,176.52	2,580.35
Total	2,192.30	2,610.39

Note:

1. Trade payables include payable to related parties (Refer note 35).
2. Trade payables are non interest bearing and generally settled in 30 to 60 days

Note - 24 Other financial liabilites

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debts:		
Deferred sales tax	-	0.63
Fixed deposits (Unsecured)	0.15	0.22
Finance lease obligations (refer note 19 & 45)	10.72	1.70
	10.87	2.55
Unclaimed dividends *	18.26	17.82
Employee benefits payable	166.30	232.85
Unclaimed matured deposits	0.36	0.55
Unclaimed interest on deposits	0.47	0.89
Capital creditors	40.27	45.68
Contract Liability	36.20	11.00
Derivatives designated as cash flow hedges-foreign exchange forward contracts	-	23.79
Other financial liabilities **	197.86	166.58
Total	470.59	501.71

*There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

** Includes discount payable to dealers ₹154.07 millions (₹132.08 million as on 31 March 2019)

Note - 25 Other current liabilites

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory remittances (contribution to PF, ESIC, withholding taxes.)	36.61	46.22
Indirect taxes payable	-	12.85
Others (advance from customers, etc.)	37.92	21.78
Total	74.53	80.85

Note - 26 Current provisions

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits:		
Compensated absences	13.26	16.56
Gratuity (refer note 41)	3.24	8.89
Superannuation	5.21	5.56
	21.71	31.01

Notes to Financial Statements

Note - 26 Current provisions *(contd.)*

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for others:**		
Warranty	45.61	57.20
Other provision	75.08	75.08
	120.69	132.27
Total	142.40	163.29

Notes: **

1. Details of warranty provision

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amount as at 1st April	57.20	52.89
Additional Provision made during the year	24.57	46.70
Less : Amount paid / utilized during the year	36.16	42.39
Carrying amount as at 31st March	45.61	57.20

2. Estimated warranty costs are accrued at the time of sale of components on which the warranty provisions are applicable. It is expected that majority of the warranty provisions outstanding as on March 31, 2020 is likely to result in cash outflow within 12 months of the Balance Sheet date.

3. Details of other provision

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amount as at 1st April	75.08	87.88
Additional Provision made during the year	-	0.60
Less : Amount paid / utilized during the year	-	13.40
Carrying amount as at 31st March	75.08	75.08

4. Other provision represents estimates made for probable claims arising out of litigations/disputes pending with authorities under various statutes. The probability and the timing of the outflow with regard to these matters depend on the ultimate settlement/conclusion with the relevant authorities.

Note - 27 Revenue from operations

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of products (including excise duty) (refer note below)		
Finised goods	18,232.19	20,237.83
Traded goods	310.95	285.92
	18,543.14	20,523.75
Sale of services	50.51	29.10
Other operating revenue		
Scrap sales	84.51	111.64
Export incentives	18.63	36.65
Foreign exchange fluctuation	0.14	63.28
Government incentive received	2.69	0.21
	105.97	211.78
Total	18,699.62	20,764.63

Notes to Financial Statements

Note - 28 Other income

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rental income	3.86	3.66
Dividend income from non current Investments	0.04	0.03
Interest income on fixed deposits with banks	39.76	30.65
Interest income from financial asset at amortised cost	3.97	3.90
Profit on disposal of property plant and equipment (net)	6.74	-
Profit on sale of mutual fund	22.74	33.08
Provisions no longer required written back	4.40	6.54
Miscellaneous income	15.47	14.55
Total	96.98	92.41

Note - 29.a Cost of Material Consumed

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening inventory	858.42	726.47
Add: Purchases	13,409.10	15,042.89
	14,267.52	15,769.37
Less: Closing inventory	768.03	858.42
Total	13,499.49	14,910.95

Note - 29.b Purchases of stock-in-trade (traded goods)

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of stock-in-trade	235.04	198.14
Total	235.04	198.14

Note - 29.c Changes in inventories of finished goods,work in progress and stock in trade

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the beginning of the year:		
Finished goods	397.45	345.97
Work-in-progress	283.74	295.67
Stock-in-trade	36.12	37.06
	717.32	678.70
Inventories at the end of the year:		
Finished goods	444.71	397.45
Work-in-progress	260.50	283.74
Stock-in-trade	49.69	36.12
	754.90	717.32
Total	(37.58)	(38.61)

Notes to Financial Statements

Note - 30 Employee benefit expenses

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus	1,276.85	1,237.19
Contributions to provident and other funds	84.41	84.13
Gratuity expense (refer note 41)	20.49	16.33
Staff welfare expenses	171.73	202.83
Total	1,553.48	1,540.48

Note - 31 Finance costs

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on Financial Liabilities - borrowings carried at amortised cost	25.77	16.19
Other borrowing costs (includes bank charges, etc.)	1.46	4.02
Net interest on net defined benefit liability	8.57	9.13
Total	35.80	29.34

Note - 32 Depreciation and amortisation expenses

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment	421.24	387.75
Depreciation of investment property	0.39	0.40
Amortisation of intangible assets	14.84	22.42
Total	436.47	410.57

Note - 33 Other Expenses

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consumption of stores and spare parts	200.30	217.86
Power and fuel	259.62	288.75
Rent	21.06	29.06
Contractual labour expenses	263.89	289.78
Repair & maintenance		
Building	14.68	19.61
Machinery	179.53	199.41
Others	46.83	43.26
Insurance	13.48	12.44
Rates and taxes	38.51	28.62
Communication expenses	13.32	16.34
Travelling and conveyance	67.66	99.82
Printing and stationery	10.99	12.14
Freight and forwarding	331.94	383.91
Business promotion expenses	16.41	23.36
Royalty	13.70	28.33
Expenditure towards corporate social responsibility (CSR) (refer to note 48)	25.96	22.96
Donations and contributions	0.01	0.18
Legal and professional fees	399.67	487.99
Loss on disposal of property plant and equipment (net)	-	1.58
Payments to auditors (refer note below)	7.76	7.10

Notes to Financial Statements

Note - 33 Other Expenses *(contd.)*

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Bad debts and advances written off	0.03	-
Provision for doubtful trade and other receivables, loans and advances (net)	5.39	-
Directors fees and commission	9.59	14.67
Warranty costs	24.57	46.70
Miscellaneous expenses *	106.30	101.77
Total	2,071.20	2,375.64

* Miscellaneous expenses includes testing fees of ₹38.89 million (₹29.76 million in FY 18-19) and Safety expenses of ₹9.89 million (₹9.66 million in FY 18-19)

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payments to auditors		
As auditors	5.09	5.09
As tax auditors	0.93	0.86
For taxation matters	1.08	0.30
Reimbursement of expenses	0.66	0.85
Total	7.76	7.10

Note 34 Income taxes

a) Tax expense recognised in profit and loss

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Net Current tax expense for the year.	270.77	462.75
Net deferred income tax liability/(Asset)		
Origination and reversal of temprorary differences	(115.15)	17.90
Total	155.62	480.65

b) Tax expense recognised in other comprehensive income

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	3.15	6.30
Items that will be reclassified to profit or loss		
The effective protion of gains and loss on hedging instruments in cash flow hedge	(7.58)	19.19
Total	(4.43)	25.49

c) Reconciliation of effective tax rate

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Profit from operation	1,002.70	1,430.53
Tax at the rate of 25.17% for CY; 34.94% for PY	252.36	499.88
Tax effects of amounts which are not taxable in calculating taxable income		
Weighted deduction on research and development expenditure	-	(39.10)
Other items	(96.74)	19.86
Total	155.62	480.65

Notes to Financial Statements

Note– 35 Related party disclosures

A Names of related parties and related party relationships

Category I–Holding company

Asia Investment Private Limited

Category II- Fellow Subsidiaries

Anand Automotive Private Limited

Anand I-Power India Limited (erstwhile Perfect Circle India Ltd.'PCIL')

Victor Gaskets India Limited

Anand CY Myutec Automotive Private Limited (erstwhile Chang Yun India Pvt Ltd)

Category III- Individuals having control or significant influence over the Company by reason of voting power and their relatives

Mrs. Anjali Singh- Executive Chairperson

Category IV- Enterprise, over which control is held by individuals or through relative listed in 'Category III' above

Anchemco Anand LLP (formerly Anchemco)

Anfilco Ltd.

