

# ANNUAL REPORT 2022-2023

DEEPENING IMPACT,  
DRIVING GROWTH



# TEN YEAR CONSOLIDATED FINANCIAL HIGHLIGHTS

(₹ lakhs)

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue from Operations (Net) <sup>^</sup>	92298	108433	113537	126336	143097	159806	157957	163792	201276	254134
Profit Before Interest and Tax	12495	15671	16351	18172	22900	26194	24710	32062	40001	49370
Profit After Tax	8442	10419	10638	12089	15089	16872	18389	23774	29508	36152
Share Capital	2768	2768	2768	5536	5536	5536	5536	5536	5536	5536
Reserves and Surplus <sup>*</sup>	52670	58480	73549	83766	93516	104256	113197	130947	151310	175045
Total Debts	1641	1491	1517	776	4	–	–	–	–	1754
Net Fixed Assets <sup>*</sup>	37696	36360	36405	37434	36672	38804	41277	38496	44179	61486
Net Working Capital <sup>¢</sup>	18520	25597	32307	41348	48336	57040	64659	81137	88933	86285
Earnings Per Share (₹) <sup>#</sup>	7.58	9.32	9.50	10.78	13.52	15.11	16.48	21.60	26.70	32.69
Dividend Per Share (₹) <sup>#</sup>	3.25	3.25	3.25	4.00	5.00	6.00	7.50	9.50	12.00	14.50
Book Value Per Share (₹) <sup>* #</sup>	50.07	55.32	68.93	80.66	89.46	99.16	107.24	123.27	141.66	163.10

## KEY RATIOS

Profit Margin (%) (Net)	13.54	14.45	14.59	14.38	16.00	16.40	15.60	19.57	19.87	19.43
Asset Turnover (Net)	1.50	1.70	1.45	1.40	1.43	1.44	1.32	1.19	1.27	1.40
Return on Capital Employed (%)	20.92	23.93	20.11	19.50	22.80	23.60	20.60	23.28	25.32	27.17
Current Ratio	1.80	1.91	2.23	2.58	2.65	2.98	2.89	2.86	2.86	2.67
Dividend Payout Ratio (incl tax)	51%	43%	43%	46%	45%	48%	45%	44%	45%	44%

Figures re-cast wherever necessary

<sup>^</sup> Upto FY 2015-16 revenue includes only sale of product and from FY 2016-17 revenue also includes other operating income.

<sup>\*</sup> Without Revaluation Reserve except upto FY 2014-15. Right of use Assets under Ind AS 116 included from 2019-20 onwards.

<sup>¢</sup> Net working capital includes cash and cash equivalents and Mutual Fund Investments.

<sup>#</sup> Based on the enhanced capital & Sub-divided Face Value of ₹ 5 each.

**Bankers**

Standard Chartered Bank  
HDFC Bank  
ICICI Bank

**Statutory Auditors**

M/s. Kalyaniwala & Mistry LLP  
Chartered Accountants

**Registrars & Transfer Agents**

TSR Consultants Private Limited  
C-101, 1<sup>st</sup> Floor, 247 Park  
L.B.S. Marg, Vikhroli (West)  
Mumbai 400 083  
Tel. No.: +91 022 6656 8494  
Fax No.: +91 022 6666 8494  
E-mail id: [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)  
Website: [www.tcplindia.co.in](http://www.tcplindia.co.in)

**Registered Office**

5<sup>th</sup> Level, Leela Business Park  
Andheri-Kurla Road  
Marol, Andheri (East)  
Mumbai 400 059  
Tel. No.: +91 022 4021 2121  
Fax No.: +91 022 4021 2102

**E-mail Id**

[sharecmpt.gno@saint-gobain.com](mailto:sharecmpt.gno@saint-gobain.com)

**Website**

[www.grindwellnorton.co.in](http://www.grindwellnorton.co.in)

**Corporate Identity Number**

L26593MH1950PLC008163

**Factories**

1. Mora, Dist. Raigad, Maharashtra
2. Bengaluru, Karnataka
3. Tirupati, Andhra Pradesh
4. Nagpur, Maharashtra
5. Bated, Dist. Solan, Himachal Pradesh
6. Halol, Gujarat

**Directors**

**(As on May 24, 2023)**

- Mr. Keki Elavia  
(Chairman)
- Mr. Aakil Mahajan
- Dr. Archana Hingorani
- Mr. David Molho
- Mr. Jean-Claude Lasserre
- Mr. Krishna Prasad
- Mr. Sreedhar Natarajan
- Mr. Subodh Nadkarni
- Mr. B. Santhanam  
(Managing Director)

**Management Committee**

- Mr. Krishna Prasad  
(Ceramics & Plastics and  
Corporate Services)
- Mr. Deepak Chindarkar  
(Chief Financial Officer)

- Mr. Hari Singudasu  
(Abrasives)

**Company Secretary**

- Mr. K. Visweswaran

**Contents**

Notice	02
Board's Report	14
Management Discussion and Analysis Report	33
Corporate Governance Report	38
Practising Company Secretaries' Certificate on Corporate Governance Report	54
Business Responsibility and Sustainability Report	55
Independent Auditor's Report on Standalone Financial Statements	85
Standalone Balance Sheet	96
Standalone Statement of Profit and Loss	97
Notes to the Standalone Financial Statements	99
Standalone Cash Flow Statement	145
Independent Auditor's Report on Consolidated Financial Statements	149
Consolidated Balance Sheet	156
Consolidated Statement of Profit and Loss	157
Notes to the Consolidated Financial Statements	159
Consolidated Cash Flow Statement	211



## NOTICE

Notice is hereby given that the 73<sup>rd</sup> Annual General Meeting (“AGM”) of the Members of Grindwell Norton Limited will be held on Monday, August 14, 2023 at 3:00 p.m. IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and,
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended March 31, 2023.
3. To appoint a Director in place of Mr. Sreedhar Natarajan (Director Identification No. 08320482), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### 4. Ratification of Remuneration to Cost Auditor of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended or re-enacted from time to time, the remuneration of ₹2,00,000/- (Rupees two lakhs only) plus taxes and out of pocket expenses at actuals payable to M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065), who have been appointed by the Board of Directors on the recommendation of the Audit Committee as the Cost Auditor of the Company to conduct the audit of the cost records for the financial year ending March 31, 2024, be and is hereby ratified and confirmed.

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

#### 5. Appointment of Mr. Jean-Claude Lasserre as a Director of the Company

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

“**RESOLVED THAT** Mr. Jean-Claude Lasserre (Director Identification No. 10082026), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 24, 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Article 112 of the Articles of Association of the Company, and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.”

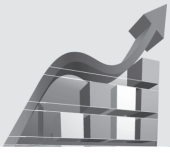
By order of the Board of Directors

**K. VISWESWARAN**  
Company Secretary  
Membership No. A16123

Mumbai, May 24, 2023

#### Registered Office:

5<sup>th</sup> Level, Leela Business Park  
Andheri-Kurla Road, Marol, Andheri (East)  
Mumbai 400 059  
Tel: +91 22 4021 2121 • Fax: +91 22 4021 2102  
E-mail: sharecmpt.gno@saint-gobain.com • Website: www.grindwellnorton.co.in  
Corporate Identity Number: L26593MH1950PLC008163



**NOTES:**

- (a) The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated May 5, 2020 and December 28, 2022, respectively, and other circulars issued in this respect ("MCA Circulars") allowed, inter-alia, conduct of Annual General Meeting ("AGM") through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before September 30, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"). Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
- (b) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of business set out in Item Nos. 4 and 5 of the accompanying Notice and the relevant details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at the AGM are also annexed.
- (c) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by Members during the AGM. All documents referred to in the Notice and Explanatory Statement will also be available for electronic inspection without any fees by the Members from the date of circulation of this Notice up to the date of AGM i.e. Monday, August 14, 2023 Members can write to the Company Secretary at [sharecmpt.gno@saint-gobain.com](mailto:sharecmpt.gno@saint-gobain.com).
- (d) In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/DPs. Members may note that this Notice and Annual Report 2022-23 will also be available on the Company's website, [www.grindwellnorton.co.in](http://www.grindwellnorton.co.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of KFin Technologies Limited ("KFintech") <https://evoting.kfintech.com>.
- (e) The Company has engaged the services of KFintech as the authorized agency for conducting the AGM through VC/OAVM and providing e-Voting facility.
- (f) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (g) **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
- (h) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 5, 2023 to Monday, August 14, 2023 (both days inclusive).
- (i) If the Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or from Friday, August 18, 2023, as under:
- i. to all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and Central Depository Service (India) Limited ("CDSL") as of the close of business hours on Friday, August 4, 2023.
  - ii. to all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Friday, August 4, 2023.
- (j) As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to dematerialised form. Members can contact the Company or Company's Registrars and Transfer Agents, TSR Consultants Private Limited ("TCPL") for assistance in this regard.

- (k) Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their Depository Participant(s) (“DP”). Changes intimated to the DP will then be automatically reflected in the Company’s records which will help the Company and its Registrars and Transfer Agents, TCPL to provide efficient and better services. The relevant forms can be downloaded from Company’s website <https://www.grindwellnorton.co.in/investor-information> > Shareholder Information > intimation to shareholders or from RTA’s website <https://www.tcplindia.co.in/KYC-download.html>.

Members holding shares in physical form are requested to intimate such changes to TCPL through email [csq-unit@tcplindia.co.in](mailto:csq-unit@tcplindia.co.in).

- (l) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (“PAN”) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to their DP with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to TCPL. Relevant details are published on Company’s website <https://www.grindwellnorton.co.in/investor-information> > Shareholder Information > intimation to shareholders.
- (m) Members holding shares in physical form in identical order of names, in more than one folio are requested to send to the Company or TCPL, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be issued to such Members after making requisite changes thereon.
- (n) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- (o) Members desirous of seeking any further information about the financial statements and/or operations of the Company are requested to address their queries to the Company on or before Sunday, August 13, 2023 through email on [sharecmt.gno@saint-gobain.com](mailto:sharecmt.gno@saint-gobain.com), so that the information, to the extent practicable, can be made available at the AGM or the same will be replied by the Company suitably.
- (p) Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (“IEPF”):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a consecutive period of 7 (seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Further, all the shares in respect of which dividend has remained unclaimed for 7 (seven) consecutive years or more from the date of transfer to Unpaid Dividend Account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

The unclaimed or unpaid final dividend for the financial year ended March 31, 2015, has been transferred to IEPF on September 23, 2022.

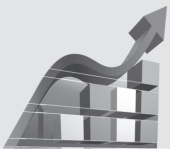
During the financial year 2022-23, 10,179 equity shares in respect of which dividend has not been claimed by the Members for seven consecutive years or more, have been transferred by the Company to IEPF. Details of shares transferred have been uploaded on the website of the IEPF as well as on the website of the Company, [www.grindwellnorton.co.in](http://www.grindwellnorton.co.in).

The Company has uploaded the information in respect of unclaimed dividends, as on the date of last AGM i.e. July 29, 2022, on the website of the IEPF, [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company, [www.grindwellnorton.co.in](http://www.grindwellnorton.co.in).

In the interest of the Members, the Company sends periodical reminders to the Members to claim their dividends in order to avoid transfer of dividends/shares to the IEPF Authority. Notices in this regards also published in the newspapers and the details of unclaimed dividends and Members whose shares are liable to be transferred to the IEPF Authority are uploaded on the Company’s website, [www.grindwellnorton.co.in](http://www.grindwellnorton.co.in).

The information in respect of the dividends are as follows:

Financial Year	Date of declaration of Dividend	Due date for transfer to IEPF
2015-16	March 24, 2016	April 24, 2023
2016-17	July 26, 2017	August 26, 2024
2017-18	July 26, 2018	August 25, 2025
2018-19	July 25, 2019	August 26, 2026



Financial Year	Date of declaration of Dividend	Due date for transfer to IEPF
2019-20	July 24, 2020	August 26, 2027
2020-21	July 28, 2021	August 27, 2028
2021-22	July 29, 2022	August 28, 2029

The Members who are yet to encash their dividend are advised to send requests for duplicate dividend warrants in case they have not received/ not encashed the dividend warrants for any of the above mentioned financial years and/ or send for revalidation of the un-encashed dividend warrants still held by them to Mr. K. Visweswaran, Company Secretary or Ms. Mary George of TCPL.

You are therefore, requested to claim the unpaid/unclaimed amount(s) at the earliest but not later than the last date mentioned against the above-mentioned respective dividend(s).

However, you can claim from the IEPF Authority the unclaimed dividend amount transferred to IEPF by submitting an online application in the prescribed web Form IEPF-5 available on the website, [www.iepf.gov.in](http://www.iepf.gov.in) and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents enumerated in the Form IEPF-5 to the Company. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

- (q) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with TCPL/DPs. In compliance with the Circulars, the Annual Report 2022-23, the Notice of the 73<sup>rd</sup> AGM, and instructions for e-Voting are being sent only through electronic mode to those members whose email addresses are registered with the Company/DP(s).
- (r) Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company/ TCPL (if shares held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to [csg-exemptforms2122@tcplindia.co.in](mailto:csg-exemptforms2122@tcplindia.co.in) by 11:59 p.m. IST on Friday, August 4, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF/JPG Format) by e-mail to [sharecmpt.gno@saint-gobain.com](mailto:sharecmpt.gno@saint-gobain.com). The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on Friday, August 4, 2023.

- (s) Pursuant to the MCA Circulars, physical attendance of members has been dispensed with and, therefore, there is no requirement of appointment of proxies. Hence the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 73<sup>rd</sup> AGM. The representatives of the members may be appointed as per the Section 112 and Section 113 of the Act, for the purpose of voting through remote e-Voting through Board Resolution/ Power of Attorney/ Authority Letter, etc., for participation in the 73<sup>rd</sup> AGM through VC/ OAVM facility and e-Voting. Since the AGM will be held through VC/OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not annexed to this Notice.
- (t) SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard.
- (u) SEBI vide its Circular dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website <https://www.grindwellnorton.co.in/investor-information> > Shareholder Information > intimation to shareholders and on the website of the Company's RTA's at <https://www.tcplindia.co.in/>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

- (v) **The Securities and Exchange Board of India (“SEBI”) through its circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 dated Mar 16, 2023 has mandated furnishing of PAN, KYC details (i.e. Postal Address with PIN Code, email address, mobile number, bank account details, specimen signature) and nomination details by holders of securities in prescribed forms.**

Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://www.grindwellnorton.co.in/investor-information> > Shareholder Information > intimation to shareholders and on the Company’s RTAs website at <https://tcplindia.co.in/home-KYC.html>.

It is pertinent to note that the folios wherein any one of the cited document/details are not available, on or after October 1, 2023 the RTA shall be constrained to freeze such Folio(s) and that the Frozen folio(s) will be reverted to normal status upon furnishing of PAN, KYC details, and Nomination by holders of physical securities.

Folios if continue to remain frozen on /after December 31, 2025 will be referred to the administrative authority under Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

**In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.** The Company has sent a letter to the Members who hold shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination, are requested to refer the above mentioned website links of Company/TCPL and/or contact their respective Depository Participant(s) (“DP”).

Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios as referred above.

- (w) **Instructions for e-Voting and joining the AGM are as follows:**

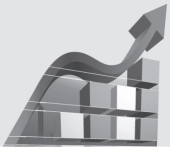
#### **AGM PARTICIPATION AND VOTING THROUGH ELECTRONIC MEANS**

##### **Instructions for e-Voting:**

- I. In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (“SS-2”) issued by The Institute of Company Secretaries of India, the Members are provided with the facility to cast their vote electronically, through the e-Voting services (“remote e-Voting”) provided by KFintech on all the resolutions set forth in this Notice.
- II. The remote e-Voting period shall commence on Friday, August 11, 2023 at 9:00 A.M. IST and ends on Sunday, August 13, 2023 at 5:00 P.M. IST during this period Members of the Company holding shares either in physical form or in dematerialised form as on the cut-off date, Monday, August 7, 2023 may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by KFintech after Sunday, August 13, 2023 at 5:00 P.M. IST. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM. A Member will not be allowed to vote again on any Resolution on which vote has already been cast.
- III. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). However, if a person is already registered with KFintech for remote e-Voting then the existing User-ID and password can be used for casting the vote.
- IV. Members who have cast their vote by remote e-Voting prior to the AGM may also attend/ participate in the AGM through VC /OAVM but shall not be entitled to cast their vote on such resolution again.
- V. **The procedure and instructions for remote e-Voting are as follows:**

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

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



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

Individual Shareholders holding securities in demat form with NSDL		Individual Shareholders holding securities in demat form with CDSL	
<b>1. User already registered for IDeAS facility</b>		<b>1. Existing user who have opted for Easi/Easiest</b>	
I.	URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>	I.	URL: <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>
II.	Click on the “Beneficial Owner” icon under ‘IDeAS’ section	II.	Click on New System Myeasi
III.	On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”	III.	Login with user id and password
IV.	Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period	IV.	Option will be made available to reach e-Voting page without any further authentication
		V.	Click on e-Voting service provider name to cast your vote
<b>2. User not registered for IDeAS e-Services</b>		<b>2. User not registered for Easi/Easiest</b>	
I.	To register click on link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>	I.	Option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a>
II.	Select “Register Online for IDeAS”	II.	Proceed with completing the required fields.
III.	Proceed with completing the required fields		
<b>3. User not registered for IDeAS e-Services</b>		<b>3. By visiting the e-Voting website of CDSL</b>	
I.	To register click on link: <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>	I.	URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>
II.	Proceed with completing the required fields	II.	Provide demat Account Number and PAN No.
		III.	System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account
<b>4. By visiting the e-Voting website of NSDL</b>		IV.	After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress
I.	URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>		
II.	Click on the icon “Login” which is available under ‘Shareholder/Member’ section		
III.	Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen		
IV.	Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page		
V.	Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period		

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

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

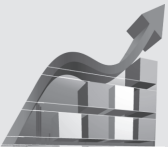
**Important note:**

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

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 4886 7000 and 022 2499 7000, weblink to contact: <a href="https://www.evoting.nsdl.com/eVotingWeb/contactus.do">https://www.evoting.nsdl.com/eVotingWeb/contactus.do</a>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022 2305 8738 or 022 2305 8542/43

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

- a. Open your web browser during the remote e-Voting period and navigate to “<https://evoting.kfintech.com>”.
- b. Enter the login credentials (i.e., User-id and Password) mentioned in the email. Your Folio No./DP ID No./Client ID No. will be your User-ID.  
 User-ID For Members holding shares in Demat Form:  
 For NSDL: 8 Character DP ID followed by 8 Digits Client ID  
 For CDSL: 16 digits beneficiary ID  
 User-ID For Members holding shares in Physical Form:  
 EVEN (E-Voting Event Number) followed by Folio No. registered with the Company  
 Password will be your unique password which is sent via e-mail along with the Notice of AGM.
- c. After entering these details appropriately, click on “LOGIN”.
- d. Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). Kindly note that this password can be used by the Demat holders for voting in any other Company on which they are eligible to vote, provided that the other company opts for e-Voting through KFintech e-Voting platform. System will prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- e. You need to login again with the new credentials.
- f. On successful login, system will prompt you to select the ‘EVENT’ and click on ‘Grindwell Norton Limited’.
- g. If you are holding shares in Demat form and had logged on to “<https://evoting.kfintech.com>” and have cast your vote earlier for any company, then your existing login ID and password are to be used.
- h. On the voting page, enter the number of shares (which represents the number of votes as on cut-off date, Monday, August 7, 2023) under ‘FOR/AGAINST/ABSTAIN’ or alternatively you may partially enter any number in ‘FOR’ and partially in ‘AGAINST’, but the total number in ‘FOR/AGAINST’ taken together should not exceed your total shareholding. If the Member does not indicate either “FOR” or “AGAINST”, it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- i. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- j. You may then cast your vote by selecting an appropriate option and click on “Submit”.
- k. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted all the resolution(s).
- l. Once you ‘CONFIRM’ your vote on the Resolution whether partially or otherwise, you will not be allowed to modify your vote.
- ll. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to access the link <https://evoting.kfintech.com> and upload a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote and attend AGM. Also send these relevant documents to the Scrutinizer by e-mail to [grindwell.scrutinizer@gmail.com](mailto:grindwell.scrutinizer@gmail.com).