Dytek India Limited

Sujan Tiger Polo Foundation

Category V- Other Related Parties

Spicer India Private Limited

Mahle Anand Thermal India Private Limited (Formerly Mahle Behr India Private LImited.)

Haldex India Private Limited

Mahle Anand Filter Systems India Private Limited (Formerly Mahle Filter Systems India Private Limited)

Mando Automotive India Private Limited

Federal-Mogul Anand Sealings India Limited (Disinvestment on 31 October 2019)

Federal -Mogul Anand Bearings India Limited (Disinvestment on 24 December 2019)

Valeo Service India Auto Parts India Private LImited (disinvestment from 18 July 2018)

SNS Foundation

Deep C Anand Educational Trust

Sunbeam Auto Private Limited (Common Director -Aditya Vij)

Sunbeam Lightweighting Solution Pvt Ltd (Common Director -Aditya Vij)

Automotive Component Manufacturers Association of India

Category VI–Key Managerial Personnel (KMP)

Mrs. Anjali Singh (Chairperson)

Mr. Manoj Kolhatkar (Managing Director)

Mr. Jagdish Kumar (Director)

Mr. Aditya Vij (Independent Director)

Mr. Pradipta Sen (Independent Director) (till 3 February 2020)

Mrs. Matangi Gowrishankar (independent Director) (w.e.f 14 February, 2020)

Mr. Pradeep Banerjee (Independent Director) (w.e.f 14 December 2017)

Mr. Rajendran Arunachalam (Chief Financial Officer) (till 8 March 2019)

Mr. Rishi Luharuka (Chief Financial Officer) (w.e.f 2 September 2019)

Mr. Nilesh Jain (Company Secretary)

Notes to Financial Statements

Note– 35 Related party disclosures *(contd.)*

B. Transactions with Related parties:

Summary of Related Party Transactions for the Year

(Amt in ₹ Million)

Particulars	Holding Company		Fellow Subsidiary Companies		Enterprises over which control is exercised by Individuals having Significant influence over the company		Other Related Parties		Key Managerial Personnel		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Transactions during the year												
Sales of products and services	-	0.00	0.17	1.49	-	-	105.99	162.27	-	-	106.16	163.78
Receipt of Intercorporate deposits	-	-	-	-	0.24	-	-	-	-	-	0.24	-
Recovery of expenses from related parties	-	-	5.71	5.12	0.48	-	17.14	18.12	0.02	-	23.35	23.23
Sponsorship fees				-	4.00	-	-	-	-	-	4.00	-
Purchase of raw material and components and services **#	-	-	405.61	463.06	15.37	14.71	29.12	18.28	-	-	450.11	496.04
Payment of Reimbursement of expenses	2.16	-	17.78	18.40	-	0.16	0.34	2.54	0.40	1.41	20.68	22.51
Remuneration to Key Managerial Personnel	-	-	-	-	-	-	-	-	86.10	82.84	86.10	82.84
Contribution to CSR activity	-	-	-	-	-	-	25.96	22.96		-	25.96	22.96
Vehicle Purchased	-	-	-	-	-	-	0.12	-	-	-	0.12	-
Purchase of Investment Property (Hostel)	-	-	-	-	-	-	-	14.40		-	-	14.40
Sale of Residential flats @**	-	-	-	-	-	-	15.00	-		-	15.00	-
Sale of Vehicle	-	-	-	-	-	-	-	-	-	1.67	-	1.67
Other Assets (Mobile)	-	-	-	-	-	-	-	-	0.10	-	0.10	-
Purchase of Software	-	-	-	1.48	-	-	-	-	-	-	-	1.48
Director's sitting fees	-	-	-	-	-	-	-	-	0.19	0.17	0.19	0.17
Commission paid to Independent Directors (***)	-	-	-	-	-	-	-	-	7.50	7.50	7.50	7.50
Rent Received	-	-	2.07	0.83	0.34	0.14	6.49	0.82	-	-	8.89	1.80
Dividend Paid (including Dividend Distribution Tax)	122.16	126.53	-	-	-	-	-	-	1.09	0.94	123.25	127.47
Rent paid	-	-	7.34	8.21	3.55	2.35	0.22	1.95	-	-	11.11	12.51

Note -*** Commission Paid to Directors are based on the provision basis

@** Two Flats sold to Deep C Anand Trust for ₹15 million (including TDS) Contract for sale was executed on 7 March 2020

**# Includes Management Fees paid to Anand Automotive Pvt Ltd ₹370.86 million (₹408.45 million for 31 Mar 2019)

Notes to Financial Statements

Note– 35 Related party disclosures *(contd.)*

C Balances outstanding (Amt in ₹ Million)

Balances	As at March 31, 2020	As at March 31, 2019
Holding Company		
Trade payables and other liabilities	(2.16)	0.00
Fellow Subsidiary Companies		
Trade receivables	3.43	2.90
Trade payables and other liabilities	(36.55)	(90.19)
Deposits balances with parties**	83.29	83.29
Enterprises over which control is exercised by Individuals having Significant influence over the company.		
Trade payables and other liabilities	(1.44)	(2.08)
Other Related Parties		
Trade receivables	11.16	35.06
Trade payables and other liabilities	(2.08)	(9.52)
Short term security deposits	-	0.24
Key Managerial Personnel		
Other receivables	0.02	-
Other payables and other liabilities	-	(0.97)

Terms and conditions for outstanding balances

1. All outstanding balances are unsecured and repayable in cash.
2. **Deposits given to Holding Company are at amortized cost. Historical Cost of Deposits given to AIPL is ₹83.29 million in Mar 2020
3. Payables/Liabilities are denoted in brackets.
4. Transaction with the Related Parties includes Taxes

D Compensation of Key Managerial Personnel (Amt in ₹ Million)

Nature of Transaction/Related Party	As at March 31, 2020	As at March 31, 2019
Short-term employee benefits	79.26	84.27
Long term employee benefits	3.30	2.35
Post-employment benefits	11.32	5.55
*Total	93.88	92.17

* Does not include Reimbursement of Expenses and Dividend Paid on the share held by KMPs

Note - 36 Fair value measurement

1 Categories of Financial Instruments (Amt in ₹ Million)

Particulars	Note	As at March 31, 2020		As at March 31, 2019	
		Carrying value	Fair value	Carrying value	Fair value
A Financial Assets					
a) Measured at amortised cost					
Cash and cash equivalents	13	8.42	8.42	47.82	47.82
Other bank balances	14	558.18	558.18	437.83	437.83

Notes to Financial Statements

Note - 36 Fair value measurement *(contd.)*

1 Categories of Financial Instruments

(Amt in ₹ Million)

Particulars	Note	As at March 31, 2020		As at March 31, 2019	
		Carrying value	Fair value	Carrying value	Fair value
Investment in Bonds/Debentures & Government or Trust Securities	4	0.01	0.01	0.01	0.01
Loans	5 & 11	17.68	17.68	17.77	17.77
Trade receivables	12	2,332.81	2,332.81	2,843.03	2,843.03
Other financial assets	6 & 16	603.48	603.48	106.38	106.38
Subtotal		**3,520.58**	**3,520.58**	**3,452.84**	**3,452.84**
b) Measured at Fair value through Profit or Loss					
Equity shares	4	0.37	0.37	0.37	0.37
Investment In Mutual Funds	10	351.44	351.44	468.49	468.49
Subtotal		**351.81**	**351.81**	**468.86**	**468.86**
c) Derivatives measured at fair value					
Derivative instruments not designated as hedging instruments	15				
Derivative instruments designated as hedging instruments	15	7.03	7.03	-	-
Subtotal		**7.03**	**7.03**	**-**	**-**
Total financial assets		**3,879.42**	**3,879.42**	**3,921.70**	**3,921.70**

(Amt in ₹ Million)

Particulars	Note	As at March 31, 2020		As at March 31, 2019	
		Carrying value	Fair value	Carrying value	Fair value
B Financial Liabilities					
a) Measured at amortised cost					
Borrowings	19 & 24	89.10	89.10	72.37	72.37
Trade Payables	23	2,192.30	2,192.30	2,610.39	2,610.39
Other Financial Liabilties		459.72	459.72	475.37	475.37
Other Non Current Financial Liabilities	20	55.49	55.49	49.39	49.39
Subtotal		**2,796.61**	**2,796.61**	**3,207.52**	**3,207.52**
b) Derivatives measured at fair value					
Derivative instrumentsdesignated as hedging instruments	24	-	-	23.79	23.79
Derivative instruments not designated as hedging instruments		-		-	-
Total financial Liabilties		**2,796.61**	**2,796.61**	**3,231.31**	**3,231.31**

2 Fair value hierachy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price 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).

Notes to Financial Statements

Note - 36 Fair value measurement *(contd.)*

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period, yield curves, risk free rate of returns, volatility etc., as applicable.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Company does not undertake Interest Rate Swaps exposures as per the Gabriel Internal Policy reference no. 2.20. ' Foreign Currency Transactions'

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(Amt in ₹ Million)

Particulars	Fair value Hierachy (Level)	As at March 31, 2020	As at March 31, 2019
Financial Assets			
Measured at fair Value through Profit or Loss			
Equity Shares	3	0.37	0.37
Investment in Mutual Funds	2	351.44	468.49
Total		351.81	468.58
Derivatives measured at fair value			
Derivatives instruments designated as hedging instruments	2	7.03	-
		7.03	-
Total		358.84	468.85
Financial Liabilities			
Derivatives measured at fair value			
Derivative instruments designated as hedging instruments	2	-	23.79
Derivative instruments not designated as hedging instruments	2	-	-
Total		-	23.79

Note - 37 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, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as a 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.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, Trade receivables, financial assets measured at amortised cost	Aging analysis and historical data	Diversification of bank deposits and monitoring of Trade receivables on a monthly basis

Notes to Financial Statements

Note - 37 Financial Risk Management *(contd.)*

Risk	Exposure arising from	Measurement	Management
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	1. Availability of committed credit lines and borrowing facilities 2. Diversification of bank deposits, credit limits, investment in liquid mutual funds 3. Monitoring cash flows and matching maturity profiles of assets and liabilities
Market risk- Security Prices	Investment in equity securities and mutual funds	Sensitivity analysis	Portfolio diversification and focus on credit risk free investment
Commodity Price Risk	Change in the price index of Steel, Aluminum		Back to back recovery from customers and Price corrections
Market risk - foreign exchange	Future commercial transactions and Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow Forecasting and sensitivity analysis	Forward foreign exchange contracts, Foreign currency options

The Company's risk management is carried out by the Finance Department under policies approved by the Board of Directors. Finance Department identifies, evaluates and hedges financial risks. The Board provides written policies covering specific areas such foreign exchange risk, interest rate risk, credit risk, use of derivatives financial instruments and non derivatives financial instruments and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits classified at amortised cost as well as credit exposures to trade receivables.

i) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, investment in mutual funds, other receivables and deposits, foreign exchange transactions and other financial instruments.

ii) Trade receivables

Customer credit risk is managed through established policy, procedures and control relating to customer credit risk management. Further, Company's customers includes Original Equipment Manufacturers (OEMs) and After Market (AM) dealers having long standing relationship with the Company. Outstanding customer receivables are regularly monitored and reconciled. At March 31, 2020, receivable from Company's top 10 customers accounted for approximately 88% of sales (March 31, 2019: 86%) of which 65% (March 31, 2019: 13%) are receivables outstanding. An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The Company does not hold collateral security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

(Amt in ₹ Million)

Trade Receivables under Simplified Approach (under March 31, 2020)					
Expected Credit Loss	Not due	0-180 days	180-365 days	365 days and above	Total
Gross Carrying amount	1,649.97	657.73	25.11	14.19	2,347.00
Expected Credit Loss (%)	0%	0%	0%	100%	0%
Expected Credit Loss	-	-	-	14.19	14.19
Carrying Amount of Trade Receivables	1,649.97	657.73	25.11	-	2,332.81

During the year ended 31 March 2020 the Company has written off of trade receivables of ₹ Nil

Notes to Financial Statements

Note - 37 Financial Risk Management *(contd.)*

(Amt in ₹ Million)

Trade Receivables under Simplified Approach (under March 31, 2019)					
Expected Credit Loss	Not due	0-180 days	180-365 days	365 days and above	Total
Gross Carrying amount	2,498.06	327.24	17.73	8.80	2,851.83
Expected Credit Loss (%)	0%	0%	0%	100%	0%
Expected Credit Loss	-	-	-	8.80	8.80
Carrying Amount of Trade Receivables	2,498.06	327.24	17.73	-	2,843.03

During the year ended 31 March 2019 the Company has written off of trade receivables of ₹ Nil.

(Amt in ₹ Million)

Reconciliation of loss allowance provision	
Loss Allowance as on April 1, 2019	**8.80**
Changes in Loss Allowance	-
Loss Allowance as on March 31, 2020	8.80
Changes in Loss Allowance	5.39
Loss Allowance as on March 31, 2020	**14.19**

iii) Other receivables, deposits with banks and loans given

Credit risk from balances with banks, financial institutions and mutual funds is managed in accordance with the Company's approved investment policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on regular basis and the said limits are revised as and when appropriate. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The development of financial assets and liabilities is monitored on an ongoing basis. Internal directives regulate the duties and responsibilities of liquidity management and planning. Management monitors rolling forecasts of the company`s liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Financing Arrangement

The Company has obtained fund and non-fund based working capital line from Banks. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/low mark to market risks.

(ii) Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Notes to Financial Statements

Note - 37 Financial Risk Management *(contd.)*

(Amt in ₹ Million)

Contractual maturities of Financial Liabilities March 31, 2020	Less than 1 year	1 to 5 years	> 5 years
Non Derivatives			
Borrowings	0.16	-	-
Obligations under finance lease & Operating Lease (Right of Use)	10.21	23.57	55.16
Trade Payables	2,192.30	-	-
Other Financial Liabilities	423.53	36.20	
Other non current Financial Liabilities			55.49
Total Non-Derivatives liabilities	2,626.19	59.77	110.66
Derivatives (net settled)			
Foreign exchange forward contracts	-	-	-
Total Derivative Liabilities	-	-	-

(Amt in ₹ Million)

Contractual maturities of Financial Liabilities March 31, 2019	Less than 1 year	1 to 5 years	> 5 years
Non Derivatives			
Borrowings	0.84	-	-
Obligations under finance lease	1.80	10.79	58.93
Trade Payables	2,610.39	-	-
Other Financial Liabilities	464.37	11.00	
Other non current Financial Liabilities	-	-	49.39
Total Non-Derivatives liabilities	3,077.40	21.79	108.32
Derivatives (net settled)			
Foreign exchange forward contracts	23.79	-	-
Total Derivative Liabilities	23.79	-	-

C) Interest Rate Risk:

Given the limited quantum of borrowings, the Company is not exposed to significant interest rate risk.