- III. The voting rights of the Members shall be in proportion to the number of shares held by them in the equity share capital of the Company as on the cut-off date being Monday, August 7, 2023.

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

- IV. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password” or “Physical User Reset Password” option available on <https://evoting.kfintech.com> to reset the password.
- V. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact Mr. S.V. Raju, Deputy Vice President of KFin Technologies Limited, Selenium, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032 or at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) and [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFintech’s toll free no. 1800 309 4001 for any further clarifications.

#### **Instructions for attending AGM:**

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

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

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

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

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

#### **General Instructions for best VC experience:**

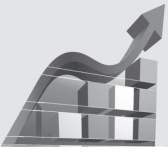
- a. **Members can participate in the AGM through their desktops/smartphones/laptops etc. However, for a better experience and smooth participation, it is advisable to join the meeting through desktops/laptops with Google Chrome/Safari/Firefox and high-speed internet connectivity.**
- b. **Please note that participants connecting from mobile devices or tablets, or through laptops via mobile hotspot may experience audio/video loss due to fluctuation in their respective networks. It is therefore recommended to use a stable Wi-Fi or LAN connection to mitigate any of the aforementioned glitches.**
- VI. The Board of Directors have appointed Mr. P.N. Parikh (Membership No. FCS 327 CP 1228) or failing him Mr. Mitesh Dhabliwala (Membership No. FCS 8331 CP 9511) and failing him Ms. Sarvari Shah (Membership No. FCS 9697, CP 11717) of Parikh & Associates, Practising Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-Voting process in a fair and transparent manner.

VII. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast through remote e-voting) and make, not later than two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

VIII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, [www.grindwellnorton.co.in](http://www.grindwellnorton.co.in), and on the website of the KFinTech at <https://evoting.kfintech.com>. The results shall also be immediately forwarded to the Stock Exchanges, where the equity shares of the Company are listed.

**In order to enable ease of participation of the Members, we are providing below the key details regarding the AGM.**

Sr. No.	Particulars	Details
1.	Date and Time of AGM	Monday, August 14, 2023 at 3:00 p.m. IST
2.	Link for live webcast of the AGM and for participation through VC/OAVM	<a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a>
3.	Link for remote e-Voting	<a href="https://evoting.kfintech.com">https://evoting.kfintech.com</a>
4.	Username and Password for VC/OAVM	Members may attend the AGM through VC/OAVM by accessing the link <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> by using the login credentials. Please refer the instructions forming part of the Notice of AGM.
5.	Helpline number for VC/OAVM participation and e-voting	Contact KFin Technologies Limited ("KFinTech") at 1800 309 4001 or write to them at <a href="mailto:evoting@kfintech.com">evoting@kfintech.com</a>
6.	Cut-off date for e-Voting	Monday, August 7, 2023
7.	Time period for remote e-Voting	Friday, August 11, 2023 (9:00 a.m. IST) and ends on Sunday, August 13, 2023 (5:00 p.m. IST)
8.	Book closure dates	Saturday, August 5, 2023 to Monday, August 14, 2023 (both days inclusive)
9.	Last date for publishing results of the e-Voting	Thursday, August 17, 2023
10.	Rate of Dividend	₹14.50/- per equity share
11.	Dividend payment date on and from	Friday, August 18, 2023
12.	Cut-off date for submission of TDS on dividend related exemption forms	Friday, August 4, 2023
13.	Email ID where the TDS on dividend related exemptions forms to be submitted	1. Resident shareholders: <a href="mailto:Csg-exemptforms2324@tcplindia.co.in">Csg-exemptforms2324@tcplindia.co.in</a> 2. Non-resident shareholders: <a href="mailto:Sharecmpt.GNO@saint-gobain.com">Sharecmpt.GNO@saint-gobain.com</a>



## ANNEXURE TO THE NOTICE

### STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“Act”)

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

#### Item No. 4:

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Rao, Murthy and Associates, Cost Accountants (Firm Registration No. 000065) as “Cost Auditor” of the Company, to conduct the audit of the cost records for the financial year ending March 31, 2024.

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

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of this Notice for ratification of the remuneration payable to the Cost Auditor.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the Resolution set out at Item No. 4 of the Notice.

#### Item No. 5:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Jean-Claude Lasserre (Director Identification No. 10082026), as an Additional Director of the Company under the Non-Executive Director category with effect from May 24, 2023, through Circular Resolution(s).

Pursuant to the provisions of Section 161(1) of the Companies Act 2013 (“the Act”) and Article 112 of the Articles of Association of the Company, he holds office of Additional Director up to the date of this Annual General Meeting (“AGM”) of the Company and is eligible to be appointed as a Non-Executive Director, whose office shall be liable to retire by rotation. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing his candidature for the office of Director.

Further details of Mr. Jean-Claude Lasserre have been given in the Annexure to this Notice.

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

Except Mr. Jean-Claude Lasserre and his relatives, none of the other Directors or Key Managerial Personnel or their relatives are concerned or interested in the Resolution set out at Item No. 5 of the Notice.

By order of the Board of Directors

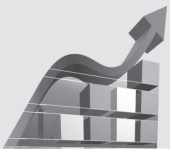
Mumbai, May 24, 2023

**K. VISWESWARAN**  
Company Secretary  
Membership No. A16123

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

### Item No. 3:

<b>Name of the Director</b>	<b>Mr. Sreedhar Natarajan</b>
Director Identification Number	08320482
Date of Birth	July 10, 1969
Age	53 years
Date of first appointment on the Board	November 5, 2019
Qualifications	CMA, Master's Degree in Commerce and Master's Degree in Management
Brief Resume including experience	Mr. Sreedhar Natarajan joined Grindwell Norton Limited in 1994, as a management accountant in Abrasives Business in India and later assumed responsibility for its Finance function. In 2003, he moved to Saint-Gobain's headquarters in Paris and worked in various functions such as Internal Audit and the Group Finance Controlling. In 2006, he was appointed as Finance Director, West Europe, of the Construction Product Sector of Saint-Gobain. In 2008, he returned to India as the General Manager of the Coated Abrasives Business and in 2010, he was nominated as Vice President, Abrasives India. In 2015, he moved to Paris as the Chief Financial Officer of the High-Performance Materials Sector. Effective January 1, 2019, Mr. Sreedhar Natarajan is also the Chief Financial Officer of Compagnie de Saint-Gobain.
Expertise in the specific functional role	Wide Experience in Finance and Management
Terms and Conditions of Appointment/ Re-appointment	As per Item No. 3 of the Notice, the approval of the Members is sought for his re-appointment as a Non-Executive Director of the Company, liable to retire by rotation.  Mr. Sreedhar Natarajan was appointed as a Non-Executive Director on July 25, 2019, liable to retire by rotation. He was re-appointed by the shareholders in the Annual General Meeting held on July 28, 2021.
Remuneration last drawn (including sitting fees, if any)	Nil
Remuneration proposed to be paid	No Remuneration is payable
Relationship with other Directors/ Key Managerial Personnel	Not related to any Director/Key Managerial Personnel
Number of meetings of the Board attended during the year	4
Directorships held in other listed companies (excluding foreign companies and Section 8 companies) as on March 31, 2023	Nil
Memberships/Chairmanships of Committees of other listed companies (includes only Audit Committee and Stakeholders Relationship Committee) as on March 31, 2023	Nil
Number of equity shares held in the Company as on March 31, 2023	Nil



**DETAILS OF DIRECTOR SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING**

**Item No. 5:**

<b>Name of the Director</b>	<b>Mr. Jean-Claude Lasserre</b>
Director Identification Number	10082026
Date of Birth	April 19, 1967
Age	56 years
Date of first appointment on the Board	May 24, 2023
Qualifications	Master's degree in Business Administration & Postgraduate degree in Quantitative Marketing.
Brief Resume including experience	Mr. Jean-Claude Lasserre is CEO SG Surface Solutions (which includes Abrasive business) since February 2023 and prior to this he was also CEO Africa & Sub-Saharan Africa, overlooking operations in 12 countries with 18 manufacturing facilities within the continent. He had vast experience of 25 years in Saint-Gobain holding various position from Business Development to General Management in 7 countries across Asia, Europe, South America and Africa. He holds a Master's degree in Business Administration & Postgraduate degree in Quantitative Marketing.
Expertise in the specific functional role	General Management and various businesses of Saint-Gobain
Terms and Conditions of Appointment/ Re-appointment	Appointed as an Additional Director of the Company under the Non-Executive Director category with effect from May 24, 2023, to hold office up to the date of this Annual General Meeting of the Company.  As per Item No. 5 of the Notice, the approval of the Members is sought for his appointment as a Non-Executive Director of the Company, liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any)	Nil
Remuneration proposed to be paid	No Remuneration is payable
Relationship with other Directors/Key Managerial Personnel	Not related to any Director/Key Managerial Personnel
Number of meetings of the Board attended during the year	NA
Directorships held in other listed companies (excluding foreign companies and Section 8 companies) as on May 24, 2023.	Nil
Memberships/Chairmanships of Committees of other listed companies (includes only Audit Committee and Stakeholders Relationship Committee) as on May 24, 2023.	Nil
Number of equity shares held in the Company as on May 24, 2023.	Nil

## BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 73<sup>rd</sup> Annual Report of the Company along with the audited financial statements for the year ended March 31, 2023.

### FINANCIAL HIGHLIGHTS

(₹ crores)

	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Sale of Products (Gross)	2,175.46	1,854.22	2,348.20	1,861.54
Service & Other Operating Income	193.27	151.40	193.14	151.22
<b>Revenue from Operations</b>	<b>2,368.73</b>	<b>2,005.62</b>	<b>2,541.34</b>	<b>2,012.76</b>
<b>Operating Profit</b>	<b>475.84</b>	<b>403.58</b>	<b>495.56</b>	<b>400.99</b>
Finance costs	6.66	3.96	7.80	4.12
<b>Profit before share of profit/(loss) from Joint Venture</b>	<b>469.18</b>	<b>399.62</b>	<b>487.76</b>	<b>396.87</b>
Share of profit/(loss) in Joint Venture	-	-	(1.86)	(0.98)
Provision for Tax	118.49	101.63	124.38	100.81
<b>Profit for the year</b>	<b>350.69</b>	<b>298.00</b>	<b>361.52</b>	<b>295.08</b>
Other Comprehensive Income (Net)	6.88	11.60	6.82	11.60
<b>Total Comprehensive Income for the year</b>	<b>357.57</b>	<b>309.60</b>	<b>368.34</b>	<b>306.68</b>
Less: Share of Minority Interest	-	-	(0.38)	(0.57)
<b>Total Comprehensive Income attributable to owners</b>	<b>357.57</b>	<b>309.60</b>	<b>368.72</b>	<b>307.25</b>

### DIVIDEND

Your Directors are pleased to recommend for approval of the Members a dividend of ₹14.50 per equity share of the face value of ₹5 each for the financial year ended March 31, 2023. The dividend on equity shares, if approved by the Members, would involve a cash outflow of ₹160.54 crores, as against the cash outflow of ₹132.86 crores in the previous year.

### TRANSFER TO RESERVES

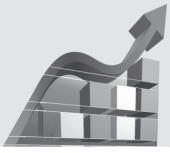
Your Directors do not propose to transfer any amount to the reserves.

### OPERATIONS

The Indian economy has shown sustained growth in the financial year 2022-23 with the GDP growth estimated at 6.50% to 7% as compared to 8.70% growth in the previous financial year. The Russia-Ukraine conflict that started during February 2022, triggered the swing in the commodity prices, accelerating the inflationary pressures. However, the recovery was maintained. The monetary policy measures taken by the Reserve Bank of India to reign in the inflation resulted in slight slowdown in the economy and had impact on the exchange rate. The growth in the Indian economy has been principally led by private consumption and capital formation. The Index for Industrial Production ("IIP"), witnessed a growth of 5.50% in the financial year 2022-23. The growth in the IIP was broad based and all the sectors registered growth over the previous year. Reflecting this, your Company's consolidated revenue from operations and operating profit increased by 26% and 24% respectively.

### Abrasives

After two years of COVID related disturbances, financial year 2022-23 was relatively stable year for the Abrasive Business. Demand was stable but somewhat subdued. While the supply chain was normal, the input cost witnessed significant increase and stayed at high level for most part of the year. During the year, the Paper maker unit was commissioned successfully. The improved product-mix, gain in market share and continued control over cost helped the business grow sales and operating profit by modest 13% and 11% respectively.



### **Ceramics and Plastics**

The Performance Ceramics and Refractories (“PCR”) business witnessed 41% increase in sales over 2021-22 mainly due to increased demand from the end user industry like foundry, steel and non-ferrous segments. The substantial increase in profit is mainly due to improved realization and improvement in the plant efficiencies. The growth in Performance Plastics business was mainly due to improved demand in automotive and life science segment. While there has been increase in the input cost, better product mix helped to maintain the margins. The Silicon Carbide business witnessed good growth in terms of sales due to relatively higher domestic demand from refractory industry, however the steep increase in input cost and also reduction in selling price resulted in lower margins. With the easing of COVID curbs in Bhutan, there was an overall increase in the output of the plant. Overall sales and operating profit of the Ceramics and Plastics segment increased by 25% and 20% respectively.

### **Digital Services & Others**

The Captive IT Development Centre (“INDEC”) had a stable year. The Digital services segment witnessed increase in revenue in 2022-23.

### **SUBSIDIARY COMPANY/JOINT VENTURE/ASSOCIATE**

#### **Subsidiaries**

The Company has a subsidiary in Bhutan, Saint-Gobain Ceramic Materials Bhutan Private Limited (“SGCMBPL”) and during the year, the Company acquired 100% shareholding in PRS Permacel Private Limited, (“PRS”) an unlisted company that produces aesthetic decals and other adhesive tapes, etc. in India.

With the improvement in the COVID situation and the relaxation provided by the Government of Bhutan, the operations in your Company’s subsidiary in Bhutan is stabilizing. PRS recorded sales of around ₹158 crores and Profit before tax of ₹18 crores for the period ended March 31, 2023.

In order to consolidate operations, improve management, achieve unified control, and benefit from operational efficiencies a merger application of PRS with your Company was filed in August 2022. The merger application is currently awaiting approval from National Company Law Tribunal (“NCLT”). The merger will not result in any changes in the Company’s shareholding.

In terms of sub-regulation (1) (c) of Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), both SGCMBPL and PRS are not material subsidiaries.

#### **Joint Venture**

The Joint Venture Company in Gujarat, SG Shinagawa Refractories India Private Limited has achieved stable commercial production in the FY 2022-23.

#### **Associate Company**

The Company had invested in Cleanwin Energy Three LLP in the last financial year for purchase of wind power for its Mora unit and during the year, the supply of power has commenced, which will result in cost optimization and will promote sustainability.

In accordance with Section 129(3) of the Companies Act, 2013 (“Act”), Rule 5 of the Companies (Accounts) Rules, 2014 and relevant Accounting Standards (“AS”), the Company has prepared consolidated financial statements (incorporating the financial results of the subsidiary companies and Joint Venture), which forms part of the Annual Report. A statement in Form AOC-1 containing salient features of the financial statements of the subsidiary companies and Joint Venture are also included in the Annual Report. In accordance with the provisions of Section 136(1) of the Act, the Annual Report of the Company, containing therein the standalone and consolidated financial statements and audited financial statements of the subsidiary have been placed on the website of the Company, <https://www.grindwellnorton.co.in/investor-information> > Financial Performance.

### **FUTURE PROSPECTS**

While the global geo-political and economic situation could bring in uncertainties, the overall economic growth in general and industrial growth in particular is neutral to positive. India’s strong infrastructure push, logistics development and industrial corridor development will contribute significantly to raising industrial competitiveness and boosting future growth. Your Company’s management will focus on growth led by new products and new markets. While the geopolitical tensions and weather related shocks could bring in short term risk, the Directors and the Company’s Management have immense confidence in your Company’s future.

## **MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR**

No material changes or commitments that have had an impact on the financial position of the Company have emerged between financial year-end and the date of this Report.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

## **HUMAN RESOURCES**

The Company's primary focus is to provide a professional work culture that fosters innovation, ensures high performance, and empowers employees to grow and develop individually. The Company strives to become a leader in all the businesses it operates in and places a strong emphasis on enhancing employee capabilities through training. The hiring and onboarding practices of the Company adhere to the best industry standards, and a fair and transparent performance evaluation process is followed. To improve organizational efficiency, employee engagement, and skill levels, the Company encourages participation in various training programs and mandatory e-learning courses.

More generally, employee relations were cordial and productive at all sites of your Company. At the end of the financial year, there were 2322 permanent employees on the rolls of the Company.

## **PREVENTION OF SEXUAL HARASSMENT**

The Company is dedicated to establishing and maintaining a positive work environment that is free from any kind of discrimination or harassment. The Company firmly believes that all employees have the right to be treated with dignity and respect, and it maintains a zero-tolerance policy towards any violations of its Code of Conduct, particularly with regards to sexual harassment. To address any such issues, the Company has formed an Internal Complaints Committee (ICC) in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The Company did not receive any complaint related to sexual harassment during the year.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO AND ENVIRONMENT**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act and read with Rule 8 of the Companies (Accounts) Rules, 2014, is set out in the Annexure 1 of this Report. Your Company is committed to ensure a clean and green, pollution-free environment as well as a safe and healthy workplace at all plant locations and work sites. The Company adheres strictly to the Environment, Health, and Safety Charter, policies, and procedures established under the Saint-Gobain Group. The Company's plants have been certified under ISO 9001, ISO 14001, and ISO 45001. These certifications and various awards acknowledges the efforts put in and outcome achieved in enhancing the Environment, Health and Safety ("EHS") across all its work sites.

## **PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules") is annexed as Annexure 2(A) to this Report. The Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the above Rules, is provided in Annexure 2(B) forming part of this Report.

## **PUBLIC DEPOSITS**

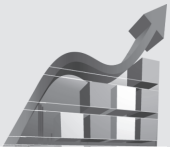
The Company has not accepted any public deposits, and thus, there were no outstanding amounts due on account of principal or interest on public deposits as on the date of the balance sheet.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Cessation**

Mr. Anand Mahajan (Director Identification No. 00066320), Non-Executive Director of the Company relinquished the position of Non-Executive Director effective July 29, 2022, owing to his other commitments. The Board of Directors placed on record their appreciation for the significant contribution made by Mr. Anand Mahajan during his tenure as a Director.

Mr. Laurent Tellier (Director Identification No. 08587279), Non-Executive Director of the Company relinquished the position of Non-Executive Director effective February 13, 2023, owing to his other commitments. The Board of Directors placed on record their appreciation for the valuable contribution made by Mr. Laurent Tellier, during his tenure as a Director.