D) Commodity price sensitivity

The Company has significant usage of commodities like Steel, Oil, Aluminium exposing it to price risk arsing out of market fluctuations. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As the Company has a back to back pass through arrangements for volatility in raw material prices there is limited impact on the profit and loss and equity of the Company.

(E) Market risk – Foreign currency risk

The Company enters into international transactions and is exposed to resultant foreign exchange risk, primarily with respect to the US$, CNH (RMB), EUR and JPY. 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 (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

The Company uses a combination of foreign currency option contracts and foreign exchange forward contracts to hedge its exposure in foreign currency risk. As per the risk management policy, foreign exchange forward contracts and foreign currency options contracts are permitted to hedge the foreign currency risk. The Company's policy of hedging is as explained below

Notes to Financial Statements

Note - 37 Financial Risk Management *(contd.)*

(Amt in ₹ Million)

Particulars	% of Exposure sought to be hedged
Expected Exposure in next 12 months	25%
Expected Exposures in next 9 months	50%
Expected Exposures in next 6 months	75%
Expected Exposures in next 3 months	100%

(a) **Foreign currency risk exposure:**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows;

(Amt in ₹ Million)

Financial Liabiltities	March 31, 2020				March 31, 2019			
	USD	CNH	EUR	JPY	USD	CNH	EUR	JPY
Trade Payables	12.25	14.02	13.53	17.02	17.93	32.47	22.13	26.29
Trade Receivables	(15.06)	-	-	-	(43.18)	-	-	-
Net Exposure	(2.82)	14.02	13.53	17.02	(25.24)	32.47	22.13	26.29

(b) **Un Hedged Foreign currency risk exposure:**

The Company's exposure to unhedged foreign currency risk at the end of the reporting period expressed in INR, are as follows;

(Amt in ₹ Million)

Financial Liabiltities	March 31, 2020				March 31, 2019			
	USD	CNH	EUR	JPY	USD	CNH	EUR	JPY
Trade Payables	12.25	-	5.32	14.39	17.93		0.24	17.40
Trade Receivables	(3.10)	-	-	-	-	-	-	-
Net Exposure	9.15	-	5.32	14.39	17.93	-	0.24	17.40

(c) **Sensitivity**

A reasonably possible strengthening (weakening) of the India Rupee against foreign currencies at year ended 31 March 2020 would have affected the measurement of unhedged financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Amt in ₹ Million)

Sensitivity	March 31, 2020		March 31, 2019	
	Impact on Profit After Tax		Impact on Profit After Tax	
1% Movement	Strengthening	Weakening	Strengthening	Weakening
CNH			-	-
EUR	0.06	(0.06)	0.01	(0.01)
JPY	0.15	(0.15)	0.77	(0.77)
USD	0.10	(0.10)	0.46	(0.46)

Notes to Financial Statements

Note - 37 Financial Risk Management *(contd.)*

(Amt in ₹ Million)

Impact of Hedging Activities - for Cash flow Hedge as on March 31, 2020			
Type of Hedge	Nominal Value in Foreign Currency	Nominal Value Amount (in INR)	Currency
Cash Flow Hedge-Foreign Exchange Risk			
Foreign Exchange Forward Risk	23.03	239.17	CNH
	0.10	8.21	EURO
	3.81	2.63	JPY
	0.16	11.96	USD

(Amt in ₹ Million)

Impact of Hedging Activities - for Cash flow Hedge as on March 31, 2019			
Type of Hedge	Nominal Value in Foreign Currency	Nominal Value Amount (in INR)	Currency
Cash Flow Hedge-Foreign Exchange Risk			
Foreign Exchange Forward Risk	100.15	1,065.97	CNH
	0.99	84.19	EURO
	30.63	20.52	JPY
	0.58	42.08	USD

The Company's Hedging Policy only allows for effective Hedge relationships to be established. Hedge effectiveness is determined at the inception of hedge relationship and through periodic prespective effectiveness assessments to ensure economic relationship exists between the Hedge item and Hedge instrument.

The Company enters into hedge relationships where the critical items of the hedging instrument match with the terms of hedge items, therefore a qualitative assessment of effectiveness is performed. Ineffectiveness is reccorded in the Statement of Profit and Loss

(Amt in ₹ Million)

Movement in Cash Flow Hedge	
Risk Category	Foreign Exchange Risk (Foreign Exchange Forward Contract)
Cash flow hedge reserve	
As on March 31, 2018	20.52
Changes in Fair value of Foreign exchange- Forward contract	(55.08)
Deferred Tax relating to above	19.19
As on March 31, 2019	(15.37)
Changes in Fair value of Foreign exchange- Forward contract	30.12
Deferred Tax relating to above	(7.58)
As on March 31, 2020	7.17

Notes to Financial Statements

Note - 38 Disclosure under Cash Flow

Non Cash Items (Amt in ₹ Million)

Particulars	Note	As at March 31, 2019	Cash Flow	Non-Cash Changes			As at March 31, 2020
		Opening		Acqusition	Foreign Exchange movements	Fair Value Changes	Closing
Long Term Borrowings			-				
Lease Liabilities *	19 & 24	71.52	(12.48)	29.91	-	-	88.95
Current Maturities on borrowings including Fixed Deposits	19& 24	0.85	(0.69)	-	-	-	0.16
Other Non Current Financial Liabilities**	22	49.39	-	6.10	-	-	55.49

*As per Ind AS 116 Lease, Leases has been recognized as 'Right of Use' and amortized based on the systematic lease payments over lease term.

* Regrouped to Other non current Financial Liabilities

**Government grant received, whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets is accounted for as deferred income. As prescribed in the EPCG scheme, the grant received is to compensate the import cost of assets subject to an export obligation and recognition of grant in the statement of profit and loss will be linked to fulfilment of associated export obligations

Note - 39 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Risk Management

The Company has equity capital and other reserves attributable to the equity shareholders, as the primary source of capital with limited reliance on borrowings/ debts.

The amount of dividend payments are as follows:

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Dividend Recognized		
Final Dividend for the year ended March 31, 2020 of ₹0.95 per share (March 31, 2019-₹0.90 per share)	136.46	129.28
Interim Dividend for the year ended March 31, 2020 of ₹0.45 per share (March 31, 2019- ₹0.55 per share)	64.64	79.00
	201.10	**208.28**
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since the year ended the directors have recommended the payment of a final dividend of ₹0.85 per fully paid equity share for the year ended March 31, 2020 (March 31, 2019- ₹0.95). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	122.10	136.46

Notes to Financial Statements

Note - 40 Segment Reporting

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Company is in the business of manufacture and sale of automobile components, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. The accounting policies of the reportable segments are the same as the accounting policies disclosed in Note 1. The revenues, total expenses and net profit as per the Statement of Profit and Loss represents the revenue, total expenses and the net profit of the sole reportable segment

Geographical information

The Company primarily operates in India and its revenue from operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

Revenue from Operation (Net of Excise Duty) (Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from External Customers		
India	18,305.62	19,998.25
Outside India	394.01	766.38
Gross	**18,699.62**	**20,764.63**

Net Current assets/(Liabilities) (Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
India	2,113.09	2,326.44
Outside India	63.21	39.78
Total	**2,176.31**	**2,366.22**

Revenue by Customer Category (Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Four Wheelers	3,648.02	4,916.04
Two Wheelers	12,454.89	12,597.31
Commercial Vehicles & Railways	2,177.45	2,766.34
AfterMarket	262.77	244.06
Sale of Services	50.51	29.10
Unallocable Income	105.97	211.78
	18,699.62	**20,764.63**

Revenue from sale of products is satisfied at a point in time. Revenue from services is satisfied over a period of time. Contracts with customers generally do not have a significant financing component. (Amt in ₹ Million)

Particulars	Amount
Contract Assets	
Opening at April 1, 2019	**14.00**
Additions	46.05
Revenue recognised from Opening Contract Assets	0.00
Closing at March 31, 2020	**60.05**
Contract Liabilities	
Opening at April 1, 2019	**11.00**
Additions	61.40
Payments	36.21
Closing at March 31, 2020	**36.20**

Notes to Financial Statements

Note - 40 Segment Reporting *(contd.)*

Revenue recognised from performance obligations satisfied in previous periods

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Price variations recorded in the year as revenue, income / (expense)	41.54	237.49
Total	41.54	237.49

Note 41 Disclosure in accordance with IND AS – 19 on Employee Benefits

a) Defined contribution plans

The Company 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 local regulations. The contributions are made to 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.