### **Appointment/Re-appointment**

Mr. Aakil Mahajan (Director Identification No. 09682529) was appointed as an Additional Director under Non-Executive category with effect from July 30, 2022. The Members approved his appointment through Postal Ballot, the results of which were declared on September 16, 2022.

As per the Act and the Articles of Association of the Company, Non-Executive Director Mr. Sreedhar Natarajan (Director Identification No. 08320482) will retire by rotation and has been eligible and offered himself for re-appointment. The Board of Directors recommends his re-appointment and a resolution seeking shareholders' approval, along with other essential details, is included in the Notice.

Mr. Keki Elavia, Dr. Archana Hingorani and Mr. Subodh Nadkarni have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) and 25(8) of the Listing Regulations. There has been no change in circumstances affecting their status as Independent, Non-Executive Directors of the Company during the year.

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

Pursuant to Section 203 of the Act, the Key Managerial Personnel of the Company are:

Mr. B. Santhanam, Managing Director, Mr. Krishna Prasad, Executive, Whole-Time Director, Mr. Deepak Chindarkar, Chief Financial Officer and Mr. K. Visweswaran, Company Secretary.

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

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The purpose of the familiarisation programme is to acquaint the Independent Directors with the Company's business model and the industry in which it operates. Details of the familiarisation programme are accessible on the Company's website, [www.grindwellnorton.co.in/investor-information](http://www.grindwellnorton.co.in/investor-information) > Corporate Governance > Familiarisation Programme for Independent Directors. Furthermore, the Independent Directors are periodically briefed on the latest developments in the Company and its operations.

### **NUMBER OF MEETINGS OF THE BOARD**

The Board meets at regular intervals to review the Company's businesses and to discuss strategy and plans. A tentative annual calendar of meetings is circulated to the Directors in advance to enable them to plan their schedule and to ensure effective participation. During the year, five board meetings and one meeting of Independent Directors were held. The maximum interval between the board meetings did not exceed the period stipulated under the Act and the Listing Regulations.

### **COMMITTEES OF THE BOARD**

The Board has constituted or reconstituted its committees in compliance with the Act and Regulation 18 to 21 of the Listing Regulations during the year. The Committees currently in place are the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The Corporate Governance Report provides information about the Committees, their composition, meetings and other relevant details.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i. that in the preparation of the annual financial statements for the financial year ended on March 31, 2023, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii. that such accounting policies have been selected and applied consistently and judgments and estimates have been made, that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on March 31, 2023, and of the profit of the Company for the year ended on that date;

- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual financial statements have been prepared on a 'going concern' basis;
- v. that proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively;
- vi. that systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and are operating effectively.

With reference to the point number (v), the Board believes that the Company has sound Internal Financial Controls ("IFC") commensurate with the nature and size of its business. However, business is dynamic and the IFCs are not static, and evolve over time as the business, technology and fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There will, therefore, be gaps in the IFC as the business evolves. The Company has established a mechanism to consistently detect such deficiencies and implement updated or enhanced controls wherever the potential impact of such gaps on the Company's operations is significant.

#### **DIRECTORS' APPOINTMENT AND REMUNERATION**

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration. These are set out in the Policy for Appointment of Director, Key Managerial Personnel ("KMP") and Senior Management Appointment Criteria, Performance Evaluation and Removal which is annexed as Annexure 3 to this Report and is also accessible on the Company's website at <https://www.grindwellnorton.co.in/investor-information> > Policies.

#### **ANNUAL EVALUATION OF PERFORMANCE BY THE BOARD**

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

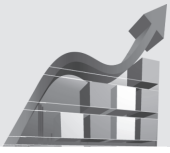
The performance of the Board, its committees, individual directors, and chairperson was assessed by the Nomination and Remuneration Committee and the Board. In addition, the Independent Directors conducted an evaluation of the performance of Non-Independent Directors, Chairperson, and the Board, as a whole. The Board of Directors also appraised the performance of the Independent Directors, their fulfillment of independence criteria specified by the Act and Listing Regulations, and well as their independence from management. The Director being evaluated did not participate in the evaluation process.

#### **RELATED PARTY TRANSACTIONS**

All related party transactions entered during the financial year were in the ordinary course of business and on an arm's length basis. During the year, no material related party transactions were entered by your Company. Prior approval of the Audit Committee is obtained for all related party transactions. The Audit Committee monitors, on a quarterly basis, the related party transactions entered vis-à-vis the related party transactions approved by the Audit Committee. The policy on related party transactions, as approved by the Board, is available on the website of the Company, <https://www.grindwellnorton.co.in/investor-information> > Policies. There are no transactions that are required to be reported in Form AOC-2. The details of the transactions with related parties pursuant to Ind AS-24 are provided in the accompanying financial statements.

#### **CORPORATE SOCIAL RESPONSIBILITY ("CSR")**

Your Company's believes that its primary objective is to cater to the requirement of its customers, while simultaneously create job opportunities, providing livelihood and income for all its stakeholders (including suppliers, vendors, service providers, employees, lenders, shareholders etc.). In addition, it aims to contribute to the government's revenue. According to your Company's belief, meeting its obligations to society entails pursuing its main objective while upholding the highest standards of corporate governance and ethical conduct in its business operations. Against the backdrop of this belief, your Company is committed to executing the objectives outlined in its CSR policy. The CSR policy and initiatives were undertaken during the year, in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, are set out in Annexure 4 to this Report. In accordance with Section 135 of the Act, Corporate Social Responsibility Committee of the Board, having an Independent Chair, has been constituted to monitor the CSR policy and programs. The amount spent on eligible CSR activity for the financial year 2022-23 was around 2.02% of the average profit of the Company during the immediately preceding three financial years.



## **RISK MANAGEMENT POLICY AND INTERNAL FINANCIAL CONTROLS**

Your Company recognises that managing risk is an integral part of good management practice and an essential element of good corporate governance. It aims to have a common, formalized, and systematic approach for managing risk and implementing a risk management process across the Company. The intent of the policy is to ensure the effective communication and management of risk across all risk categories. The Company has identified elements of risk, which may threaten the existence and financial position of the Company, which are set out in the Management Discussion and Analysis Report. The Company's Internal Financial Control systems are commensurate with the nature of its business, financial statements, and the size and complexity of its operations. These are routinely tested and certified by the Statutory as well as Internal Auditors. Significant audit observations and follow-up actions thereon are reported to the Audit Committee.

## **WHISTLE BLOWER POLICY AND VIGIL MECHANISM**

Your Company has adopted and disseminated its Whistle Blower Policy to provide a secure environment and to encourage employees and others to report unethical, unlawful or improper practices, acts or activities including a leak or suspected the leak of Unpublished Price Sensitive Information and to prohibit any adverse personnel action against those who report such practices, acts or activities, in good faith. The Whistle Blower Policy is accessible on the website of the Company, <https://www.grindwellnorton.co.in/investor-information> > Policies.

## **AUDITORS**

### **Statutory Auditors**

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W / W100166) were appointed as Statutory Auditors of your Company at the 72<sup>nd</sup> AGM of the Company held on July 29, 2022, till the conclusion of the 77<sup>th</sup> AGM of the Company. The Statutory Auditors confirmed they are not disqualified from continuing as Auditors of the Company.

### **Cost Auditor**

In accordance with Section 148 of the Act and Rules framed thereunder, the cost audit records are maintained by the Company in respect of the products which are required to be audited. Your Directors, on the recommendation of the Audit Committee, appointed M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065), to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024. M/s. Rao, Murthy & Associates, Cost Accountants, have under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for the appointment.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors have to be ratified by the Members of the Company. Accordingly, an appropriate resolution forms part of the Notice convening the AGM. The Board of Directors seeks your support in approving the proposed remuneration of ₹2,00,000/- (Rupees two lakhs only) plus taxes and out of pocket expenses at actuals payable to the Cost Auditor for the financial year ending March 31, 2024. M/s. Rao, Murthy & Associates, Cost Accountants, have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the past several years.

### **Secretarial Auditor**

In accordance with Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Parikh & Associates, Company Secretaries (Peer Review No.1129/2021), a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2023. The Secretarial Audit Report for the financial year ended March 31, 2023, in Form No. MR-3 is set out in Annexure 6 of this Report.

The Board has also appointed M/s. Parikh & Associates, Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year 2023-24.

### **Comments on Auditors' Report**

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Kalyaniwalla & Mistry LLP, Statutory Auditors, in their Auditors' Report by M/s. Parikh & Associates, Secretarial Auditor, in their Secretarial Audit Report and by M/s. Rao, Murthy & Associates, Cost Accountants,. The Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

## **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended, the Annual Return as on March 31, 2023 is accessible on the Company's website, <https://www.grindwellnorton.co.in/investor-information> > Annual Reports.

## DISCLOSURE REQUIREMENTS

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

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

The Dividend Distribution Policy of the Company as required under the Listing Regulations was adopted to set out the parameters and the circumstances that will be taken into account by the Board of Directors in determining the distribution of dividend to its shareholders. The policy is annexed as Annexure 5 of this Report and is also accessible on the Company's website, <https://www.grindwellnorton.co.in/investor-information> > Policies.

## SECRETARIAL STANDARDS

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

The Company has complied with relevant compliances relating to Foreign Exchange Management Act, 1999.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company's operations in the future.

## ACKNOWLEDGEMENTS

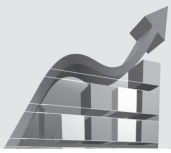
Your Directors take this opportunity to acknowledge, with sincere gratitude, the support of its esteemed customers, the strength it derives from its association with Compagnie de Saint-Gobain and its subsidiaries, the unwavering support and collaboration of the employees and bankers, and the loyalty of the large family of the Company's dealers, suppliers and esteemed shareholders.

For and on behalf of the Board of Directors

**KEKI ELAVIA**  
Chairman  
DIN 00003940

**B. SANTHANAM**  
Managing Director  
DIN 00494806

Mumbai, May 6, 2023



## Annexure 1

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

### (A) Conservation of energy:

Your Company is committed to ensure a clean, green, pollution-free environment as well as a safe and healthy workplace at all plant locations and work sites. All the Plants of your Company are certified under the Integrated Management System. These certifications are recognition of the sustained efforts made by your Company in improving Environment, Health and Safety (“EHS”) at all its sites. Your Company has taken various measures to conserve energy and resources.

### (B) Technology absorption:

Your Company believes that technology absorption, adaptation and innovation is an ongoing process. During the year, through various visits and interactions with the Saint-Gobain Research & Development (“R&D”) centres, as well as other manufacturing locations, your Company has kept itself informed on the latest trends in technology related to the business of the Company. This has helped your Company to continuously improve the manufacturing processes, improve efficiencies and develop new products.

#### 1. Specific areas in which R&D was carried out by the Company:

- (a) Abrasives: Bonded (including Thin Wheels)  
Coated (including Non-woven)  
Super Abrasives
- (b) Ceramics: Silicon Carbide Grains  
Refractories and Monolithics

#### 2. Benefits derived as a result of the above R&D:

- Improved products for Steel & Automotive Foundry industry
- Localization of critical Raw Materials to promote Make in India & mitigate global supply chain challenges

#### 3. Projects on conservation of energy:

- Wind Power as source of clean energy from open access
- Installation of Variable Frequency Drives

#### 4. Future plans of action:

Technology adoption from Saint-Gobain Abrasives and other Saint-Gobain plants in identified priority areas, for the development of new and improved products. Development and utilization of advanced tools facilitated with enhanced grinding system solutions.

Further to explore

- Reduction in heat loss from ovens
- Sustainability initiative to reduce carbon emission- conversion of Diesel Generators into Natural Gas
- Reduction of power consumption by replacing old motors with energy efficient motors

#### 5. Expenditure on R&D for the year ended March 31, 2023:

	(₹ crores)
(a) Capital	Nil
(b) Recurring	2.97
(c) Total	2.97
(d) Total R&D expenditure as % of Revenue from Operations	0.13%

### (C) Foreign exchange earnings and outgo:

Total earnings in foreign exchange for the financial year ended March 31, 2023 was ₹590.10 crores and the total outflow was ₹783.83 crores.

## Annexure 2

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

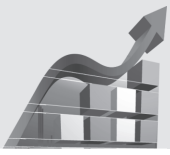
- Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2022-23 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary:

Sr. No.	Name of the Director/ Key Managerial Personnel and Designation	Remuneration for the financial year ended March 31, 2023	% of increase in remuneration in the financial year ended March 31, 2023	Ratio of remuneration of each director median remuneration of employees
1.	Mr. Keki Elavia, Chairman, Non- Executive, Independent Director	25.70	1.18%	4
2.	Ms. Archana Hingorani Non-Executive, Independent Director	25.70	1.18%	4
3.	Mr. Subodh Nadkarni Non-Executive, Independent Director	25.70	2.39%	4
4.	Mr. Anand Mahajan* Promoter, Non-Executive Director	1.60	Not Applicable	0.23
5.	Mr. Aakil Mahajan^ Promoter, Non-Executive Director	41.50	Not Applicable	6
6.	Mr. B. Santhanam Managing Director	184.32	8.30%	27
7.	Mr. Krishna Prasad Executive Director	404.62	13.78%	59
8.	Mr. Deepak Chindarkar Chief Financial Officer	300.08	13.09%	Not Applicable
9.	Mr. K. Visweswaran Company Secretary	144.68	12.55%	Not Applicable

\* Relinquished the position of Non-Executive Director with effect from close of business hours of July 29, 2022, owing to his other commitments.

^ Appointed as a Non-Executive Additional Director with effect from July 30, 2022 and members approved the said appointment through postal ballot approval with effect from September 16, 2022.

- The percentage increase in the remuneration of median employee is 7%.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 12.1%. The average increase made in the salaries of Key Managerial Personnel in the financial year was 9.23%, the higher increase in the remuneration was mainly due to performance based compensation. It may be noted that in the Company's case, the median remuneration is that of a unionised employee. A unionised employee's remuneration increases significantly in the year that a new wage agreement is concluded and, as such, the increase in median remuneration may vary significantly from year to year.
- The number of permanent employees on the rolls of the Company as on March 31, 2023: 2322.
- The key parameters for the variable component of remuneration paid to the Directors are considered by the Board of Directors based on the recommendation of Nomination and Remuneration Committee as per the Remuneration policy.
- It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration policy of the Company.



**B) Details pertaining to employees as required under Section 197(12) of the Companies Act, 2013**

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

Name	Age	Designation/ Nature of Duties	Remuneration (₹ lakhs)	Qualification	Commencement of employment	Last Employment	Total Experience
Employed throughout the year							
Mr. Krishna Prasad	61	Vice President, Ceramics & Plastics and Corporate Services	404.62	B.Sc. (Engg), PGDM (IIM)	May, 1990	The Fertilisers and Chemicals Travancore Limited	37
Mr. Deepak Chindarkar	59	Vice President, Finance & IT	300.08	B.Tech, CWA, MBA	June, 1987	None	36
Mr. Hari Singudasu	55	Vice President, Abrasives	247.34	CWA, PGDBM-Management, Diploma - Finance	January, 1998	Larsen & Toubro Limited	34
Mr. B. Santhanam	66	Managing Director	184.32	B.Tech in Civil Engg (IIT), PGDBM (IIM)	April, 2020	None	43
Mr. K. Visweswaran	53	Company Secretary	144.68	CA, CS, B.Sc.	October, 1997	BPL Refrigeration Limited	30
Mr. Amit Koul	49	General Manager - Sales & Marketing, Abrasives	126.82	BE in Mech. Engg.	November, 2000	KSB Pumps Limited	27
Mr. Ritesh Patterson	52	General Manager - Performance Plastics	121.59	BE in Mech. Engg, PGDM - Marketing	July, 1993	None	30
Mr. Vidosh Sarup	49	General Manager - PCR India	122.68	MSC - Engineering Technology, BE Mechanical	August 1, 1997	None	25
Mr. Anand Bhushan	47	Chief Operating Officer -INDEC	117.61	BE Chemical	May 25, 2022	Capegemini India	23
Ms. Anwesa Sen	49	Head - Human Resources	110.17	MSC, MBA - Human Resources	September, 2017	Geometric Limited	21

**Notes:**

1. Total remuneration includes salary, performance based incentive, allowances, rent paid for providing accommodation, leave pay, group and accident insurance premium, Company's contribution to provident, superannuation and gratuity funds and also the monetary value of other perquisites.
2. All the above employees are employed on contractual basis.
3. Experience includes number of years of service elsewhere, if applicable.
4. None of the employees are related to any Director of the Company.
5. None of the employees are covered under Rule 5(3)(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of Section 197 of the Companies Act, 2013.

## Annexure 3

### **POLICY FOR APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL (“KMP”) AND SENIOR MANAGEMENT APPOINTMENT CRITERIA, PERFORMANCE EVALUATION AND REMOVAL:**

#### **Appointment Criteria, Performance Evaluation and Removal**

1. The Director, KMP and Senior Management shall possess adequate qualification, experience and expertise and the following attributes/skills:
  - a) Cultural fit and personal values
  - b) Vision and strategic management
  - c) Change management and ability to influence change
2. An independent director shall have an impeccable reputation of integrity, deep expertise, insights and complementary skills and shall meet the requirements prescribed under the Companies Act, 2013 and the Listing Regulations.
3. The Nomination and Remuneration Committee (“Committee”) shall carry out an evaluation of performance of every Director, KMP and Senior Management on a yearly basis.
4. Due to any reasons for disqualification mentioned in the Companies Act, 2013 or under any other applicable Act, Rules and Regulations thereunder, the Committee may recommend, to the Board, with reasons recorded in writing, the removal of a Director, KMP or Senior Management (subject to the provisions and compliance of the said Act, Rules and Regulations).

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

##### **A. Non-Executive Director (“NED”), other than a director nominated by Compagnie de Saint-Gobain:**

The sitting fee payable to the NEDs for attending the meetings of the Board and its Committees is based on the following criteria:

- a. For Board and Audit Committee meetings sitting fees of ₹50,000 per meeting
- b. For all other Committee meetings sitting fees of ₹30,000 per meeting

The NEDs shall be paid commission up to an aggregate amount not exceeding 1% of the net profits of the Company for the year. The Company has no stock options and no plans to introduce stock options.

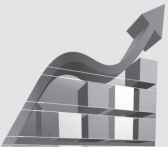
##### **B. Managing Director, Key Managerial Personnel and other employees:**

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

The Managing Director is eligible for commission up to an aggregate amount not exceeding 1% of the net profits of the Company for the year.

The Company has no stock option plans. Some of the employees are eligible for Performance Shares of Compagnie de Saint-Gobain and all employees are eligible to purchase shares of Compagnie de Saint-Gobain under the Employee Share Purchase Plan.

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



## Annexure 4

### CORPORATE SOCIAL RESPONSIBILITY POLICY

As a part of the Saint-Gobain Group, Grindwell Norton Ltd (“GNO”) has adopted the Group’s Corporate Social Responsibility (“CSR”) policy and adapted it to the Indian context. For the Group, CSR is at the heart of its strategy of sustainable development and this strategy is guided by the Saint-Gobain purpose of “MAKING THE WORLD A BETTER HOME”. CSR impacts every aspect of how it conducts its business and is far more than philanthropy.

Saint-Gobain’s Corporate Social Responsibility Policy for India covers six broad areas of action:

1. Inventing and promoting sustainable buildings
2. Limiting our environmental impact
3. Encouraging employees’ professional growth
4. Supporting local community development
5. Taking actions across the value chain
6. Ensuring that its business practices meet the highest standards of corporate governance and ethics

**Within this, GNO’s CSR agenda comprises of:**

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

#### **Scope:**

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

#### **Governance mechanism:**

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

#### **Implementation:**

The Company’s CSR programs shall be implemented by the Company personnel or through an external agency or through the Saint-Gobain India Foundation - a non-profit company promoted by Saint-Gobain group in India - for implementing CSR initiatives or any other trust or foundation who have competencies in implementation of the identified CSR activities.

#### **Impact Assessment:**

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

#### **CSR Expenditure:**

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

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

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

### 1. Brief outline on CSR Policy of the Company

As a part of the Saint-Gobain Group, Grindwell Norton Limited (“GNO”) has adopted the group’s Corporate Social Responsibility (“CSR”) policy and adopted it to the Indian context. For the Group, CSR impacts every aspect of how it conducts business is about being a responsible corporate citizen and is far more than philanthropy. The Group’s view of CSR is broad and covers more than what is envisaged under the Companies Act, 2013. In line with the Group’s CSR policy, GNO’s CSR agenda comprises of:

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

The CSR policy and details of the programme are available on the website of the Company, <https://www.grindwellnorton.co.in/investor-information> > Policies.

### 2. Composition of CSR Committee:

Sr. No.	Name	Category	Number of meetings during the year 2022-23	
			Held	Attended
1.	Mr. Keki Elavia (Chairman)	Independent, Non-Executive	1	1
2.	Mr. B. Santhanam	Executive	1	1
3.	Mr. David Eric Molho	Non-Executive	1	1

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

Composition of CSR committee - <https://www.grindwellnorton.co.in/investor-information> > Corporate governance > Board and Committees

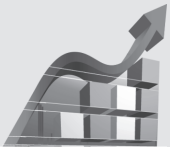
CSR Policy - <https://www.grindwellnorton.co.in/investor-information> > Policies

CSR Project - <https://www.grindwellnorton.co.in/investor-information> > Annual Reports

### Details of CSR amount spent against other than ongoing projects for the financial year:

(₹ lakhs)

(1) Sr. No.	(2) Name of the Project#	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation Direct (Yes/No)	(8) Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Promotion of Education & Rehabilitation education	(ii)	Yes	Maharashtra; Karnataka; and Andhra Pradesh	Mumbai; Bengaluru and Tirupati	577.31	No	Saint-Gobain India Foundation	CSR00003464
2.	Rural Infrastructure Development	(x)	Yes	Andhra Pradesh	Tirupati	45.50	Yes	-	-
	<b>TOTAL</b>					<b>622.81</b>			



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

- a. Akanksha Foundation is an NGO that works primarily in the field of education of underprivileged children through Akanksha Schools. Akanksha adopts, manages and operates government schools in Mumbai. Saint-Gobain India Foundation supported 215 students of Mahatma Phule Market Mumbai Public School for 2022-2023.
- b. Aseema is a Mumbai based NGO working for the rights of underprivileged children living on the streets and in the slum communities. It supports poorly functioning municipal schools and helps improve student's learning. Saint-Gobain India Foundation has sponsored the education of around 281 children in Igatpuri and Mumbai.
- c. Parikrama aims at creating a sustainable model by effecting a fundamental change in the way the poor and marginal children are educated. Saint-Gobain India Foundation supports 360 students in Bengaluru.
- d. SOS Children's Villages of India is committed to the welfare of orphaned and abandoned children and provides shelter and education to such children. Saint-Gobain India Foundation supports 190 children at SOS village in Tirupati and Bengaluru.
- e. United way of Mumbai supports early childhood care & education and provides supplementary primary education for children in Uran and Raigad for 200 students.
- f. Yash Charitable Trust provides rehabilitation, skill development training and livelihood opportunities through skilling and supported employment opportunity for 25 differently able beneficiaries.
- g. Hellen Keller Society for Differently Abled provide support for rehabilitation of Children through focused programs and benefits around 45 differently abled children through these interventions.
- h. Pratham Trust initiate programs targeted towards children in rural villages through focused centers and it benefits 4720 people (Students & rural Women).
- i. Local spend via GNO for road development in order to provide better road connectivity to local village people in Tirupathi near the factory, in turn benefiting more than 1000 people.

**4. Provide the executive summary along with web-link(s) of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

Not Applicable

5. (a) Average net profit of the Company as per section 135(5): ₹30,863 lakhs  
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹617.30 lakhs  
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: ₹5.50 lakhs  
 (d) Amount required to be set off for the financial year, if any: Nil  
 (e) Total CSR obligation for the financial year (5a+5b-5c): ₹617.30 lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹622.81 lakhs  
 (b) Amount spent in Administrative Overheads: Nil  
 (c) Amount spent on Impact Assessment, if applicable: Nil  
 (d) Total amount spent for the Financial Year (6a+6b+6c): ₹622.81 lakhs  
 (e) CSR amount spent or unspent for the financial year:

(₹ lakhs)

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

**(f) Excess amount for set off, if any**

(₹ lakhs)

Sr. No.	Particulars	Amount
(i)	Two percent of average net profit of the Company as per section 135(5)	617.30
(ii)	Total amount spent for the financial year	622.81
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5.50
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	33.37
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	38.87

**7. Details of Unspent CSR amount for the preceding three financial years:**

(₹ lakhs)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
NA								

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

Sr. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		
					CSR Registration Number, if applicable	Name	Registered address
NA							

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

For **Grindwell Norton Limited**

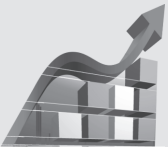
For and on behalf of the  
**Corporate Social Responsibility Committee of  
Grindwell Norton Limited**

**B. SANTHANAM**  
Managing Director  
DIN 00494806

**DEEPAK CHINDARKAR**  
Chief Financial Officer

**KEKI ELAVIA**  
Chairman  
DIN 00003940

May 6, 2023



## Annexure 5

### DIVIDEND DISTRIBUTION POLICY

#### 1. Objective:

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

#### 2. Parameters for declaration of Dividend:

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

- a) Profit earned during the financial year
- b) Capital expenditure requirements
- c) Operating cash flows and treasury position
- d) Cash Retention for contingencies of an exceptional amount
- e) Acquisitions or new investments requiring higher allocation of capital
- f) Higher working capital requirements affecting free cash flow
- g) External economic environment
- h) Legal and regulatory framework

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

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

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

#### **2.3 Manner of utilization of Retained earnings:**

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

#### **2.4 Parameters adopted with regard to various classes of shares:**

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

#### 3. Disclosure:

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

#### 4. General:

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

## Annexure 6

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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,

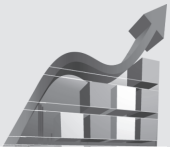
The Members,  
**Grindwell Norton Limited**

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not applicable to the Company during the audit period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)



- (vi) Other laws specifically applicable to the Company namely
- (a) Factories Act, 1948;
  - (b) Labour Laws and other incidental laws related to labour and employees;
  - (c) Industries (Development & Regulation) Act, 1991;
  - (d) Acts and rules prescribed under prevention and control of pollution;
  - (e) Acts relating to protection of IPR

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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.

As represented by the company, the decisions at the Board Meetings were taken unanimously/with requisite majority.

We further report that there are 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.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Parikh & Associates**  
Company Secretaries

**MITESH DHABLIWALA**  
Partner

FCS No: 8331 CP No: 9511  
UDIN: F008331E000265049  
PR No: 1129/2021

Place : Mumbai  
Date : May 6, 2023

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

## ‘Annexure A’

To,  
The Members  
**Grindwell Norton Limited**

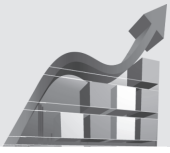
Our report of even date is to be read along with this letter.

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

For **Parikh & Associates**  
Company Secretaries

Place : Mumbai  
Date : May 6, 2023

**MITESH DHABLIWALA**  
Partner  
FCS No: 8331 CP No: 9511  
UDIN: F008331E000265049  
PR No: 1129/2021



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### General Review:

Grindwell Norton Limited (“GNO”) is one of the subsidiaries of Compagnie de Saint-Gobain (Saint-Gobain), a transnational group with its headquarters in Paris and with sales of Euro 51.20 billion in 2022. Saint-Gobain has organised its businesses into two broad areas: Construction or Building related businesses focused on serving the regional market, and High Performance Solutions (“HPS”) catering to the global market. GNO’s businesses are part of the HPS Sector. Within GNO, the businesses are divided into two major segments;

1. Abrasives
2. Ceramics & Plastics

### Business environment:

India’s current growth continues to be resilient despite some signs of moderation. The overall growth remains robust and is estimated to be between 6.5% to 7% for the full year. Growth was underpinned by strong investment activity bolstered by the government’s capex push and buoyant private consumption. The Index for Industrial Production (“IIP”) grew by 5.5% over 2021-22 and the growth was widespread. The global geo-political disturbances resulted in rising commodity price and input cost which resulted in rise in inflation and depreciation in Rupee against the USD.

### Abrasives Segment Review

#### Products & Plants:

Bonded abrasives, generally available in the form of wheels and other shapes such as Segments, Sticks & Cones, etc., are used for various precision applications such as OD grinding, ID grinding, Surface grinding, Face grinding, Lapping, Honing, Super-finishing, Thread grinding, Fluting etc. They are also used in rough applications such as Snagging, Burr removal and Off-hand grinding. Bonded Abrasives are used by a variety of Industries like Steel, Bearings, Auto Ancillaries, Auto OEMs, Foundries, Cutting Tools, Needle, Razor, Food Processing, Aerospace and General Engineering. The variety of products is large and consists of both Made-to-Order and Made-to-stock products. GNO makes over 15,000 different products in a year.

Thin Wheels are predominantly Cutting and Grinding Wheels used for Cutting, Deburring and Weld-removal. These are generally used in Fabrication, Construction, Foundry and General Engineering. With the increasing affordability of Power Tools, usage of TWs is growing significantly.

Coated Abrasives products are engineered composites comprising of a backing, a bond system and abrasive grains and are designed for material removal and surface preparation and finishing. Coated Abrasive products are available in various shapes like Discs, Belts, Wheels, Sheets & Rolls to suit a wide gamut of surface preparation and polishing applications. Non-Woven Abrasives, which are a part of Coated, are used for getting the desired high quality surface finish for metals, woods and other composites. Non-woven products are also used for consumer applications like utensil cleaning, floor cleaning etc as well.

Super Abrasives are made of Diamond (synthetic or natural) or Cubic Boron Nitride and are used in precision applications in Auto, Bearing, Steel, Solar, Electronics and many similar industries.

GNO offers the widest range of cutting-edge Abrasive products to the Indian market. While the vast majority of these products are made by GNO in India, some are sourced from other plants of Saint-Gobain or from third parties.

Saint-Gobain has good backward integration for certain Abrasives as the Ceramic Materials Division of Saint-Gobain manufactures high-end Abrasive grains. Besides, Saint-Gobain has strong Research and Development capabilities and is uniquely positioned in the Abrasives industry.

Abrasives business in India has four manufacturing sites: Mora (near Mumbai), Bengaluru, Nagpur and Badi (Himachal Pradesh). All the sites are certified under ISO 9001, ISO 14001 and ISO 45001. Besides, to augment its manufacturing capacity, GNO also has contract manufacturing and extensive sourcing arrangements both at domestic and international level.

In the last few years, we have started to offer a range of Sealants & Adhesives under the Brand ‘Tekbond’ based on the successful acquisition of a few businesses by Saint-Gobain in the rest of the world.

### Industry:

The Abrasives industry in India currently has two major players offering a full range of Abrasives products, one of which is GNO. GNO has a leadership position in several product-market segments. Apart from these two major players, there are several multi-national players, primarily, European, Korean and Japanese, present in the market through their local entities or agents or distributors. Also, there are several small local players present in a select range of products.

Over the years, imports from China have significantly increased in the lower tiers of the market. As the Quality and performance levels of these products is acceptable, they offer competitive value proposition to the customers and increasingly occupy higher shelf-space in Retail counters. In case of Coated Abrasives, a few important international players including from Korea, have set

up conversion facilities in India. Abrasives business has over a period of time become very competitive with Power Tool players, Cutting Tool and Paint companies entering in a big way. The abrasives market is thus becoming a lot more competitive every year.

Implementation of GST made it feasible for the large foreign players to set-up their warehouses in India. For the products imported from China, the CVD paid is effectively reimbursed. This has led to a significant increase in competition.

The Key Success Factors for Abrasives in India are; range, loyal distribution, reach, high level of technical competence to work on specific solutions for different customers, good cost position, agility in offering new products & solutions, reliable service and quality and innovation.

### **Development & Outlook:**

Saint-Gobain is a major player worldwide in Abrasives. It has a strong product portfolio with Centres of Excellence, footprint in several countries for manufacturing and R&D centres located in different parts of the world to cater to both the local and global needs in terms of products, manufacturing process etc. Besides, the Ceramic Materials Division of Saint Gobain develops high end Abrasive Grains.

GNO benefits from being a part of such an organization, in terms of access to all developments in products and process technology.

After two years of COVID related disturbances, Financial year 2022-23 was a stable year, relatively. While there was reasonable stability on the Supply-chain front in terms of availability, inflation rose to very high levels and stayed there for most part of the year. The conflict between Russia and Ukraine created a lot of uncertainties that led to all European manufacturers raising prices. Some specific commodities saw inflation at much higher levels. Energy prices too went up substantially.

On the other hand, China didn't experience such high levels of inflation and the suppliers have started to lower prices for exports given the overall low demand. Thus in India, we had to put-up with higher inflation for many of our Raw Materials for a good part of the year while the prices of many products imported from China have started to get lower.

Throughout the year, we had to make a fine, tightrope walk, balancing high inflation in input costs with lowering finished products prices. We had to make difficult choices of exiting some non-profitable customers & product-lines while persevering with some customers for price compensation in the face of heavy resistance.

Demand was stable but somewhat subdued. Auto Industry has witnessed stable growth. Export dependent industries saw a big decline in order-books. Rural demand was weak, FMCG companies did have a soft volume growth.

Despite the global head-winds and uncertainties associated with geo-political conflicts & realignments, India is expected to register a higher economic growth for several years to come. Indian Government is rapidly investing in developing infrastructure in several areas including roads, airports, railways etc. Indian Steel Industry which is already the 2<sup>nd</sup> largest in the world will continue to grow much faster with new capacities for value added steels. With the western world relooking at their excessive supply chain dependence on China, several new opportunities will emerge for India.

These will mean, a faster and sustained growth of Abrasives industry in the near future. The evolution of Electric Vehicles is expected to result in somewhat lower potential for Abrasives.

Overall, with the focus on expansion of our reach and distribution and on diversification to non-engineering channels, we grew our sales by 12.5% to ₹1,278 crores and Operating Profit by 15.2% to ₹179 crores in 2022-23.

We also successfully commissioned the new Paper maker in Bengaluru. This new capability would open-up many new opportunities in India and in export markets.

### **Risks & Concerns:**

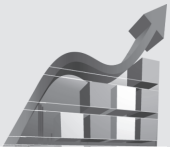
Post pandemic, the Economic recovery in India seems to be K shaped. Outlook for India for 2023-24 seems to be stable, albeit, at a lower level compared to 2022-23. On the other hand, the global economy is expected to see head-winds in the form of recession. Several agencies like International Monetary Fund ("IMF") & World Bank ("WB") are forecasting a much lower economic growth in Europe and US.

China economy is expected to bounce back after the full opening-up post COVID restrictions. This is expected to lead to inflation in commodity prices. So far, though, this doesn't seem to be happening. On the other hand, low demand in China may mean the manufacturers will be aggressive in exports. This can exert price pressure in India for the abrasive products.

### **(i) Industry & Market:**

The Abrasives business caters to a number of industries such as Steel, Automobiles, Auto Components, General Metal Fabrication, Construction and Woodworking. The dependence on any single industry segment is less than 15% even as Automotive coupled with ancillaries and Automotive After, has a significant impact. This broad-based nature of Abrasives business in a way protects it from the volatility of any particular segment.

GNO, over last few years has focused on growing the non-engineering channels and also diversifying in adjacency products. We have also increased efforts to grow exports. This in a way, should partially insulate us from the ups and downs of specific market segments in India.



**(ii) Technology:**

Abrasives have been used over a very long period of time and technological changes in terms of applications are gradual. GNO Abrasives is well positioned to anticipate and take advantage of these technological changes as Saint-Gobain is one of the World's Leading manufacturers of Abrasives with a very strong R&D Centre in the USA with regional R&D centers located elsewhere (including a Centre in India). Both basic and applied research takes place at these R&D centers. GNO has full access to all the research and technology developments.

**(iii) Competition:**

The Abrasives Market in India has two major players and many other small, mid-size players. In the last few years, we have seen many Paint, Adhesives and similar companies entering the Abrasives market. With their deep distribution and aggressive prices, they have been able to penetrate the market in a short period of time. On the other hand, imports from China have grown over the period of time. We see organized players in power-tools segment and local traders importing from China in their own brands. High-end European and Japanese players continue to work in specific niches. They operate through their subsidiaries, distributors or agents. To meet the growing challenges in the market, the business will have to continue to invest in technology, capacities and capabilities and provide superior solutions.

**PERFORMANCE PLASTICS ("PPL")**

**Product, Plant & Industry:**

The Performance Plastics business produces and markets more than 800 standard and custom-made polymer products through three business segments: Engineered Components ("ENC"), Life Sciences ("LS") and Composites ("CMP"). Each of the segments demonstrates innovation, responsiveness to customer needs and polymer expertise. The major product lines in PPL are Bearings, Seals, Tubing & Hoses, Films, Fabrics and Foams. The major markets addressed are Life Science, Automotive, Oil & Gas, Construction, Energy and General Industrial. GNO has a plant for ENC and LS products situated at Bengaluru. This plant is certified under ISO 9001, ISO 14001, ISO 45001 and TS 1694.

**Development & Outlook:**

The major growth drivers are: (a) New product development and new customer /market conversions (b) Success in new applications development (c) Broad-basing of existing applications and markets (d) Specification driven approvals at customers in Life Sciences and Automotive market segments. 2022-23 was an excellent year for the PPL business with both sales and profits registering significant increases. The Bearings segment of Engineered Components was the biggest contributor to this outstanding performance due to significant revivals seen in automotive volumes. The Life Sciences domestic market witnessed good demand from local manufacturers of vaccines and drugs and also due to the conversion of new customers and applications. As global markets witnessed demand slump, export orders for tubings from our affiliates saw a significant decrease. Revival of Construction activity and industrial activity helped the Composites segment to do much better. Moreover, strong customer conversions and demand pick up in Electric Vehicle ("EV") automotive customers has led to a strong growth for the Composites business. Seals business too showed good growth volumes over last year with new customer additions in the Energy sector in spite of a sluggish Energy market environment.

Looking ahead, the outlook for all businesses is positive with a favourable demand scenario in most of the markets. The Life Sciences business continues to have a strong demand outlook on the domestic front and with local production of Bags there is a huge new business opportunity available for conversion. With Automotive demand expected to continue to do well in the current year with lesser supply chain disruptions, Bearings and Composites businesses too have a good outlook. Electric Vehicle Battery packs promises to be a significant growth driver for Composites business in 2023-24. The main aim of the PPL business in 2023-24 would be to strengthen its position in existing markets, while accelerating growth in new markets in the industrial, life sciences and construction segments. Presence of well-trained technical sales and application engineers with good market coverage is a key requirement to identify and develop new applications and deliver high growth. Building such teams and local expertise will continue to be a high priority for the business.