Contributions are made to employees family pension fund in India for employees as per local regulations. The contributions are made to 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 Company has recognised the following amount in the Statement of Profit and Loss for the year.

(Amt in ₹ Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Contribution to Employees Provident Fund	66.69	56.28
Contribution to Superannuation Fund	4.10	5.85
Contribution to National Pension Scheme	5.98	6.40
Contribution to other Funds (ESIC,Labour welfare funds)	8.77	12.88
Total	85.53	81.41

b) Post-employment obligations

Gratuity

The Company provides for gratuity for 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 multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to fund managed by Life Insurance Corporation of India. Contributions are made as per the working by LIC of India.

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

(Amt in ₹ Million)

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Total
As at March 31, 2018	136.36	(87.87)	48.48
Current service cost	16.33	-	16.33
Interest expenses/(income)	10.14	(7.21)	2.93
Total amount recognised in Profit and loss	26.47	(7.21)	19.26
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)			

Notes to Financial Statements

Note 41 Disclosure in accordance with IND AS – 19 on Employee Benefits *(contd.)*

(Amt in ₹ Million)

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Total
(Gain)/loss from change in demographic assumptions	8.82		8.82
(Gain)/loss from change in financial assumptions	2.92	(0.64)	2.28
Experience (gains)/losses	5.24	1.70	6.94
Total amount recognised in Other Comprehensive Income	**16.98**	**1.06**	**18.04**
Employer contribution	-	(22.77)	(22.77)
Mortality charges and taxes			-
Benefits payments	(15.98)	15.98	-
As at March 31, 2019	**163.83**	**(100.82)**	**63.02**
Current service cost	20.49	-	20.49
Interest expenses/(income)	11.98	(9.66)	2.32
Total amount recognised in Profit and loss	**32.47**	**(9.66)**	**22.81**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)			
(Gain)/loss from change in demographic assumptions	(8.44)		(8.44)
(Gain)/loss from change in financial assumptions	11.27	0.38	11.65
Experience (gains) / losses	6.45	2.87	9.32
Total amount recognised in Other Comprehensive Income	**9.27**	**3.25**	**12.52**
Employer contribution		(65.00)	(65.00)
Mortality charges and taxes			-
Benefits payments	(12.47)	12.47	-
As at March 31, 2020	**193.11**	**(159.76)**	**33.35**

The net liability disclosed above relates to funded and unfunded plans are as follows:

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Present Value of Obligation	193.11	163.83
Fair Value of Plan Asset	(159.76)	(100.82)
Deficit of funded plan	**33.35**	**63.02**

The company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The company intends to continue to contribute the defined benefit plans as per the demand from LIC of India.

The significant estimates and actuarial assumptions were as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
a) Discount rate	6.90%	7.60%
b) Expected rate of return on plan assets	7.60%	7.90%

Notes to Financial Statements

Note 41 Disclosure in accordance with IND AS – 19 on Employee Benefits *(contd.)*

The significant estimates and actuarial assumptions were as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
c) Salary escalation rate	6.00%	6.00%
d) Normal retirement age	55 ,58 & 60	55 ,58 & 60
e) Mortality table	As per Indian Assured Lives Mortality (2006-08)As per Indian Assured Lives Mortality (2006-08)	As per Indian Assured Lives Mortality (2006-08)As per Indian Assured Lives Mortality (2006-08)
f) Employee turnover		
Age upto 30 years	10.00% per annum	13.00% per annum
Age 31 - 44 years	4.00% per annum	11.00% per annum
Age above 44 years	2.00% per annum	8.00% per annum

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

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

(Amt in ₹ Million)

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in present value of obligation		Decrease in present value of obligation	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount rate	1.00%	1.00%	211.37	154.44	177.34	174.29
Salary Escalation Rate	1.00%	1.00%	178.67	172.73	209.47	155.68
Withdrawal Rate	1.00%	1.00%	191.88	164.70	194.20	162.88

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

i) Asset volatility : All plan assets are maintained in a trust managed by a public sector insurer viz.LIC of India.LIC has a sovereign guarantee and has been providing consistent and competetive returns over the years.The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

ii) Changes in bond yields : A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of plans' bond holdings

iii) Future salary increase and inflation risk : Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainities in estimating this increasing risk.

Asset-Liability mismatch risk: Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence company is encouraged to adopt asset-liability management.

Notes to Financial Statements

Note 41 Disclosure in accordance with IND AS – 19 on Employee Benefits *(contd.)*

The Company's assets are maintained in a trust fund managed by public sector insurance via, LIC of India. LIC has been providing consistent and competitive returns over the years. The plan asset mix is in compliance with the requirements of the respective local regulations.

g) Defined benefit liability and employer contributions

The company has agreed that it will aim to eliminate the deficit in gratuity plan over the years. Bonding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. The company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

The weighted average duration of the defined benefit obligation is 12 years . The expected maturity analysis of gratuity is as follows:

(Amt in ₹ Million)

Defined benefit obligation - gratuity	Less than 1 year	between 1-2 years	between 2-5 years	over 5 years	Total
March 31, 2020	18.74	17.49	55.74	144.34	236.31
March 31, 2019	23.11	19.35	75.28	139.36	257.09

h) Plan assets

(Amt in ₹ Million)

Particulars	As at March 31, 2020 Quoted	As at March 31, 2019 Unquoted
Investment funds		
Investments with Insurer (Life Insurance Corporation of India)	159.76	100.82
Total	159.76	100.82

Note 42 Contingent liabilities and commitments (to the extent not provided for)

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent Liabilities		
Disputed Direct and Indirect Tax matters :		
a) Company in appeal	181.54	225.59
b) Matters decided in Company's favour, tax authorities in appeal before the High Court	12.26	12.26
c) Others	0.00	0.00

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Claims against the Company, not acknowledged as debts (refer below for details)	352.48	341.08

1. Local authority duties/taxes on property, utilities etc. disputed by the Company relating to issues of applicability and determination aggregating ₹ 184.96 million (Previous year ₹184.96 million).
2. Third party claims arising from disputes relating to contracts aggregating ₹ 0.40 million. (Previous year ₹0.40 million).
3. Other matters aggregating ₹167.12 million (Previous year ₹155.72 million).

Notes to Financial Statements

Note 42 Contingent liabilities and commitments (to the extent not provided for)*(contd.)*

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Commitments:		
Estimated amount of unexecuted capital contracts	168.18	221.11
(net of advances and deposits)		
Others:		
Guarantees issued by banks on behalf of the Company	72.97	3.05
Letter of Credit issued by banks on behalf of the Company	0.00	5.25

Note 43 Dues to micro, small and medium enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act,2006 ('MSMED Act').The disclosures pursuant to the said MSMED Act are as follows :

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end (Refer note 23)	15.78	30.04
b) Interest due to suppliers registered under the MSMED Act for the year and remaining unpaid as at year end	3.43	3.19
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	489.21	506.31
d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	8.52	-
e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	1.34	6.43

The information has been given in respect of such vendors to the extent they could be identified as 'Micro, Small and Medium Enterprises' on the basis of the information available with the Company.