**Risks & Concerns:**

Demand disruption in key markets like Automotive, Life Sciences, Industrial and Oil & Gas is a major risk due to the macro environment uncertainty in the short term. Inflationary environment and concerns over availability of Key Raw materials along with logistical uncertainties will be critical challenges to overcome for the business in the current year. Depreciation of the Rupee is also a risk as the business is import-intensive.

**PERFORMANCE CERAMICS AND REFRACTORIES ("PCR")**

**Products & Plants:**

GNO's PCR Business Unit makes Ceramic and Refractory products for a wide range of industrial applications. The products manufactured mainly include Silicon Carbide based "shaped" refractory and ceramic products. The range of "unshaped (monolithic)" products primarily includes "dry ramming masses" and a few specialized "castables". PCR Business offers comprehensive solutions,

based on deep expertise acquired over the years, in the design, engineering, and manufacturing of ceramic and refractory systems for addressable applications. In many cases, our offering includes installation support and training as part of the overall product-service package. PCR business unit has two manufacturing sites: one is located at Bengaluru, in Karnataka, and the other at Halol, near Vadodara, in Gujarat. The plants in Halol & Bangalore are certified under ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018.

**Industry:**

PCR Refractory products find use in applications across industry segments like Primary Iron & Steel, Primary Non-Ferrous Metals (Aluminium, Copper, Zinc, etc.), Secondary Steel, Secondary Iron, Secondary Non-Ferrous (Aluminium, Copper), Petrochemicals, Waste to Energy Systems, etc. PCR Ceramic products are used in applications in industry segments like Sanitaryware, Tableware, Ballistic Armor Protection, Wear Resistance Systems, etc.

**Development & Outlook:**

Sales in 2022-23 were 41% higher than the previous year. The business continued to develop the opportunities identified during the last few years in the following segments: Foundry, Iron & Steel, and Non-Ferrous segments in the domestic market and Ceramic systems, Armor, Iron & Steel, and Foundry segments in export markets. Operating profit grew substantially, mainly due to higher sales volume, improved sales realisation and continued improvement in manufacturing efficiencies. The new JV SGSR is still in the stabilization phase & expected to achieve break-even in 2023-24.

The outlook for 2023-24 is positive on account of the identified market opportunities but concerns, due to slowing Indian and global economy and supply chain disruption brought on by different economic & geopolitical circumstances. In the upcoming years, the Halol Expansion will serve as the primary engine of robust expansion (especially in export markets).

**Significant changes in Key Financial Ratios along with detailed explanation:**

During the Financial year ended March 31, 2023, the Debt-Equity Ratio of the Company has risen to 140% as a result of availing part of the sanctioned term loan during the financial year.

**Risks & Concerns:**

The business has a very high level of exposure to global supply chains – both for inputs and sales. There are many geo-political factors at play that can disrupt these supply chains. Contingency plans need to be developed for such situations.

**SILICON CARBIDE (“SiC”)**

**Products & Plants:**

Silicon Carbide grains are used primarily as raw material in the manufacture of Abrasives, Refractories, Iron Foundries and for stone polishing. SiC is manufactured at the plant located at Tirupati in Andhra Pradesh. SiC is also manufactured by the Company's subsidiary, Saint-Gobain Ceramic Materials Bhutan Private Limited, at its plant near Phuentsholing in Bhutan. Both the plants are certified under ISO 9001: 2015, ISO 14001:2015 and ISO 45001:2018.

**Industry:**

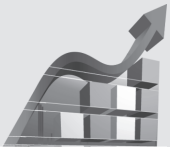
In the domestic market, there are three main players (including GNO) in the SiC business. This market is also catered by imports, mainly from China, Vietnam and Russia. The key requirements for success in the industry are quality and cost competitiveness. Entry barriers are high by way of capital investment and technology.

**Development & Outlook:**

SiC business witnessed the worst inflation on the cost front. The Petcoke which is one of the Primary Raw material touched historical high levels for GNO as well as your Company's subsidiary in Bhutan. This increase in the Petcoke and RPC prices impacted adversely overall input costs. While the Costs touched historical highs, at both manufacturing sites, we were able to cover this with partly increase in selling prices during most part of the year. As the customers restricted their requirement purely based on consumption and bringing down their inventory levels resulted in drop in domestic demand over the previous year. During the last quarter, while there was some softening on the input costs, the Selling prices dropped far higher than input cost drop resulting in the decrease in overall Margins.

On the supply side, with the easing of COVID curbs in Bhutan, there was an overall increase in the output of the plant. The power supply to the Tirupati site of your Company from the Andhra Pradesh Gas Power Corporation Limited (APGPCL) was affected during the second half of the financial year as APGPCL was shut down due to non-availability of the APM gas. As a result the overall output was lower than the previous year.

Looking ahead, the focus in 2023-24 will be on maximizing supply from both manufacturing locations and to continue focus on the Price and Cost management.



### **Risks & Concerns:**

Given the ongoing global Energy crisis, the Input cost pressure continues to affect us. While recently we have seen some softening of Input costs, this is still not sufficient given the reduction seen in the selling prices we have witnessed. This needs a very close management.

### **Digital Services**

#### **Development & Outlook and Risk & Concerns:**

GNO has captive Digital services unit which provides various Digital services (e.g. Application development, infrastructure management, and cybersecurity) to the Saint-Gobain group globally. The Digital services unit has around 699 people. The captive center follows the cost-plus model. The growth in this segment is limited and future growth can happen only on account of cost inflation. The financial performance of this segment may be impacted due to the foreign exchange fluctuation and hedging strategy.

### **Risks & Concerns -**

#### **others**

#### **1. Financial:**

GNO's financial management has always been governed by prudent policies, based on conservative principles. Currently, GNO has minimal borrowing. All the commercial transactions entered into by GNO in foreign currencies are managed by hedging them appropriately to minimize the exchange risk. GNO has a well-defined and structured treasury operation, with the emphasis being on security.

#### **2. Legal & Statutory**

##### **Contingent Liabilities:**

Details of Contingent Liabilities are in the Notes forming part of the financial statements.

Statutory Compliance: GNO ensures statutory compliance of all applicable laws and is committed to the timely payment of statutory dues. The Company monitors compliance under various statutes periodically.

### **Human Resources:**

GNO's Human Resources Policy aims to create a work environment that is conducive for the professional and personal development of employees. GNO continued to invest in training people in Environment, Health and Safety and in World Class Manufacturing and to provide a work environment in which employees can give their best and realize their full potential. At the end of the year, there were 2322 permanent employees on the rolls of the Company.

### **Overall Performance:**

The financial year witnessed increased economic activity after a contraction in the previous year. The industrial economy witnessed a steady and sustained improvement despite increase in input costs and high commodity prices. Your Company's standalone revenue from operations and operating profit have increased by 18.10% and 17.90% respectively and consolidated revenue from operations and operating profit increased by 26.26% and 23.58% respectively. The consolidated operating profit margin (19.50% vs 19.92%) and net profit margin (14.23% vs 14.66%) was marginally lower than the previous year. Return on Net Worth (standalone) for the financial year ended March 31, 2023 at 19.60% is higher than that of the previous financial year 19.07% and Return on Net Worth (consolidated) for the financial year ended March 31, 2023 at 20.02% is higher than that of the previous financial year 18.81%.

### **Internal Control Systems:**

GNO has an effective internal control environment which ensures that the businesses and operations are managed efficiently and effectively, assets are safeguarded, regulatory requirements are complied with and transactions are recorded after appropriate authorisations. The efficacy of the internal control systems is validated by Internal as well as the Statutory Auditors. The Company's strong independent internal audit function performs regular audits. Every quarter the significant audit findings, the corrective steps recommended and their implementation status are presented to the Audit Committee.

### **Segment Financials:**

For the current year, in line with the Accounting Standards on Segment reporting, GNO has identified three segments. These segments are Abrasives, Ceramics & Plastics and Digital Services.

### **Cautionary Statement:**

The Management Discussion and Analysis Report contains a few forward looking statements based on the information and data available with the Company and assumptions with regard to the economic environment, the government policies etc. The Company cannot guarantee the validity of assumptions and performance of the Company in the future. Hence it is cautioned that the actual results may differ from those indicated, expressed, or implied in this report.

## CORPORATE GOVERNANCE REPORT

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

Grindwell Norton Limited ("GNO"), a member of the 'Saint-Gobain' group, is committed to the highest standards of fair, ethical and transparent governance practices. The corporate governance policies followed by GNO are intended to ensure transparency in all its dealings.

The Company recognizes the importance of strong corporate governance which is a vital mechanism for investor protection.

### 2. BOARD OF DIRECTORS

#### Composition:

As on March 31, 2023, the Company has eight Directors on its Board. Of the eight Directors, two are Executive Directors, six are Non-Executive Directors of which three are Independent Director including one Women Independent Director.

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

The number of Directorship(s), committee membership(s)/chairmanship(s) of all the Directors is within the respective limits prescribed under the Companies Act, 2013 ("Act") and the (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations"). Necessary disclosures regarding committee positions in other public companies as on March 31, 2023, have been made by the Directors. None of the Directors are related to each other. The Company has received a certificate from M/s. Parikh & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

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

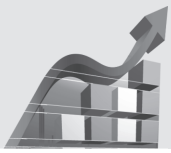
#### Meetings of the Board:

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

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

May 6, 2022, July 29, 2022, November 2, 2022, December 13, 2022 and February 13, 2023.

Necessary quorum was present for all the meetings. During the year, information as mentioned in Schedule II, Part A of the Listing Regulations has been placed before the Board for its consideration. The Board of Directors accepted all the recommendations made by the Committees of the Board during the financial year. The Audit Committee periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company. During the year, a separate meeting of the Independent Directors was held on February 13, 2023. All Independent Directors attended the meeting.



The names and category of the Directors, their attendance at Board meetings held during the year and number of Directorships, names of the listed entities, category of directorship and committee chairmanships/memberships held by them in other public and private companies as on March 31, 2023, are given below:

Name of the Director	Category	Number of Board Meeting during the year 2022-23		Whether attended last AGM held on July 29, 2022	Number of Directorship held (including GNO)*		Number of Committee positions held in public companies (including GNO)*	
		Held	Attended		Public	Private	Chairman	Member
Mr. Keki Elavia (Chairman) DIN 00003940	Independent, Non-Executive	5	5	Yes	7	2	4	8
Mr. Aakil Mahajan <sup>§</sup> DIN 09682529	Promoter, Non-Executive	5	3	NA	1	-	-	-
Mr. Anand Mahajan <sup>@</sup> DIN 00066320	Promoter, Non Executive	5	2	Yes	NA	NA	NA	NA
Dr. Archana Hingorani DIN 00028037	Independent, Non-Executive	5	5	Yes	6	2	2	8
Mr. David Eric Molho DIN 09326249	Non-Executive	5	5	Yes	1	-	-	-
Mr. Krishna Prasad DIN 00130438	Executive	5	5	Yes	2	2	-	1
Mr. Laurent Tellier <sup>#^</sup> DIN 08587279	Non-Executive	5	5	Yes	NA	NA	NA	NA
Mr. Sreedhar Natarajan DIN 08320482	Non-Executive	5	4	No	1	-	-	-
Mr. Subodh Nadkarni DIN 00145999	Independent, Non-Executive	5	5	Yes	3	-	2	3
Mr. B. Santhanam (Managing Director) DIN 00494806	Executive	5	5	Yes	4	5	4	1

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

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

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

@ Relinquished the position of Non-Executive Director with effect from close of business hours of July 29, 2022, owing to his other commitments.

§ Appointed as a Non-Executive Additional Director with effect from July 30, 2022 and members approved the said appointment through postal ballot approval with effect from September 16, 2022.

#^ Relinquished the position of Non-Executive Director with effect from close of business hours of February 13, 2023, due to other professional commitments.

### Directorships in listed entities

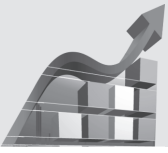
The details of other listed entity(ies), where the Director of the Company is a director as on March 31, 2023, their field of expertise and category of directorships are given below:

Name of the Director	Expertise in	Category	Names of the Listed Entities where Directorship held
Mr. Keki Elavia (Chairman) DIN 00003940	Finance and Accounts	<ul style="list-style-type: none"> <li>Independent, Non Executive</li> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> </ul>	<ul style="list-style-type: none"> <li>Sterling and Wilson Renewable Energy Limited</li> <li>Britannia Industries Limited</li> <li>Dai-ichi Karkaria Limited</li> <li>Grindwell Norton Limited</li> <li>The Bombay Dyeing and Manufacturing Company Limited</li> </ul>
Mr. Aakil Mahajan <sup>§</sup> DIN 09682529	Management	<ul style="list-style-type: none"> <li>Non-Executive</li> </ul>	<ul style="list-style-type: none"> <li>Grindwell Norton Limited</li> </ul>
Dr. Archana Hingorani DIN 00028037	Finance Markets	<ul style="list-style-type: none"> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> </ul>	<ul style="list-style-type: none"> <li>5paisa Capital Limited</li> <li>Grindwell Norton Limited</li> <li>Alembic Pharmaceuticals Limited</li> <li>Den Networks Limited</li> <li>Balaji Telefilms Limited</li> </ul>
Mr. David Eric Molho DIN 09326249	General Management and various businesses of Saint-Gobain	<ul style="list-style-type: none"> <li>Non-Executive</li> </ul>	<ul style="list-style-type: none"> <li>Grindwell Norton Limited</li> </ul>
Mr. Krishna Prasad DIN 00130438	General Management, various businesses of Saint-Gobain and Business Development	<ul style="list-style-type: none"> <li>Executive</li> </ul>	<ul style="list-style-type: none"> <li>Grindwell Norton Limited</li> </ul>
Mr. Subodh Nadkarni DIN 00145999	Finance, Commerce, Project Management, Sales, Marketing, Human Resources Management and General Administration	<ul style="list-style-type: none"> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> <li>Independent, Non-Executive</li> </ul>	<ul style="list-style-type: none"> <li>Galaxy Surfactants Limited</li> <li>Grindwell Norton Limited</li> <li>Goa Carbon Limited</li> </ul>
Mr. Sreedhar Natarajan DIN 08320482	Finance and Management	<ul style="list-style-type: none"> <li>Non-Executive</li> </ul>	<ul style="list-style-type: none"> <li>Grindwell Norton Limited</li> </ul>
Mr. B. Santhanam (Managing Director) DIN 00494806	Business Strategy, Engineering, General Management, Operations, Information Technology, Manufacturing, Marketing Management and Project Management	<ul style="list-style-type: none"> <li>Independent, Non-Executive</li> <li>Non-Executive</li> <li>Executive</li> </ul>	<ul style="list-style-type: none"> <li>Titan Company Limited</li> <li>Saint-Gobain Sekurit India Limited</li> <li>Grindwell Norton Limited</li> </ul>

<sup>§</sup> Appointed as a Non-Executive Additional Director with effect from July 30, 2022 and members approved the said appointment through postal ballot approval with effect from September 16, 2022.

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

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



### 3. COMMITTEES OF THE BOARD

#### A. AUDIT COMMITTEE

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

The Terms of Reference of the Audit committee are in line with the Schedule II, Part C of the Listing Regulations

##### **Terms of Reference:**

- To act in accordance with the terms of reference specified in writing by the Board.
- To recommend the appointment, re-appointment and if required, the replacement or removal of the various auditors of the Company and the remuneration and terms of appointment thereof.
- To approve payment to statutory auditors for any other services rendered by the statutory auditors.
- To review and monitor the auditor's independence and performance, and effectiveness of the audit process.
- To examine the financial statement and the auditors' report thereon.
- To approve transactions of the Company with related parties and any subsequent modification thereof.
- To scrutinize inter-corporate loans and investments.
- To undertake valuation of undertakings or assets of the Company, wherever it is necessary.
- To evaluate internal financial controls, risk management systems and internal controls on insider trading.
- To review/monitor with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.
- To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors.
- To review financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.
- To have oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in the draft audit report.
- To review with the management, the quarterly financial statements before submission to the Board for approval.
- To review, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- To discuss with internal auditors any significant findings and follow-up thereon.
- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- To discuss with statutory auditors, before the audit commences about the nature and scope of audit and post-audit, to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- To approve the appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- To review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- To have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
- To seek information and have direct access to any employees, Directors, Key Managerial Personnels to perform its functions effectively.
- To secure attendance of outsiders with relevant expertise, if it is considered necessary.
- To invite such of the executives as it considers appropriate to be present at the meetings, but on occasion may also meet without the presence of any executives of the Company.
- To review the appointment, removal and terms of appointment of Chief Internal Auditor.
- To review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of asset size of the subsidiary, if any, whichever is lower.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- The Committee shall also conduct an annual review of the adequacy of the Terms of Reference and recommend any proposed changes to the Board for approval.
- To carry out any other function as may be necessary for carrying out function as audit committee.

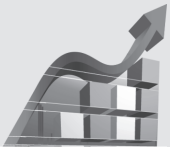
#### Composition:

The composition of the audit committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2022-23	
		Held	Attended
Mr. Subodh Nadkarni (Chairman)	Independent, Non-Executive	4	4
Mr. Keki Elavia	Independent, Non-Executive	4	4
Dr. Archana Hingorani	Independent, Non-Executive	4	4
Mr. B. Santhanam	Executive	4	4

The members of the committee are well versed in finance matters, accounts and general business practices. The Vice President - Finance & IT, Internal Auditor and the Statutory Auditors are invitees to the meetings of the committee. The Company Secretary acts as the secretary to the audit committee.

Mr. Subodh Nadkarni, Chairman of the committee was present at the previous Annual General Meeting ("AGM") of the Company held on July 29, 2022.



**Meetings of the Audit Committee:**

During the year ended March 31, 2023, four audit committee meetings were held. The dates on which the said meetings were held are as follows:

May 6, 2022; July 29, 2022; November 2, 2022 and February 13, 2023.

Necessary quorum was present for all the meetings.

**B. NOMINATION AND REMUNERATION COMMITTEE**

The nomination and remuneration committee is constituted in line with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

The Terms of Reference of the nomination and remuneration committee are in line with the Schedule II, Part D of the Listing Regulations.

**Terms of Reference:**

- To formulate criteria for appointment of Directors, KMPs, employees and remuneration including criteria for determining qualification, positive attributes and independence of a Director.
- To formulate evaluation criteria for assessment of performance of Directors, Board and its committees.
- To formulate, review and recommend nomination and remuneration policy to the Board.
- To devise a policy on diversity of board of directors;
- To recommend to the Board, the commission payment to Non-Whole-Time Directors (other than the Nominee Directors of Compagnie de Saint-Gobain (“CSG”) and to the Executive Directors.
- To identify candidates who are qualified to become Directors or who may be appointed in senior management positions and recommending to the Board their appointment and/or removal in accordance with the criteria laid down.
- To determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- The Committee to evaluate on every appointment of an independent director, the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
    - To review and determine all elements of the remuneration package of Executive Directors.
    - To recommend to the board, all remuneration, in whatever form, payable to Senior Management.
    - Such other matters as the Board may, from time to time, request the committee to examine and recommend/ approve.

**Composition:**

The composition of the nomination and remuneration committee and details of the meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2022-23	
		Held	Attended
Mr. Subodh Nadkarni (Chairman)	Independent, Non-Executive	3	3
Mr. Keki Elavia	Independent, Non-Executive	3	3
Mr. David Eric Molho	Non-Executive	3	3

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

During the year ended March 31, 2023, three meetings of the nomination and remuneration committee were held. The dates on which the said meetings were held are as follows:

May 6, 2022, July 29, 2022 and February 13, 2023.

Necessary quorum was present for all the meetings.