Note 44 Research and development expenditure

a) Accounting for research and development expenditure incurred at R&D Centres recognized by DSIR

(Amt in ₹ Million)

Particulars	R&D Centre No. 1 Chakan Center		R&D Centre No. 2 Chakan Center		R&D Centre No. 3 Chakan Center		Total	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Capital Expenditure :								
- Machinery and Equipment	11.49	3.26	0.21	-	0.35	35.45	12.05	38.71
- Land and buildings	-		-		-			
Total Capital Expenditure :	11.49	3.26	0.21	-	0.35	35.45	12.05	38.71
Revenue Expenditure:								
- Manpower expenses	86.90	86.79	2.20	3.67	29.34	31.17	118.45	121.64

Notes to Financial Statements

Note 44 Research and development expenditure *(contd.)*

(Amt in ₹ Million)

Particulars	R&D Centre No. 1 Chakan Center		R&D Centre No. 2 Chakan Center		R&D Centre No. 3 Chakan Center		Total	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
- Material and consumables	7.36	5.05	5.75	6.56	8.53	4.50	21.64	16.11
- Other expenses	38.06	32.72	1.87	2.50	4.75	12.11	44.68	47.33
Net Revenue Expenditure	132.33	124.56	9.82	12.74	42.63	47.78	184.77	185.07
Total Capital & Revenue Expenditure	143.82	127.81	10.02	12.74	42.98	83.23	196.82	223.78

Note:The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance, 2019.

Note 45 Lease

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" in respect of lease contracts outstanding on April 1,2019 using modified retrospective method and has opted to measure Right-of-use asset at an amount equal to present value of lease liability outstanding on the date of initial application adjusted for any outstanding lease payment related to that lease recognised before that date. Accordingly, Company has not restated comparative information.

Refer note 1.2.14 – Significant accounting policies – Leases in the Annual report of the Company for the year ended March 31, 2019, for the policy as per Ind AS 17.

Company as a lessee

Operating leases

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

Finance Lease

Before introduction of IND AS 116, leases under which company assumed substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such leases are classified as finance leases. When acquired, such assets are classfied at fair value or present value of minimum lease payments at the inception of the lease, whichever is lower. After introduction of IND AS 116, there is no change in the accounting treatment of such leases previously considered as Finance leases

Company as a lessor

Notes to Financial Statements

Note 45 Lease *(contd.)*

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease since no such arrangement existed on date of initial application.

A. Treatment of Finance leases as on March 31, 2020

The Company has acquired Vehicles, Printers and solar power plant* under finance lease agreements.

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Solar Plants		
Gross Opening Balance	72.95	72.95
Additions during the year	-	-
Accumulated Depreciation**	16.94	12.62
Balance as at March 31, 2020	**56.00**	**60.33**
Computer and Printers		
Gross Opening Balance	-	-
Additions during the year	2.00	-
Accumulated Depreciation**	1.42	-
Balance as at March 31, 2020	**0.59**	-

*Lease charges paid for certain Solar Power Plant are based on generation of electricity units.

**The aggregate depreciation expense on Finance Lease assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease Finance liabilities as at March 31, 2020

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Liabilities	3.30	1.70
Non-current Liabilities	67.23	69.82
Total	70.53	71.52

The future minimum lease payments under these lease agreements as on March 31, 2020 are as follows:

(Amt in ₹ Million)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Minimum Lease payments	Present value of Minimum Lease payments	Minimum Lease payments	Present value of Minimum Lease payments
Not later than one year	10.50	2.79	9.63	1.80
Later than one year but not later than five years	40.60	12.58	39.89	10.79
Later than five years	102.12	55.16	112.33	58.93
Total	**153.22**	**70.53**	**161.85**	**71.52**
Less: Amounts representing finance charges	82.69	0	90.33	0
Present value of minimum lease payments	**70.53**	**70.53**	**71.52**	**71.52**

Notes to Financial Statements

Note 45 Lease *(contd.)*

B. Treatment of Operating leases w.e.f 1 April 2019

The Company has entered into operating lease arrangements for factory shed, residential premises, godown. Right of Use for operating arrangements provide for cancellation by either party and also contain a provision for renewal of the lease agreement.

Ind AS 116 is applicable w.e.f 1st Apr 2019, Company has adopted modified restrospective approach for the Operating lease. Hence no camparitive figures will appear in previous year

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Leasehold Premises		
Gross Opening Balance	-	-
Additions during the year	27.91	-
Accumulated Depreciation**	12.71	-
Balance as at March 31, 2020	15.19	-

**The aggregate depreciation expense on Operating Lease assets is included under depreciation and amortization expense in the statement of Profit and Loss.

Following is the break-up of current and non-current lease Finance liabilities as at March 31, 2020

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Liabilities	7.42	-
Non-current Liabilities	11.00	-
Total	18.41	-

(Amt in ₹ Million)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Minimum Lease payments	Present value of Minimum Lease payments	Minimum Lease payments	Present value of Minimum Lease payments
Due not later than one year	9.13	7.42	-	-
Due later than one year but not later than five years	12.46	11.00	-	-
Later than five years	0.00	0.00	-	-
TOTAL	21.59	18.41	-	-
Less: Amounts representing finance charges	3.18			
Present value of minimum lease payments	18.41	18.41	0.00	0.00

Ind AS 116 is applicable w.e.f 1st Apr 2019, Company has opted for modified restrospective approach for calculation of 'Right of use' and no comparitive figures will be availble for Mar 2019

Notes to Financial Statements

Note 45 Lease *(contd.)*

The following is the aggregate movement in lease liabilities during the year ended March 31, 2020:

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liabilities		
Opening Balance	71.52	73.19
Additions during the year	29.91	-
Finance cost accrued during the period	85.87	90.33
Payment of lease liabilities	73.39	88.66
Balance as at 31 Mar, 2020	**88.95**	**71.52**

Rental expense recorded for short-term leases was ₹ 30.14 million for the year ended March 31, 2020.

Note 46 Earnings Per share

(Amt in ₹ Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Profit attributable to Equity shareholders (Rupees in million)-(A)	847.08	949.88
Basic / Weighted		
Average number of Equity Shares* outstanding during the year - (B)	143,643,940	143,643,940
Nominal Value of Equity shares (₹)		
Basic / Diluted Earning per share (₹) – (A)/(B)	5.90	6.61

Note 47

During FY 2019-20, the Company has recovered ₹5.97 million from Mr. KN Subramaniam on account of excess payment of remuneration

Note 48

During the year, the Company was required to spend ₹25.96 million and has incurred CSR expenses of ₹25.96 million (previous year ₹22.96 million required to spent & actual spent ₹22.96 millions) which represented donations/ contributions to Companies which are engaged in CSR activities eligible under Section 135 of the Companies Act, 2013 as specified in Schedule VII.

Note 49

In view of the pandemic relating to COVID -19, the operations were temporarily disrupted at manufacturing site, warehouse and distribution at various locations across India. Further, Domestic and Export businesses were also temporarily disrupted with many of the territories/States experiencing partial or complete lockdown in the last week of March 2020. The Company has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the sales projections, liquidity, manpower, recoverability of receivables, unbilled receivables, intangible assets and other financial assets. The management believes that the impact of this outbreak on the business and financial position of the company may not be significant post the actions taken to mitigate the same. The Company will continue to closely monitor any material changes to future economic conditions. In addition, the management does not see any risks in the ability to continue as a going concern and meeting its liabilities as and when they fall due.

Note 50

Previous year figures have been re-grouped/reclassified wherever necessary to conform to current year's classification.