**Policy for appointment of Director, Key Managerial Personnel (“KMP”) and Senior Management Appointment Criteria, Performance Evaluation and Removal (“Nomination and Remuneration Policy”):**

In accordance with Section 178 of the Act, the committee has framed a Policy for appointment of Director, Key Managerial Personnel (“KMP”) and Senior Management Appointment Criteria, Performance Evaluation and Removal and same is set out as Annexure 3 to the Board’s Report and also available on Company’s website at <https://www.grindwellnorton.co.in/investor-information>.

**Performance evaluation criteria for Independent Directors:**

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

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

Apart from receiving Director’s sitting fees and commission, the Non-Executive Directors of the Company do not have any material pecuniary relationships or transactions with the Company.

Mr. Aakil Mahajan is a member of the Indian Promoters’ Group, Mr. Sreedhar Natarajan, and Mr. David Eric Molho are employees of Saint-Gobain Group.

**Details of the Remuneration to the Directors for the financial year ended March 31, 2023 are given below:**

**Executive Directors:**

**(i) All elements of remuneration package i.e. salary, benefits, perquisites, profit commission, pension etc.:**

Mr. B. Santhanam: ₹184.32 lakhs

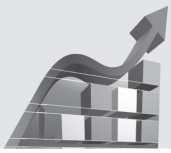
Mr. Krishna Prasad: ₹404.62 lakhs

**(ii) Fixed component and performance linked incentives along with the performance criteria:**

Fixed component is paid as salary and other perquisites. In addition, a profit commission, if applicable, is paid within the maximum ceiling on remuneration.

**(iii) Service contracts, notice period, severance fees:**

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



**(iv) Stock Options:**

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

**Non-Executive Directors:**

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

The shareholder of the Company at the 72<sup>nd</sup> AGM held on July 29, 2022, approved payment of commission up to 1% of the net profits of the Company to its Non-Whole Time Directors (other than Nominee Directors of CSG) for a period of five years commencing from April 1, 2022. Out of the total commission payable, about 40% of the amount is paid to the Non-Independent Director(s) and the balance 60% is paid to Independent Directors based on the allocation approved by the Board of Directors.

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

(₹ lakhs)

Name	Sitting Fees	Profit Commission	Total
Mr. Keki Elavia	5.70	20.00	25.70
Dr. Archana Hingorani	5.70	20.00	25.70
Mr. Subodh Nadkarni	5.70	20.00	25.70
Mr. Anand Mahajan@	1.60	-	1.60
Mr. Aakil Mahajan§	1.50	20.00	21.50

@ Relinquished the position of Non-Executive Director with effect from close of business hours of July 29, 2022, owing to his other commitments.

§ Appointed as a Non-Executive Additional Director with effect from July 30, 2022 and members approved the said appointment through postal ballot approval with effect from September 16, 2022.

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

As on March 31, 2023, Mr. Aakil Mahajan holds 9,97,628 number of equity shares of the Company, which represents 0.901% of total paid-up capital of the Company. No other Non-Executive Director hold any equity shares in the Company.

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The stakeholders relationship committee is constituted in line with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

The Terms of Reference of the stakeholder relationship committee are in line with the Schedule II, Part D, clause B of the Listing Regulations.

**Composition:**

The composition of the stakeholders relationship committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2022-23	
		Held	Attended
Dr. Archana Hingorani (Chairperson)	Independent, Non-Executive	2	2
Mr. Anand Mahajan#	Promoter, Non-Executive	2	1
Mr. B. Santhanam	Executive	2	2
Mr. Krishna Prasad###	Executive	2	1

# Relinquished the position of Non-Executive Director with effect from close of business hours of July 29, 2022, due to other professional commitments.

### Appointed as Member of committee effective July 30, 2022

**Meetings of Stakeholders Relationship Committee:**

During the year ended March 31, 2023, two meetings of the stakeholders relationship committee were held i.e. on July 29, 2022 and February 13, 2023.

Necessary quorum was present for all the meetings.

**Details of investor complaints received and redressed during the year 2022-23 are as follows:**

Opening balance	Received during the year	Resolved during the year	Closing balance
0	8	8	0

**D. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) COMMITTEE**

The CSR committee is constituted in line with the provision of Section 135 of the Act. The committee has an independent chair to monitor the CSR policy and programs and to ensure that they are in line with the Act and Rules framed thereunder.

The CSR policy and initiatives taken during the year are set out as Annexure 4 to the Board’s Report and also disseminated through the website of the Company, <https://www.grindwellnorton.co.in/investor-information> > Policies.

**Composition:**

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

Name	Category	Number of meetings during the year 2022-23	
		Held	Attended
Mr. Keki Elavia (Chairman)	Independent, Non-Executive	1	1
Mr. B. Santhanam	Executive	1	1
Mr. David Eric Molho	Non-Executive	1	1

**Meeting of the Corporate Social Responsibility Committee:**

One meeting of the CSR committee was held during the year on May 06, 2022.

**E. RISK MANAGEMENT COMMITTEE**

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

The Terms of Reference of the risk management committee are in line with the Schedule II, Part D, clause C of the Listing Regulations.

**Composition:**

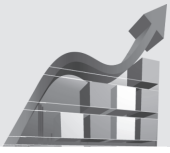
The Composition of risk management committee and details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2022-23	
		Held	Attended
Mr. B. Santhanam	Executive	2	2
Mr. Anand Mahajan <sup>#</sup>	Promoter, Non-Executive	2	1
Dr. Archana Hingorani (Chairperson) <sup>^</sup>	Independent, Non-Executive	2	2
Mr. Subodh Nadkarni <sup>##</sup>	Independent, Non-Executive	2	1

<sup>#</sup> Relinquished the position of Non-Executive Director with effect from close of business hours of July 29,2022, owing to his other commitments.

<sup>^</sup> appointed as a Member of the committee on June 29, 2021 and now became the chairperson of the committee effective from July 30, 2022

<sup>##</sup> Appointed as Member of committee effective July 30, 2022.



**Meeting of the Risk Management Committee:**

Two meeting of the risk management committee were held during the year on July 29, 2022 and December 13, 2022. Necessary quorum was present for all the meetings.

**F. SEPARATE MEETING OF INDEPENDENT DIRECTORS**

A separate meeting of the Independent Directors was held on February 13, 2023, without the attendance of Non-Independent Directors and members of the management. The said meeting was attended by all the Independent Directors of the Company.

**4. GENERAL BODY MEETINGS**

**(a) Annual General Meetings:**

Date and Time	Venue	Special Resolution Passed
July 24, 2020 at 3:00 p.m.	through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	None
July 28, 2021 at 3:00 p.m.	through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	None
July 29,2022 at 3:00 p.m.	through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	Yes <b>Payment of Commission to Whole Time Directors</b> for a period not exceeding five (5) years commencing from April 1, 2023.

**(b) Details of Resolutions passed through Postal Ballot and details of voting:**

Ordinary Resolution for appointment of Mr. Aakil Mahajan (Director Identification No. 09682529) as a Director of the Company as contained in a Notice to the Shareholders dated July 29, 2022 was passed during the year through Postal Ballot. Mr. Mitesh Dhabliwala (Membership No. FCS 8331, CP 9511) of Parikh & Associates, Company Secretaries, was appointed as the Scrutinizer to scrutinize the Postal Ballot through remote e-voting process in fair and transparent manner.

Details of the Resolution passed through Postal Ballot are as follows:

**Resolution**

**Description:** Ordinary Resolution for appointment of Mr. Aakil Mahajan (Director Identification No. 09682529) as a Director of the Company.

**Voting Pattern: Remote e-Voting Pattern**

Category	Number of Votes in favour	Number of Votes against	% of Votes in favour on Votes polled	% of Votes against on votes polled
Promoter and Promoter Group	6,33,04,144	-	100.000	0.000
Public Institutional holders	1,74,39,834	60,01,833	74.3967	25.6033
Public-Others	83,075	2,592	96.9743	3.026
<b>Total</b>	<b>8,08,27,053</b>	<b>60,04,425</b>	<b>93.0850</b>	<b>6.9150</b>

**(c) Procedure for Postal Ballot:**

The Company conducted the Postal Ballot in accordance with the provisions of Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") as amended. The Company had completed the dispatch of the Postal Ballot Notice dated July 29, 2022 along with the Explanatory Statement, through e-mail on August 17, 2022 to all the Members, whose names appear in the Register of Members/List of Beneficial Owners as received from Depositories as on Friday, August 5, 2022 (cut-off date) and who have registered their e-mail address with the Company /Depository. The Company also published a Notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the provisions of the Act and Rules framed thereunder. In compliance with the provisions of Section 108 and 110 of the Act and Rule 20 and 22 of the Rules read with Regulation 44 of the Listing Regulations, the Company had offered the facility of e-voting to its Members to enable them to cast their vote electronically. The remote e-Voting period commenced from Thursday, August 18, 2022 (9:00 a.m. IST) and ended on

Friday, September 16, 2022 (5:00 p.m. IST). Upon completion of scrutiny of the votes cast through e-voting in a fair and transparent manner, the scrutinizer i.e. Mr. Mitesh Dhaliwala (FCS 8331) submitted his report to the Company and results of the Postal Ballot were announced by the Company on September 16, 2022. The voting results were sent to the Stock Exchanges and were also displayed on the Company's website, <https://www.grindwellnorton.co.in/investor-information> and on the website of National Securities Depository Limited, [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**(d) Details of Special Resolution proposed to be conducted through Postal Ballot:**

No Special Resolution was proposed to be conducted through Postal Ballot during the financial year ended March 31, 2023.

**5. MEANS**

**MEANS OF COMMUNICATION**

**(a) Quarterly Financial Results and Publications:**

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

The results and the presentation made to institutional investors and analysts are displayed on the Company's website, <https://www.grindwellnorton.co.in/investor-information>.

**(b) Mergers and Amalgamation:**

The details of Mergers and Amalgamation by the Company are available on 'Investor Information' page on the website of the Company at <https://www.grindwellnorton.co.in/investor-information>.

**(c) Stock Exchanges:**

All price sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS), NSE Digital Exchange platform and BSE Listing Centre, for dissemination on their respective websites.

**(d) Company's Website:**

The Company's website contains details about the Company, Board of Directors and a dedicated section for Investors wherein Annual Reports, quarterly and annual results, stock exchange filings, press releases, quarterly reports, and all statutory policies are available. Company's website displays required information relating to the Company and its performance, official press releases and presentation to analysts, etc.

**6. GENERAL SHAREHOLDERS' INFORMATION**

**(a) Annual General Meeting ("AGM") through VC/OAVM:**

Day & Date : Monday, August 14, 2023

Time : 3:00 p.m. IST

**(b) Financial Year:** The Company's financial year begins on April 1 and ends on March 31 every year. Calendar of Financial Results for 2023-24:

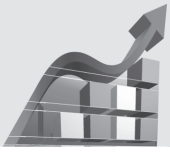
- |       |  |   |                        |
|-------|--|---|------------------------|
| (i)   | First Quarter Results                      | : | July/August, 2023      |
| (ii)  | Half-yearly Results                        | : | October/November, 2023 |
| (iii) | Third Quarter Results                      | : | January/February, 2024 |
| (iv)  | Results for the year ending March 31, 2024 | : | April/May, 2024        |

**(c) Date of Book Closure:**

Saturday, August 5, 2023 to Monday August 14, 2023 (both days inclusive).

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

The dividend, if approved by the Members, shall be paid/credited on or from Friday, August 18, 2023.



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

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

National Stock Exchange of India Limited (“NSE”), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051.

The annual listing fees of BSE and NSE have been paid for the year 2023-2024.

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

NSE : GRINDWELL  
BSE : 506076  
ISIN FOR NSDL/CDSL : INE536A01023

**(g) Corporate Identity Number (“CIN”) of the Company:**

L26593MH1950PLC008163

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

Month	BSE		NSE		S & P BSE Sensex	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
Apr-22	1959.70	1692.30	1958.20	1691.70	60611.74	56463.15
May-22	1785.95	1627.15	1783.85	1619.90	56975.99	52792.23
Jun-22	1738.45	1504.05	1741.10	1491.35	55818.11	51360.42
Jul-22	1760.35	1656.20	1756.90	1656.35	57570.25	52907.93
Aug-22	2229.55	1895.10	2230.50	1890.35	60298.00	57972.62
Sep-22	2297.95	2045.70	2299.60	2046.95	60571.08	56409.96
Oct-22	2111.25	2000.55	2109.95	1998.50	60746.59	56788.81
Nov-22	2164.85	1919.35	2166.50	1919.40	63099.65	60613.70
Dec-22	1943.85	1784.70	1945.70	1783.65	63284.19	59845.29
Jan-23	1990.65	1834.05	1997.00	1828.65	61294.20	59330.90
Feb-23	2142.55	1803.00	2141.20	1804.70	61319.51	58962.12
Mar-23	1874.90	1756.95	1878.40	1756.40	60348.09	57527.10

**(i) Registrars and Transfer Agents:**

TSR Consultants Private Limited (TCPL)  
C-101, 1<sup>st</sup> Floor, 247 Park  
L.B.S. Marg, Vikhroli (West)  
Mumbai 400083  
Contact person: Ms. Supriya Mirashi / Ms. Smita Rao  
Tel: +91-8108118484  
Fax: + 91 22 6656 8494  
E-mail: [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)  
Website: <https://www.tcplindia.co.in>

Documents will be accepted at the above address between 10.00 a.m. IST and 5.00 p.m. IST (Monday to Friday except bank holidays).

For the convenience of the shareholders, documents will also be accepted at the following other branches of TCPL:

**Branches of TCPL (Collection Centers):**

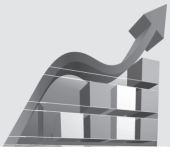
- **Mumbai**  
Building 17/19, Office No. 415 Rex Chambers,  
Ballard Estate, Walchand Hirachand Marg,  
Fort, Mumbai - 400001
- **Bengaluru**  
C/o. Mr. D. Nagendra Rao  
"Vaghdevi" 543/A, 7<sup>th</sup> Main  
3<sup>rd</sup> Cross, Hanumanthnagar  
Bengaluru 560 019  
Telephone: +91 80 26509004  
Email: csg-unit@tcplindia.co.in
- **New Delhi**  
C/o Link Intime India Private Limited  
Noble Heights, 1<sup>st</sup> Floor  
Plot No NH-2, C-1 Block, LSC  
Near Savitri Market, Janakpuri  
New Delhi 110 058  
Contact person: Mr. Vishal Kumar  
Telephone: +91 11 4941 1030  
Email: csg-unit@tcplindia.co.in
- **Ahmedabad**  
C/o Link Intime India Private Limited  
Amarnath Business Centre-1 (ABC-1)  
Beside Gala Business Centre  
Nr. St. Xavier's College Corner  
Off. C.G. Road, Ellisbridge  
Ahmedabad 380 006  
Contact person: Ms. Preeti Madhu  
Telephone: +91 79 26465179  
Email : csg-unit@tcplindia.co.in
- **Kolkata**  
C/o Link Intime India Private Limited  
Vaishno Chamber Flat No. 502 & 503  
5<sup>th</sup> Floor 6, Brabourne Road  
Kolkata 700 001  
Telephone: +91 33 40081986  
Email: csg-unit@tcplindia.co.in
- **Jamshedpur**  
Qtr. No. L-4/5, Main Road, Bistupu  
(Beside Chappan - Bhog Sweet Shop)  
Jamshedpur – 831001  
Contact person- Mr. Subrata Das  
Telephone: +91 657 2426937  
Email: csg-unit@tcplindia.co.in

**(j) Share Transfer System:**

In terms of Regulation 40(1) of the Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Certain officials of TCPL are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

SEBI vide its notification dated January 24, 2022, amended Regulation 40 of the Listing Regulations and mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members are advised to contact the Company or the Company's RTA, for assistance in this regard through Company's website <https://www.grindwellnorton.co.in/investor-information> > Shareholder Information > intimation to shareholders and the RTA's website at <https://www.tcplindia.co.in/>.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued only in dematerialized form while processing service requests in relation to issue of duplicate securities certificate, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.



**(k) Shareholding Pattern as on March 31, 2023:**

Category	Number of Shareholders	Number of Shares	Percentage
<b>Promoters:</b>			
Foreign	2	5,68,28,000	51.33
Indian	9	74,26,259	6.71
Insurance Companies and Banks	20	7,95,992	0.72
UTI and Mutual Funds	88	1,54,64,019	13.97
NRI, OCBs, FIIs and FPIs	1,931	1,01,40,745	9.16
Domestic Companies and Trusts	896	46,78,232	4.23
Residential Individuals and HUF	50,291	1,53,86,753	13.90
<b>Total</b>	<b>53,237</b>	<b>11,07,20,000</b>	<b>100</b>

**(l) Distribution of Shareholdings:**

Number of Equity Shares	Number of Shares	Percentage of Capital	Number of Shareholders	Percentage of total Shareholders
Upto 250	16,95,731	1.53	46,935	88.16
251 to 500	11,16,935	1.01	2,917	5.48
501 to 1000	15,22,764	1.38	1,969	3.70
1001 to 5000	21,95,580	1.98	1,031	1.94
5001 to 10000	9,05,755	0.82	127	0.24
10001 to 100000	51,42,084	4.64	164	0.31
100001 and above	9,81,41,151	88.64	94	0.18
<b>Total</b>	<b>11,07,20,000</b>	<b>100.00</b>	<b>53237</b>	<b>100.00</b>

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

99.42% of the paid-up capital has been dematerialised as on March 31, 2023.

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

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

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

GNO's foreign currency exposure on account of imports and exports is appropriately hedged. GNO has a well-defined and structured treasury operations, with the emphasis being on security. Please refer to Management Discussion and Analysis Report. GNO does not have direct exposure to Commodity risk and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

**(p) Credit Ratings:**

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

**(q) Preferential Allotment or Qualified Institutions placement:**

The Company has not made any preferential allotment or qualified institutions placement during the financial year 2022-23.

**(r) Fees to Statutory Auditors:**

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

(₹ lakhs)

Particulars	M/s. Price Waterhouse Chartered Accountants LLP	M/s. Kalyaniwalla & Mistry LLP
Audit Fees	1.5	44.00
Tax Audit	-	-
Certification	-	0.30
Reimbursement of expenses	-	-
<b>Total</b>	<b>1.5</b>	<b>44.30</b>

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

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

**(t) Plant Locations:**

The Company's plants are located at Mora (near Mumbai), Nagpur, Bengaluru, Tirupati, Bated (Himachal Pradesh) and Halol (near Vadodara). The Company's subsidiaries, Saint-Gobain Ceramic Materials Bhutan Private Limited, has a plant near Phuentsholing in Bhutan and PRS Permacel Private Limited (Merger by absorption in process appointed date being May 27, 2022) plant location is in Ambarnath.

**(u) Address for correspondence:**

Grindwell Norton Limited  
 5<sup>th</sup> Level, Leela Business Park  
 Andheri-Kurla Road, Marol,  
 Andheri (East), Mumbai 400 059  
 Tel: + 91 22 4021 21 21 • Fax: + 91 22 4021 2012  
 Designated e-mail address for Investor Services: [sharecmpt.gno@saint-gobain.com](mailto:sharecmpt.gno@saint-gobain.com)  
 Website: [www.grindwellnorton.co.in](http://www.grindwellnorton.co.in)

- SEBI toll free helpline service for investors: 1800 22 7575 or 1800 266 7575  
 (available on all days from 9:00 a.m. IST to 6:00 p.m. IST excluding declared holidays)  
 SEBI investors' contact for feedback and assistance contact no.: + 91 22 2644 9000, e-mail: [sebi@sebi.gov.in](mailto:sebi@sebi.gov.in)

## 7. DISCLOSURES

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

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. Transactions with related parties, as per the requirements of Indian Accounting Standards ("Ind AS") - 24, are disclosed in Note 47 of Notes forming part of financial statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link: <http://www.grindwellnorton.co.in/investor-information> > Policies.