NOTICE

NOTICE is hereby given that the Fifty Eighth Annual General Meeting of the Members of GABRIEL INDIA LIMITED ('the Company') will be held on Friday, August 07, 2020 at 2.30 p.m. IST through Video Conferencing / Other Audio Visual Means (VC) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of Board of Directors and Auditors thereon.
2. To declare Final Dividend for the financial year 2019-20.
3. To appoint a Director in place of Mrs. Anjali Singh (DIN: 02082840), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and pursuant to Articles of Association of the Company, Ms. Matangi Gowrishankar (DIN: 01518137), who was appointed as an additional director with effect from February 14, 2020 on the Board of the Company and holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Non- executive Independent director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from February 14, 2020 to February 13, 2025.

   RESOLVED FURTHER THAT the Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and is hereby authorized, individually, to take such steps as may be necessary, desirable or expedient to give effect to this resolution including filing of necessary forms / returns with the Ministry of Corporate Affairs / Stock Exchanges / other authorities concerned."

Notes:

1. In view of the prevailing lock down situation across the country due to outbreak of the COVID-19 pandemic and restrictions on the movements apart from social distancing, General circulars viz. Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 05, 2020 issued by Ministry of Corporate Affairs ('MCA') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are permitted to hold their Annual General Meeting ('AGM') through VC/OAVM for the calendar year 2020.
2. In compliance with applicable provisions of the Companies Act, 2013 ('Act') read with aforesaid MCA circulars the 58th Annual General Meeting of the Company is being conducted through Video Conferencing (VC) herein after called as "e-AGM". For this purpose, the Company has appointed M/s KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) ('KFintech'), Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
3. Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required. Appointment of proxy to attend and cast vote on behalf of the member is not available. Body Corporates should send the Board Resolution passed under Section 113 of the Companies Act 2013, authorising their representative to attend the e-AGM through VC/OAVM and cast their votes through e-voting.
4. Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

   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 e-AGM.
5. Up to 1000 members will be able to join on a FIFO basis to the e-AGM. There will be no restrictions on account of FIFO entry into e-AGM in respect of large shareholders (viz. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

6. The attendance of the Members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.anandgroupindia.com/gabrielindia/. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of KFintech at https://evoting.karvy.com/

8. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 01, 2020 to Friday, August 07, 2020 (both days inclusive).

9. On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

   i. Members holding share(s) in physical mode can register their e-mail address on the Kfintech website at https://karisma.kfintech.com/emailreg by providing the requisite details of their holdings and documents for registering their e-mail address. Post successful registration of the email address, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this AGM. In case of any queries, shareholder may write to einward.ris@kfintech.com or contact Mr. S V Raju, Deputy General Manager of KFin Technologies Private Limited at 040-67162222 or at 1800 3454001 (Toll Free).

   ii. Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants "DPs" for receiving all communications from the Company electronically.

   iii. Shareholders are also requested to visit the website of the Company https://www.anandgroupindia.com/gabrielindia/ or website of KFintech https://evoting.karvy.com for downloading the Annual Report and Notice of the e-AGM.

10. Dividend, as may be approved by the members at the meeting, will be paid to those members whose names stand on the Company's Register of Members as on Friday July 31, 2020. In respect of shares held in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories as at the end of business on July 31, 2020.

11. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to upload the required documents in accordance with the provisions of the IT Act by accessing https://ris.kfintech.com/form15/default.aspx

    For Resident shareholders, taxes shall be deducted at source (on dividend distributed during financial year 2020-21 only) under Section 194 of the IT Act as follows :

    - Members having valid PAN : 7.5% ^ or as notified by the Government of India*
    - Members not having PAN / valid PAN : 20% or as notified by the Government of India*

    (^) As per Notification dated May 13, 2020, this is rate, as reduced by 25%

    (*) However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by him/her during the financial year 2020-21 does not exceed Rs. 5,000.

    Furthermore, no tax shall be deducted in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act.

    Resident shareholders / member may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

    For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable Sections of the IT Act, at the rates in force.

    The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable.

    However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member.
- Copy of Tax Residency Certificate (TRC) for the financial year 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member.
- Self-declaration in Form 10F.
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty (read with the applicable multilateral instrument).
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforesaid declarations and documents need to be submitted by the shareholders on or before July 26, 2020. No communication would be accepted from members after July 26, 2020 regarding the tax withholding matters. Members shall receive Form 16A only at their registered Email id.

12. Members please be informed that respective bank details and address, as registered with the Company furnished by them or by NSDL / CDSL to the Company for shares held in the Physical certificate form and in the dematerialized form respectively, will be printed on their dividend warrants as a measure of protection to Members against fraudulent encashment. In case of shareholders who have not registered their bank details with the Company, dividend warrants/ cheque/ demand drafts will be sent to them in due course of time and upon normalization of postal services.

    Members holding shares in dematerialized form may note that bank particulars registered against their respective depository account will be used by the Company for the payment of dividend. The Company or its Registrar and Transfer Agents, Kfintech cannot act on any request received directly from the members holding shares in dematerialized form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

13. Members holding shares in physical certificate form are requested to notify / send the following to the Company's Registrars and Share Transfer Agents, at the address : KFin Technologies Private Limited (Unit : Gabriel India Limited), Selenium Tower B, Plot Nos. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032, or email at einward.ris@kfintech.com or call on +91 40-67162222; 67161512; Fax No. +91 40 23431551, to facilitate better servicing:

    a. Any change in their address / mandate / bank details,
    b. Particulars of their bank account, in case the same have not been furnished earlier, and
    c. Share certificates held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such share holdings into a single account.

    Members holding shares in dematerialized form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts.

14. Members holding shares in physical certificate form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact Company or KFintech for assistance in this regard.

15. Members seeking any information with regard to the Financial Accounts are requested to write to the Company on or before Friday, July 31, 2020 to the attention of the Company secretary at secretarial@gabriel.co.in, so as to enable the Company to keep the information ready.

16. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed amount of 2nd Interim dividend for the financial year 2011-2012 and Interim Dividend for the financial year 2012-2013 to the Investor Education and Protection Fund established by the Central Government on July 26, 2019 and January 09, 2020 respectively.

    Members who have not encashed their dividend warrants for the financial year ended March 31, 2013 or any subsequent years are requested to lodge their claim with the Company's Registrar and Share Transfer Agent, KFintech.

    Further, Section 124(6) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 requires that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in name of IEPF and be credited to Demat

Account of the Authority. Accordingly, the Company has transferred such shares relevant to unpaid or unclaimed 2nd Interim dividend for the financial year 2011-2012 and Interim Dividend for the financial year 2012-2013 to the Demat Account of the Authority. Members are informed that they can recover their shares by approaching IEPF Authority.

17. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 13, 2019 (date of the last Annual General Meeting) on the website of the IEPF (www.iepf.gov.in) as also on the website of the Company https://www.anandgroupindia.com/gabrielindia/.

18. Members who hold shares in physical certificate form can nominate a person in respect of all the shares held by them singly or jointly, by providing details to the Share Transfer Agent of the Company, KFintech in the prescribed form.

    Members holding shares in dematerialized form may contact their respective Depository Participant(s) for recording nomination in respect of their shares.

19. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, with respect to the special business set out in the Item No. 4 above and additional particulars of Directors retiring by rotation and eligible for appointment / re-appointment pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as SEBI (LODR) Regulations, 2015) are mentioned in the Annexure A & B.