**(b) Compliance:**

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

**(c) Whistle Blower Policy and Vigil Mechanism:**

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. In order to provide a secure environment and encourage employees and others to report unethical, unlawful or improper practices, acts or activities, including leak or suspected leak of Unpublished Price Sensitive Information, a Whistle Blower Policy has been operational in the Company. The Whistle Blower Policy and Vigil Mechanism are disseminated through the Company's website, <http://www.grindwellnorton.co.in/investor-information> > Policies. We affirm that no employee of the Company was denied access to the Audit Committee.

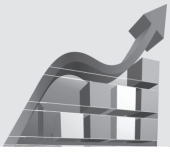
**(d) Mandatory and Non-mandatory requirements:**

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

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

**(e)** The audit committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

**(f)** The Company has two subsidiary companies i.e. PRS Permacel Private Limited and Saint-Gobain Ceramic Materials Bhutan Private Limited. However, they are not a material subsidiary in terms of the Regulation 16(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. The policy on determination of materiality is available on the website of the Company (web link <http://www.grindwellnorton.co.in/investor-information> > Policies).



**(g) Policy for determining 'material' subsidiaries:**

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

**8. PROMOTERS' GROUP**

**i. Ultimate Holding Company:**

Compagnie de Saint-Gobain, France

**ii. Indian Promoters:**

- Mrs. V.A. Mahajan & family
- Mrs. K.M. Narang & family

**iii. Foreign Promoters (Collaborators):**

- (a) Saint-Gobain Abrasives Inc., USA
- (b) SPAFI-Societe de Participations Financieres Et Industrielles, France

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

- (a) Saint-Gobain India Private Limited
- (b) Saint-Gobain Industries India Private Limited
- (c) Saint-Gobain India Foundation (Section 8 Company)
- (d) Saint-Gobain Sekurit India Limited
- (e) Rockwool India Private Limited

**9. OTHER INFORMATION**

**(a) Acquisition:**

The Company acquired PRS Permacel Private Limited ('PRS') by execution of Share Purchase Agreement on May 12, 2022 and post-acquisition, PRS became a 100% subsidiary of the Company, the acquisition process of PRS was concluded at a Net consideration of ₹1211 million as of May 27, 2022. Necessary intimation regarding the said acquisition has been filed with the stock exchanges.

**(b) Merger/Amalgamation:**

The Company later filed a Scheme of merger by absorption under section 230 to 232 and other applicable provisions of the Companies Act, 2013 along with its wholly owned subsidiary PRS Permacel Private Limited for which the effective date is May 27, 2022. Copy of the Scheme is available on the website of the Company at <https://www.grindwellnorton.co.in/investor-information>. Also necessary intimation regarding the said scheme has been filed with the stock exchanges.

**(c) Change of Statutory Auditors:**

The Board at its meeting held on May 6, 2022 recommended the appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. I04607W/WI00166), as the Statutory Auditors of the Company for a period of five (5) consecutive years from the conclusion of the 72<sup>nd</sup> AGM of the Company until the conclusion of the 77<sup>th</sup> AGM of the Company, subject to the approval of the Members at the AGM of the Company, in place of M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016), whose term completed as the Statutory Auditors of the Company at the conclusion of the 72<sup>nd</sup> AGM of the Company. Said appointment of the auditors was approved by the members at the 72<sup>nd</sup> Annual General Meeting of the Company held on July 29, 2022.

**(d) CEO/CFO certification:**

Pursuant to the provisions of Regulation 17(8), Part B of Schedule II of Listing Regulations, the Managing Director ("CEO") and the Vice President-Finance & IT ("CFO") have issued a certificate to the Board of Directors, for the financial year ended March 31, 2023.

**(e) Code of Conduct:**

The Company has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of conduct is available on the website of the Company, <https://www.grindwellnorton.co.in/investor-information> > Policies. Internally, all employees of the Company are expected to strictly follow Saint-Gobain's Principles of Conduct and Action and Code of Conduct for Saint-Gobain employees, which also includes Prevention of Insider Trading in India.

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

This is to confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2023.

For **Grindwell Norton Limited**

Nagpur, May 6, 2023

**B. SANTHANAM**  
Managing Director  
DIN 00494806

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**PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**Grindwell Norton Limited**

We have examined the compliance of the conditions of Corporate Governance by Grindwell Norton Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

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

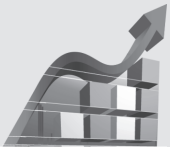
In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

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

For **Parikh & Associates**  
Company Secretaries

Place : Mumbai  
Date : May 6, 2023

**MITESH DHABLIWALA**  
Partner  
FCS No: 8331 CP No: 9511  
UDIN: F008331E000265027  
PR No: 1129/2021



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity:

1. **Corporate Identity Number (CIN) of the Listed Entity:** L26593MH1950PLC008163
2. **Name of the Listed Entity:** Grindwell Norton Limited
3. **Year of incorporation:** 1950
4. **Registered office address:** 5<sup>th</sup> Level, Leela Business Park, Andheri-Kurla Road Marol, Andheri (East), Mumbai 400 059
5. **Corporate address:** As above
6. **E-mail:** sharecmpt.gno@saint-gobain.com
7. **Telephone:** + 91 022 4021 2121
8. **Website:** www.grindwellnorton.co.in
9. **Financial year for which reporting is being done:** 2022-23
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited and National Stock Exchange of India Limited
11. **Paid-up Capital:** ₹553,600,000
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**  
  
**Name:** Mr. Krishna Prasad, Executive Director  
**Telephone number:** +91 22 4021 2121  
**Email id:** krishna.prasad@saint-gobain.com
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):**  
The disclosure under this report are for Grindwell Norton Limited on a standalone basis.

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing of Abrasives, Performance Plastics and Refractory Products	91%

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Abrasives	2399	54%
2.	Performance Plastics	2220	15%
3.	Refractory Products (including SiC)	2391	22%

#### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	6	11	17
International	0	0	0

**17. Markets served by the entity:**

**a. Number of locations:**

Location	Number
National (No. of States)	PAN India - 28 States - 4 Union Territories
International (No. of Countries)	46 Countries

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

19% (including services).

**c. A brief on types of customers:**

Grindwell Norton Limited caters to both public and private sector customers in Steel, Auto and Auto Ancillary, Bearings, Construction, General Engineering, Aerospace, Life Sciences, Railway, Food processing, Automotive Aftermarket etc.

**IV. Employees**

**18. Details as at the end of Financial Year:**

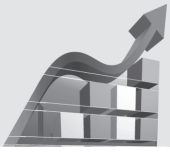
**a. Employees and workers (including differently abled):**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees (Staff)</b>						
1.	Permanent (D)	1651	1287	78%	364	22%
2.	Other than Permanent (E)*	722	621	86%	101	14%
3.	<b>Total employees (D + E)</b>	<b>2373</b>	<b>1908</b>	<b>80%</b>	<b>465</b>	<b>20%</b>
<b>Workers</b>						
4.	Permanent (F)	671	669	99.7%	2	0.3%
5.	Other than Permanent (G)*	1654	1622	98%	32	2%
6.	<b>Total workers (F + G)</b>	<b>2325</b>	<b>2291</b>	<b>98%</b>	<b>34</b>	<b>2%</b>

\* Includes employees on third party payroll

**b. Differently abled Employees and workers:**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Differently Abled Employees</b>						
1.	Permanent (D)					
2.	Other than Permanent (E)					
3.	<b>Total differently abled employees (D + E)</b>					
<b>Differently Abled Workers</b>						
4.	Permanent (F)					
5.	Other than Permanent (G)					
6.	<b>Total differently abled workers (F + G)</b>					



**19. Participation/Inclusion/Representation of women:**

As on March 31, 2023	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.5%
Key Management Personnel	4	0	0%

**20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):**

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17%	16%	<b>17%</b>	16%	28%	<b>18%</b>	11%	14%	<b>12%</b>
Permanent Workers	5%	0%	<b>6%</b>	7%	0%	<b>7%</b>	14%	0%	<b>14%</b>

This calculation been done based on the average head count of previous two years

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21. (a) Names of holding / subsidiary / associate companies / joint ventures:**

Sr. No.	Name of the holding /subsidiary/ associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Compagnie de Saint-Gobain ("CSG") direct holding through a) Saint-Gobain Abrasives Inc holding in GNO - 26.77% b) SPAFI - Societe De Participations Financieres holding in GNO - 24.56%	Holding	Not applicable	No. CSG has their own Business Responsibility initiatives
2.	Saint-Gobain Ceramic Materials Bhutan Private Limited	Subsidiary	70%	Yes
3.	PRS Permacel Private Limited*	Wholly Owned Subsidiary	100%	Yes
4.	SG Shinagawa Refractories India Private Limited	Joint Venture	49%	No
5.	Cleanwin Energy LLP	Associate	27.27%	No

\* Merger by absorption in process appointed date being May 27, 2022.

**VI. CSR Details**

**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes.**

**(ii) Turnover (in ₹) : ₹236,873 lakhs**

**(iii) Net worth (in ₹) : ₹178,831 lakhs**

## VII. Transparency and Disclosures Compliances

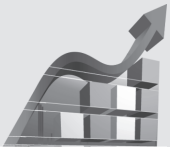
### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	<a href="https://www.grindwellnorton.co.in/">https://www.grindwellnorton.co.in/</a> > Saint-Gobain's Community Live Follow us on Social Networks	-	-	-	-	-	-
Investors (other than shareholders)	Not applicable, as we don't have any investors other than the shareholders (e.g., preference shareholders or debenture holders)						
Shareholders	<a href="https://www.grindwellnorton.co.in/investor-information">https://www.grindwellnorton.co.in/investor-information</a> > Shareholder Information	8	8	-	11	11	-
Employees and workers	<a href="https://www.grindwellnorton.co.in/investor-information">https://www.grindwellnorton.co.in/investor-information</a> > Policies	-	-	-	-	-	-
Customers	<a href="https://www.grindwellnorton.co.in/">https://www.grindwellnorton.co.in/</a> > Contact	-	-	-	-	-	-
Value Chain Partners		-	-	-	-	-	-
Other (please specify)		-	-	-	-	-	-

### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Protection	Opportunity	Reducing green house gas emissions, energy, use and mitigating the effects of long-term changes in the climate protection and its impact on the physical business operations and conservation of natural environment	-	Positive
2.	Sustainable product design	Opportunity	Fostering a circular economy by addressing customer demands for more sustainable products and services	-	Positive



**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements:

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes								
	c. Web Link of the Policies, if available	www.grindwellnorton.co.in/investor-information > Policies								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international odes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Grindwell Norton policies are in line with international standards and practices such as ISO 14001, 50001, ISO 45001, UNGC Guidelines, UN Human Rights Declaration and European Human Rights Convention; UNFCCC - United Nations Framework Convention on Climate Change, CEO Water Mandate, CPLC (carbon), ILO Principles, OECD Guidelines for Multinational Enterprises, UN Convention against Corruption, IFRS as issued by the IASB.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is adopting the sustainable goals and targets set by the Saint-Gobain Group.  The commitment is connected to the Group's ambition to provide customers with solutions to help them decarbonize as well and to reduce its own environmental footprint.  The roadmap to net-zero incorporates new commitments through to 2030 in terms of reducing the direct and indirect CO <sub>2</sub> emissions, but also the emissions along its value chain.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Based on the framework and guidelines set by the Saint-Gobain Group, the Company set the KPIs under various principles. The Company adheres to the framework and contributes towards the achievement of KPIs.								
<b>Governance, leadership and oversight</b>										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Krishna Prasad Executive Director DIN: 00130438								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Executive Director and Managing Director are responsible for decision on all sustainability related issues.								

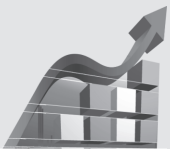
**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes									Quarterly								

11.		P1	P2	P3	P4	P5	P6	P7	P8	P9
	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes provide name of the agency.	No								

**12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason									



**PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	The Board is familiarised of the principles of the NGRBC released by SEBI/MCA.	100%
Key Managerial Personnel	1	Employees and KMP's are required to undergo essential trainings on the anti-corruption, anti-trust and principle of conduct and actions. The concerned employees also undergo training on cyber security and data privacy.	100%
Employees other than BoD and KMPs	1		
Workers	22	Imparted training on principle of conduct and actions.	100%

The Company sets aside a day every two year, known as "Principles Day", to strengthen its commitment to the Principles of Conduct and Action that guide its operations.

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

**Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on entity's website).**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred?(Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
There were no cases during the year where monetary or non-monetary action has been appealed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended	

**4 . Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:**

The anti-corruption and anti-bribery framework forms part of the Code of Conduct of the Company, which is accessible at <https://www.grindwellnorton.co.in/commitments>.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	
KMPs		
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	The Company makes certain that its employees declare and reaffirm their Conflict of Interest statements every year.	Nil	The Company makes certain that its employees declare and reaffirm their Conflict of Interest statements every year.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil		Nil	

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:**

Not applicable.

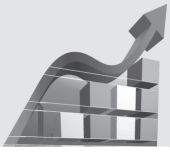
**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training									% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	P1	P2	P3	P4	P5	P6	P7	P8	P9	
										100% of suppliers onboarded are covered through the Company's Principles of Conduct and Action and they also adhere to the Supplier Charter of the Company.

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No): If Yes, provide details of the same:**

Yes. GNO obtains a mandatory declaration from the members of its Board to ensure that the members are in compliance with Code of Conduct of the Company.



**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**Essential Indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

(₹ crores)

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	2.97 (100%)	3.27 (100%)	The Company has undertaken research and development, facilitated by the Saint-Gobain Research and Development Team, with respect to the environmental and social impact of its products, while taking into account global and local requirements.
Capex	Nil	Nil	

2. a. **Does the entity have procedures in place for sustainable sourcing?** (Yes/No) Yes.  
 b. **If yes, what percentage of inputs were sourced sustainably?** 0.43%.  
 In order to conduct business with GNO, suppliers are required to adhere to the GNO's Supplier Charter. All major vendors are assessed through Sustainable Procurement audits. Moreover, the Company receives 16% of its total energy consumption for its operations from green power, ensuring sustainable energy source.
3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:**

The production residues undergo segregation, classification and recycling into the production process, while the hazardous wastes are disposed off in accordance with the Hazardous waste management rules by authorized vendors and authorized Treatment, Storage, and Disposal Facility ("TSD"). The Company has obtained Extended Producer's Responsibility ("EPR") registration, the responsibility of collecting e-waste and plastic waste from customers and ensuring its proper recycling. Hazardous waste is incinerated or sent to authorized recyclers depending on its nature, with products like paint, oil, or varnish-soaked cotton, oil-soaked sawdust, and oil filters being incinerated, while batteries such as pencil cell and lead-acid batteries and used oil are recycled. Waste materials are appropriately labelled and disposed off in landfills.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:**

The waste collection is in line with the targets specified by The Central Pollution Control Board ("CPCB") in the authorisation granted to GNO.

## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
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GNO has not conducted Life Cycle Assessments.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

Name of Product / Service	Description of the risk / concern	Action Taken
Abrasives	Generation of Non Recoverable waste - Land fillable	Recovery, recycling & alternate use in other industries resulting in reduction of disposal by 36% in 2022 as compared to the previous year.

GNO has not conducted Life Cycle Assessments but the Company drive towards achieving the Saint-Gobain Group sustainability roadmap based on Science Based Targets ("SBT").

3. Percentage of recycled or reused input material to total material (by value) used in Products (for manufacturing industry) or providing services (for service industry):

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
<b>Abrasives</b>		
Consumption of externally sourced recycled raw materials (in Tonnes)	1284	631
Recycled production residues rate [%]	93.19%	91.36%

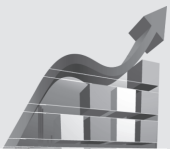
4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	250	-	-	232	-	-
E-waste	-	-	-	-	-	-
Hazardous waste*	-	-	790	-	-	899
Other waste*	5450	-	-	5271	-	-

\* in Tonnes

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic for packaging	100%



**PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits	Paternity Benefits <sup>#</sup>		Day Care facilities <sup>*</sup>		
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	1287	1287	100%	1287	100%	-	-	1287	100%	-	-
Female	364	364	100%	364	100%	364	100%	-	-	-	-
<b>Total</b>	<b>1651</b>	<b>1651</b>	<b>100%</b>	<b>1651</b>	<b>100%</b>	<b>364</b>	<b>22%</b>	<b>1287</b>	<b>78%</b>	-	-
<b>Other than Permanent employees</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Non-permanent employees/ workers are covered under employee State insurance Scheme.

\* Day care facility has been extended to the employees on need basis.

# Paternity benefit includes the five days paid leave been extended to all Employees.

**b. Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits	Paternity Benefits <sup>#</sup>		Day Care facilities <sup>*</sup>		
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	669	669	100%	669	100%	-	-	669	100%	-	-
Female	2	2	100%	2	100%	2	100%	-	-	-	-
<b>Total</b>	<b>671</b>	<b>671</b>	<b>100%</b>	<b>671</b>	<b>100%</b>	<b>2</b>	<b>100%</b>	<b>669</b>	<b>100%</b>	-	-
<b>Other than Permanent workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Non-permanent employees/ workers are covered under employee State insurance Scheme.

\* Day care facility has been extended to the employees on need basis.

# Paternity benefit includes the five days paid leave been extended to all Employees.

**2. Details of retirement benefits:**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Employee Provident Fund	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
<b>Total Permanent Employees</b>						
- Male	100%	100%	Yes	100%	100%	Yes
- Female	100%	100%	Yes	100%	100%	Yes
<b>Total Permanent Workers</b>						
- Male	100%	100%	Yes	100%	100%	Yes
- Female	100%	100%	Yes	100%	100%	Yes

### 3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

Yes, GNO has the necessary infrastructure to make workplaces accessible to employees and visitors with disabilities.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so:

The principles of equal opportunity and equal treatment are ensured irrespective of any disability and same is covered under the Code of Conduct of the Company. The Code of Conduct of the Company is accessible on <https://www.grindwellnorton.co.in/commitments>.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave:

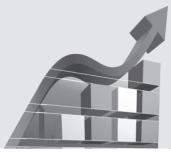
Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, The company has established a mechanism for addressing grievances that aligns with the statutory framework, this mechanism applies to permanent workers who may raise concerns such as wage disputes, discrimination, child labor, human rights violations, and through their representatives.
Other than Permanent Workers	
Permanent Employees	Yes, Employees may direct their grievances to their respective HR Business Partner.
Other than Permanent Employees	Yes, the company offers alternative channels i.e. Whistle Blower Mechanism, for reporting and seeking redressal for any violations. Employees and workers are actively encouraged to participate in the "speak up" campaign where they can voice their grievances. Email: GnoCompliance.L03GEN@saintgobain.com

### 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union(D)	% (D / C)
<b>Total Permanent Employees</b>	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
<b>Total Permanent Workers</b>	<b>671</b>	<b>505</b>	<b>75%</b>	<b>642</b>	<b>486</b>	<b>76%</b>
Male	669	503	75%	640	484	76%
Female	2	2	100%	2	2	100%



**8. Details of training given to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (A)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees (Staff)</b>										
Male	1287	49	3.8%	697	54%	1245	125	10%	897	72%
Female	364	5	1.4%	324	89%	289	6	2%	229	79%
<b>Total</b>	<b>1651</b>	<b>54</b>	<b>3.3%</b>	<b>1021</b>	<b>62%</b>	<b>1534</b>	<b>131</b>	<b>9%</b>	<b>1126</b>	<b>73%</b>
<b>Workers</b>										
Male	669	592	88%	176	26%	640	81	13%	6	1%
Female	2	2	100%	-	0%	2	-	-	-	-
<b>Total</b>	<b>671</b>	<b>594</b>	<b>88%</b>	<b>176</b>	<b>26%</b>	<b>642</b>	<b>81</b>	<b>13%</b>	<b>6</b>	<b>1%</b>

The Company celebrates EHS Day annually and every employee and worker undergoes the EHS orientation.