20. 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 the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 07, 2020. Members seeking to inspect such documents can send an email to secretarial@gabriel.co.in

21. Facility to members for attending the e-AGM through Video Conference:

    i. Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.

    ii. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience. Further, members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

        Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in the irrespective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

    iii. Members who would like to express their views/ask questions during the meeting may log into https://evoting.karvy.com/ and click on "AGM Questions" and post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id and mobile number. The "AGM Questions" window shall be activated during the remote e-voting period and shall be closed 24 hours before the AGM.

    iv. Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the e-AGM. Members who would like to express their views or ask questions during the e-AGM may register themselves as a speaker by clicking on 'Speaker Registration' after logging at https://emeetings.kfintech.com by using e - voting credentials 48 hours before start of the AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM.

    v. Only those Members/ shareholders, who will be present in the e-AGM through Video Conference facility who have not cast their vote through remote e-Voting are eligible to vote through e-Voting in the e-AGM.

    vi. Members who need assistance before or during the AGM, can contact Mr. S V Raju of Kfintech at einward.ris@kfintech.com or call at 040- 67162222 or at 1800 345 4001 (Toll Free).

22. Facility for Remote E-voting:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members through KFintech.

The facility for e-voting shall also be made available at the AGM and members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.

The members who have cast their vote by remote e-voting prior to the AGM may also attend the meeting but shall not be entitled to cast their vote again.

The **cut-off date** for determining the eligibility to vote by remote e-voting or in the AGM shall be Friday, July 31, 2020.

The facility of casting vote through remote e-voting shall be provided by KFintech through their e-voting platform. In this regard, your Demat Account / Folio Number has been enrolled by the Company for your participation in remote e-voting on resolution(s) placed by the Company on e-voting system. The instructions for e-voting are mentioned in this Notice.

The remote e-voting period commences on **Tuesday August 04, 2020 at 9.00 a.m. and ends on Thursday, August 06, 2020 at 5.00 p.m.** During this period, the members of the Company, holding shares either in physical certificate form or in dematerialized form, as on the aforesaid cut-off date, may opt for remote e-voting. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

Any person, who acquired the shares of the Company and becomes member of the Company after dispatch of AGM Notice and holding shares as on the aforesaid cut-off date may obtain the login ID and password by sending a request at E-mail ID: einward.ris@kfintech.com

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the aforesaid cut-off date.

The instructions for E-Voting are as under:

i. Launch internet browser by typing the URL: https://evoting.karvy.com

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the event i.e "Gabriel India Limited.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. A member can opt for only one mode of voting i.e. either through remote e-voting or at the AGM. A member will not be allowed to vote at the meeting if he/she has voted through remote e-voting.

23. Instructions for members for e-Voting on the day of e-AGM are as under:

i. The e-Voting window shall be activated upon instructions of the Chairman during the AGM proceedings.

ii. Members shall click on the "Instapoll" icon on the webpage and follow the instructions to vote on the resolutions

iii. Only those shareholders, who are present in the AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

iv. In case of any query and/or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of https://evoting.karvy.com/ or contact Mr. S. V. Raju, Deputy General Manager, M/s KFin Technologies Private Limited (Unit: Gabriel India Limited) at Selenium Tower B, Plot Nos. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 or ateinward.ris@kfintech.com or phone no. 040 – 67162222 or call KFintech's toll free No. 1-800-34-54-001 for any further clarifications.

24. The Company has appointed Ms. Savita Jyoti, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

25. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to savitajyoti@yahoo.com with a copy marked to einward.ris@kfintech.com and secretarial@gabriel.co.in. The scanned image of the abovementioned documents should be in the naming format "58TH AGM of Gabriel India Limited"

26. The scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unlock the votes through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than 48 hours from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or a person authorized by her in writing who shall countersign the same.

27. The scrutinizer shall submit her report to the Chairperson or a person authorized by her, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website https://www.anandgroupindia.com/gabrielindia/ and on the website of KFintech at https://evoting.karvy.com/ and shall also be communicated to the stock exchanges. The resolution shall be deemed to be passed at the Annual General Meeting of the Company Scheduled to be held on Friday, August 07, 2020.

Registered Office:
29th Milestone, Pune-Nashik Highway,
Village Kuruli, Taluka Khed,
Pune - 410 501, Maharashtra, India
Place: Pune
Date: May 19, 2020

By Order of the Board of Directors

Nilesh Jain
Company Secretary

ANNEXURE - A

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013.

ITEM NO. 4

Appointment of Ms. Matangi Gowrishankar as Non-Executive Independent Director

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of directors of top 1000 listed entities (determined on the basis of market capitalization as on March 31, 2020) shall have at least one independent woman director by April 01, 2020. The Board of Directors, upon the recommendation of the Nomination and Remuneration Committee had appointed Ms. Matangi Gowrishankar as an additional Non- Executive Independent Director (Women Director) on the Board of the Company w.e.f. February 14, 2020 for a term of five consecutive years. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder for such an appointment and she is independent of the management.

Pursuant to the provisions of Section 161 of the Companies Act, 2013 ('Act'), Ms. Matangi Gowrishankar (DIN: 01518137) holds office upto the date of the ensuing Annual General Meeting.

She is not dis-qualified from being appointed as director in terms of Section 164 of the Act and has consented to act as a non-executive independent director of the Company.

Ms. Matangi Gowrishankar, aged 61 years, is a graduate from XLRI in Personal Management & Industrial Relations. She has four decades of leadership experience working across diverse industries like Banking, Financial Services, Information Technology, Manufacturing, Sport & Fitness and Oil & Gas industry.

She is skilled in and passionate about Talent Management, HR Consulting, Leadership Development, Employee Engagement and Organizational Development. She has had both business and HR experience with Standard Chartered Bank, Reebok India, GE, Zensar Technologies, Cummins and the British oil major BP plc. She has extensive overseas experience having lived and worked in the UK and Singapore with a wide geographical remit.

She has been a board member of the NHRDN (National HRD Network in India) and one of 20 mentors for the NHRDN Womentoring Initiative. She is a qualified coach and works with senior business leaders to support their business leadership efforts.

She is also Independent Director of few other Companies in India viz. Cyient Limited, Arohan Financial Services Limited, Premium Transmission Private Limited, Altum Credo Home Finance Private Limited, Intellecap Advisory Services Private Limited and Jain Sons Finlease Ltd.

Considering the above credentials, it is desirable to avail her services as a Non-executive Independent Director.

Brief resume of Ms. Matangi Gowrishankar as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms part of this Notice.

The Board recommends the resolution set out at Item No. 4 for the approval of members to be passed as an Ordinary Resolution.

Except Ms. Matangi Gowrishankar, none of the Directors, Key Managerial Personnel of the Company and their relatives is in any way concerned or interested financially or otherwise in the said resolution.

ANNEXURE - B

Details of Director seeking appointment/re-appointment at the ensuing Annual General Meeting as required under Regulation 36 of SEBI (LODR) Regulations, 2015.

(1) Mrs. Anjali Singh

Name of Director	Mrs. Anjali Singh
Date of Birth	August 10, 1981
Date of Appointment as Director	September 18, 2014
Date of Appointment as Executive Chairperson	May 15, 2017
Expertise in Functional Area	Entrepreneur
Qualifications	Bachelor's and Master's degree from the prestigious Central Martin's School of Art and Design in London.
List of other Listed Companies in which Directorships held	Nil
List of other Listed Companies in which Memberships/ Chairmanships of Board Committees held	Nil
Shareholding in the Company	6,41,942 equity shares

(2) Ms. Matangi Gowrishankar

Name of Director	Ms. Matangi Gowrishankar
Date of Birth	February 27, 1958
Date of Appointment	February 14, 2020
Expertise in Functional Area	Talent Management, HR Consulting, Leadership Development, Employee Engagement and Organizational Development
Qualifications	Graduate from XLRI in Personal Management and Industry Relations
List of other Listed Companies in which Directorships held	Cyient Limited
List of other Listed Companies in which Memberships/ Chairmanships of Board Committees held	Cyient Limited (Chairperson of Leadership, Nomination and Remuneration Committee)
Shareholding in the Company	Nil

Cautionary statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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