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees (Staff)</b>						
Male	1287	1113	86%	1245	1193	96%
Female	364	277	76%	289	267	92%
<b>Total</b>	<b>1651</b>	<b>1390</b>	<b>84%</b>	<b>1534</b>	<b>1460</b>	<b>95%</b>
<b>Workers</b>						
Male	669	669	100%	640	640	100%
Female	2	2	100%	2	2	100%
<b>Total</b>	<b>671</b>	<b>671</b>	<b>100%</b>	<b>642</b>	<b>642</b>	<b>100%</b>

**10. Health and safety management system:**

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

All work sites are certified under ISO 45001. The Company has integrated the protection and enhancement of employees' safety and well-being into its enterprise-wide risk management and control process. This demonstrates the Company's commitment to maintaining and improving the overall health and safety of its employees.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

A detailed risk assessment is utilized to identify work-related hazards and risks, and all non-routine tasks are subject to a work permit system. In line with the implementation of the ISO standard, the business units have established and implemented procedures for Hazard Identification and Risk Assessment and it is conducted for both routine and non-routine activities. The people involved in the operations, EHS Team identify work-related hazards. These identified hazards are recorded, and control measures are discussed and defined according to the hierarchy of controls. This systematic approach ensures that potential hazards are identified and addressed appropriately to maintain a safe working environment.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N):**

Indeed, all incidents of near misses and unsafe conditions are reported and addressed. The workers are strongly urged to report any unsafe acts, unsafe conditions, near misses, and incidents, and to remove themselves immediately from any such risks. The incidents are documented in an EHS dashboard that includes information from project sites, factories, and office locations. These reports are analysed and appropriate corrective and preventive measures are implemented to mitigate safety risks. This approach demonstrates the Company's commitment to maintaining a safe working environment for its employees.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No):**

All employees have access to non-occupational medical and healthcare services. GNO's EHS policy states that as a responsible corporate citizen and employer, we have an obligation to the public, in general, and to our employees, in particular, to operate our facilities and to conduct our business in such a way as to; (1) ensure the health and safety of all our employees; and (2) to protect the environment. GNO's management, at every level, from the top to the shop-floor, monitors and reports accidents (lost-time and non-lost-time), first aid cases and near misses. GNO also continuously identifies and reduces risks and offers itself for periodic audits.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate ("LTIFR") (per one million-person hours worked)	Employees	-	-
	Workers*	Nil	0.27
Total recordable work-related injuries	Employees	-	-
	Workers*	3	7
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

\* Includes employees on third party payroll or contract labour.

**12. Describe the measures taken by the entity to ensure a safe and healthy work place:**

The health and safety of its employees is deeply embedded in Saint-Gobain's CSR, EHS and HR policies. The Group's Environment Health and Safety ("EHS") Charter, communicated to all employees, set out the objectives which include zero lost-time accident and zero occupational illness. Saint-Gobain has drawn up standards and recommendations with regard to specific EHS concerns. The standards are mandatory and apply to all sites of the Group, even if the country or local legislation is less stringent. GNO emphasizes the importance of healthy living to all the employees and facilitates the same by providing regular health check-ups (and other medical advisory interventions) to all its employees.

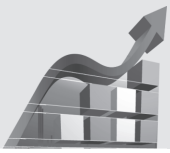
**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23	FY 2021-22			Pending resolution at the end of year	Remarks
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year		
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

The EHS Team of the Company actively connects with all its employees and workers and they are encouraged to identify and report unsafe working conditions.

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%



**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:**

GNO's EHS policy states that as a responsible corporate citizen and employer, we have an obligation to the public, in general, and our employees, in particular, to operate our facilities and to conduct our business in such a way as to (1) ensure the health and safety of all our employees; and (2) to protect the environment. Moreover, Saint-Gobain's EHS Charter states: let's commit ourselves every day to achieving our objectives: zero work-related accidents, zero occupational illnesses, zero environmental accidents and to minimize the impact of our activities on environment, this is a continuous process, which helps the Company to identify the risk and provide sufficient training to the employees and also to set the improvement in processes to eliminate/reduce the risk.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):**

The Company provides a Life Insurance scheme for all its permanent employees and workers, along with financial assistance through contributions.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:**

GNO protects the rights of the employees engaged indirectly or through sub-contractors by monitoring and ensuring that the sub-contractors comply with payment of social security dues properly and in a timely manner and provide a safe and healthy working conditions. The Board of Directors and Audit Committee of the Company are also updated on a quarterly basis.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
<b>Employees</b>	Nil	Nil	Nil	Nil
<b>Workers</b>	Nil	Nil	Nil	Nil

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

Yes, the Company provided the assistance and facilitate continued employability on requirement need.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	In the year 2022, an assessment was conducted on the health and safety practices as well as working conditions at all outsourced manufacturing locations of the Company.
Working Conditions	

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:**

On periodic basis, the Company conducts on audit within the EHS framework of the Company and effectively addresses any risk or concerns arising from the assessment.

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity:**

Stakeholder groups are determined by their level of involvement with the entity. Any individual or institution that contributes value to the Company's business chain is considered a core stakeholder. This encompasses employees, shareholders and investors, customers, channel partners, key partners, regulators, lenders, research analysts, communities, non-governmental organizations, suppliers, and others.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No, GNO is an Equal Opportunity Employer encouraging diversity in the workplace	Notice Boards in factories, Company Intranet and Website, Regular updates are put up on GNO social media group, Business Connects, virtual meetings and Physical meeting with all employees	Employee satisfaction survey is taken every year, Regulatory emails been sent to the employees for important Company's communication	Top-down communication about business growth plans, business performance, important changes, policies, wellbeing initiatives Business Connect for gathering formal feedback Workplace diversity is encouraged through various diversity, equity and inclusion initiatives.
Shareholders	No	Email, Newspaper, Notice board, Website	Quarterly and need based	Shareholder related communication
Analyst	No	Email, conference calls, virtual, meetings	Yearly	To understand the Company's results, major events and future direction

**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:**

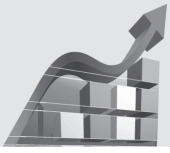
The Company ensures systematic engagement of stakeholders mentioned in this principle through various functions of the Company. The Board of Directors or its Committee actively seeks feedback on the status of different functions and provides guidance on enhancing processes and practices, as appropriate. Regular updates are provided to the Board of Directors/ Committees regarding these activities.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:**

The Management of the Company apprises Board of Directors / Committee thereof about the status of various functions pertaining to EHS. The Board of Directors provides directions for improving processes / practices wherever applicable. The Company also regularly consults its internal and external stakeholders to identify and manage environmental and social topics.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:**

Please refer the CSR Annual Report of the Company which forms part of the Board's Report, Annexure 4.



**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. employees / workers covered (B)*	% (B / A)	Total (C)	No. employees / workers covered (D)*	% (D / C)
<b>Employees (Staff)</b>						
Permanent	1651	298	18%	1534	351	23%
Other than permanent	722	-	-	-	-	-
<b>Total Employees</b>	<b>2373</b>	<b>298</b>	<b>18%</b>	<b>1534</b>	<b>351</b>	<b>23%</b>
<b>Workers</b>						
Permanent	671	67	10%	642	65	10%
Other than permanent	1746	-	-	-	-	-
<b>Total Employees</b>	<b>2417</b>	<b>67</b>	<b>3%</b>	<b>642</b>	<b>65</b>	<b>10%</b>

\* Includes employees on third party payroll or contract labour.

Periodically, the training have been imparted to all employees and workers. The number of employees/ workers mentioned above pertains to new joiners.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23						FY 2021-22					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage			
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)		
<b>Employees (Staff)</b>												
<b>Permanent</b>												
Male	1287	-	-	1287	100%	1245	-	-	1245	100%		
Female	364	-	-	364	100%	289	-	-	289	100%		
<b>Other than permanent</b>												
Male	-	-	-	-	-	-	-	-	-	-		
Female	-	-	-	-	-	-	-	-	-	-		
<b>Workers</b>												
<b>Permanent</b>												
Male	669	-	-	669	100%	640	-	-	640	100%		
Female	2	-	-	2	100%	2	-	-	2	100%		
<b>Other than permanent</b>												
Male	-	-	-	-	-	-	-	-	-	-		
Female	-	-	-	-	-	-	-	-	-	-		

**3. Details of remuneration/salary/wages, in the following format:**

(₹ lakhs)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	25.10	1	25.10
Key Managerial Personnel	4	184.32	-	-
Employees other than BoD and KMP	1284	10.61	364	9.75
Workers	669	3.88	2	4.71

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No):**

Yes, we have a committee for addressing human rights impacts and issues.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues:**

At the plant locations, there are suggestion and grievance boxes available for the employees and workers to express their concerns. They are actively encouraged to participate in the “Speak up” campaign, where they can voice their grievances.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

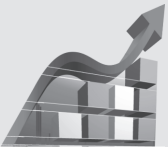
**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

The committee ensures complete confidentiality in these cases.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No):**

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

In addition, as per the Suppliers’ Charter, suppliers are required to declare and to ensure that they strictly respect the human rights of their employees.



**9. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	-

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above:**

All concerned employees are provided with consistent training to effectively handle and address risks or concerns. They are well equipped to take appropriate corrective actions, if any.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints:**

Not Applicable.

**2. Details of the scope and coverage of any Human rights due-diligence conducted:**

The Company ensures that employees' rights are respected, even as it promotes active dialogues with all its employees. as per the Suppliers' Charter, suppliers are required to declare and to ensure that they strictly respect the human rights of their employees.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company is constantly in process of improving the infrastructure for disabled persons across offices based on the requirement of the people.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	35%
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:**

All concerned employees are provided with consistent training to effectively handle and address risks or concerns. They are well equipped to take appropriate corrective actions, if any

**PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	73355 MWh	72652 MWh
Total fuel consumption (B)	61523 MWh	65207 MWh
Energy consumption through other sources (C)	1048 MWh	1059 MWh
<b>Total energy consumption (A+B+C)</b>	<b>135926 MWh</b>	<b>138918 MWh</b>
Energy intensity per rupee of turnover (kW h per rupee of turnover)	0.006	0.007

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company did not carry out assessment by external agency.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:**

No, the Company does not have any site identified as DCs under PAT scheme.

**3. Provide details of the following disclosures related to water, in the following format:**

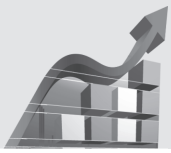
Parameter Water withdrawal by source (in kilolitres)	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	133832	109207
(iii) Third party water	37564	48278
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>171396</b>	<b>157485</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>171396</b>	<b>157485</b>
Water intensity per rupee of turnover (litre per rupee of turnover)	0.007	0.008

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company did not carry out independent assessment by an external agency.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

Yes, all GNO sites barring one plant is Zero Liquid Discharge sites. The treated water from the Effluent Treatment Plant ("ETP") is only sent to the TSDF in one plant, as per the requirements set by the local Pollution Control Board.



**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	ug / m3 (micrograms)	17.85	17.73
SOx		12.84	12.55
Particulate Matter (PM)		55.08	55.10
Persistent Organic Pollutants (POP)		-	-
Volatile Organic Compounds (VOC)		Below detectable limits	Below detectable limits
Hazardous Air Pollutants (HAP)		-	-
Others		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

All air quality is monitored by the external authorised agency on monthly basis authorised by Central Pollution Control Board ("CPCB").

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	24630	27375
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	40697	34196
Total Scope 1 and Scope 2 emissions per rupee of turnover (kg per rupee of turnover)	-	0.003	0.003
Total Scope 1 and Scope 2 emission intensity (optional)	Metric tonnes of CO <sub>2</sub> equivalent	65327	61571

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company did not carry out independent assessment by an external agency.

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details:**

- Energy Mix through sourcing of Green Energy.
- Shifting to Natural gas from fuel oils.
- Biomass and Waste gasification to replace fossil fuels.

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	The Company follows the buy-back policy of old batteries with the Supplier.	The Company follows the buy-back policy of old batteries with the Supplier.
Radioactive waste (F)	-	-
Other Hazardous waste (G)	788	1211
Other Non-hazardous waste generated (H). (Break-up by composition i.e. by materials relevant to the sector)	5811	6911
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>6599</b>	<b>8122</b>

Parameter	FY 2022-23	FY 2021-22
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	5600	5271
(ii) Re-used	-	-
(iii) Other recovery operations	1704	341
<b>Total</b>	<b>7304</b>	<b>5612</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	802	1260
<b>Total</b>	<b>802</b>	<b>1260</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company did not carry out assessment by an external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

In terms of waste management, the Company strives towards reuse and reduce usage of plastic waste. Extended Producer Responsibility ("EPR") is implemented. Producer Responsible Organizations (PROs) are nominated centrally for the collection of e-waste and plastic waste from customers. The collected waste/s are recycled.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

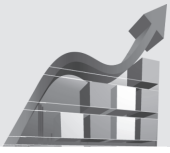
Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
GNO does not currently have any offices or factories located in ecologically sensitive areas.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No projects were implemented in FY 2022-23 which required.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, the Company complies to all the applicable environmental law/regulations/guidelines in India.				



**Leadership Indicators**

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	11313 MWh	10728 MWh
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	1062 MWh	1060 MWh
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>12375 MWh</b>	<b>11788 MWh</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	62042 MWh	61924 MWh
Total fuel consumption (E)	-	-
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>62042 MWh</b>	<b>61924 MWh</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company did not carry out independent assessment by an external agency

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(iv) Sent to third- parties	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	935	1300
(v) Others	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>935</b>	<b>1300</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company did not carry out independent assessment by an external agency

### 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: All sites of GNO.
- Nature of operations: Manufacturing of abrasives, ceramic and plastics etc.,
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	133832	109207
(iii) Third party water	37564	48278
(iv) Seawater / desalinated water		
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>171396</b>	<b>157485</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>171396</b>	<b>157485</b>
Water intensity per rupee of turnover (litre per rupee of turnover)	0.007	0.008
Water intensity (optional) – the relevant metric may be selected by the entity		
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	935	1310
(v) Others	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>935</b>	<b>1310</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

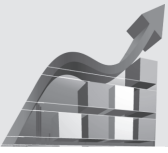
No, the Company did not carry out independent assessment by an external agency.

### 4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company did not carry out assessment by an external agency.



5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:**

GNO does not currently have any offices or factories located in ecologically sensitive areas.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Sourcing of green energy	Solar and wind energy	Environmental impact reduced by offsetting 8969 tonnes CO <sub>2</sub> emission for FY 2022-23.

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:**

The Company has a business continuity plan for managing crisis affecting Company's operations, assets and staff.

The Company's Business Continuity Planning ("BCP") covers the following Components:

- a. Preventive crisis management plans for every location.
- b. Disaster recovery planning for IT Applications and infrastructure.
- c. Situation specific business level BCP.
- d. Comprehensive communication strategy that effectively reaches and informs various teams within the organization.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:**

GNO ensures that there are not adverse impacts on the environment arising from its value chain.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts: 35%**

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations:**

GNO is affiliated with 2 trade and industry chambers.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Bombay Chamber of Commerce and Industry	State
2.	Confederation of Indian Industry (CII)	National

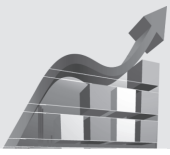
**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:**

Name of authority	Brief of the case	Corrective action taken
There were no cases of anti-competitive conduct during the reporting period.		

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity:**

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others)	Web link, if available
1.	The Company actively promotes sustainability and consistently makes efforts to address specific concerns related to sustainable business practices.	By means of trade and industry associations.	No, this involves engaging stakeholders consultations through relevant trade and industry association.	Reviewed by the Business Team	Not Applicable



**PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes / No)	Relevant Web link
SIA was not applicable in the reporting year.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Rehabilitation and Resettlement (R&R) was not applicable in the reporting year.						

3. **Describe the mechanisms to receive and redress grievances of the community:**

A contact number, as well as a contact email, are available for receiving complaints and feedback. Additionally, the company's representatives directly receive such feedback and complaints. To ensure prompt responses, dedicated teams within the business are responsible for managing all the received feedback and complaints.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	40%	20%
Sourced directly from within the district and neighbouring districts	25%	23%

**Leadership Indicators**

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
-	-

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

(₹ lakhs)

Sr. No.	State	Aspiration District	Amount spent
1.	Karnataka	Bengaluru	273.63
2.	Andra Pradesh	Tirupathi	74.05
3.	Maharashtra	Alibaug, Raigad	14.50
4.	Maharashtra	Mumbai	260.63
<b>Total</b>			<b>622.81</b>

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)**

Contracts are awarded based on merit, which includes marginalized groups.

- b. **From which marginalized /vulnerable groups do you procure?** Not Applicable

- c. **What percentage of total procurement (by value) does it constitute?** Not Applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

All Intellectual Property Rights (“IPR”) are owned by the Compagnie de Saint-Gobain.

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	-	-	-	-

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:**

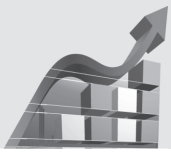
Name of authority	Brief of the Case	Corrective action taken
-	-	-

**6. Details of beneficiaries of CSR Projects:**

Refer the CSR Annual Report annexed and form part of the Board’s Report, Annexure 4.

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Education and rehabilitation of underprivileged children	7326	100%
2.	Rural infrastructure development	1000*	100%
	<b>Total</b>	<b>8326</b>	<b>100%</b>

\* This infrastructure development will benefit large number of people from vulnerable and marginalized group



**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:**

GNO has implemented a process to effectively handle customer complaints and feedback that are received through various channels. These channels include a toll-free number, a contact page on the Company's website, feedback and complaints received through email, and those received directly by the Company's representatives via phone or other means. Each business unit are responsible for managing these complaints and feedback to ensure they are addressed promptly and resolved in a timely manner.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	35%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23		Remarks	FY 2021-22		Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	1	-	The necessary legal process has been initiated and the said concern does not hold any merits.	-	-	-

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:**

The Company adheres to the global cyber security framework of Saint-Gobain and the reference framework is for short and medium-term actions to strengthen Saint-Gobain's cyber-defense against new cyber-attacks. This framework is implemented in a continuous cybersecurity improvement plan adapted to each Business organization and Group teams. This plan covers global infrastructure, local infrastructure, applications and websites and industrial systems. These rules are also supplemented downstream by periodically updated technical standards to monitor technological developments and control application, industrial and infrastructure services. Additionally, the Company addresses the data privacy risks in accordance with the Information Technology Act, 2000.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:**

No consumer complaints were received regarding advertising, delivery of essential services, cyber security, and data privacy.

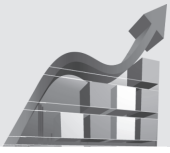
### Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):**  
The information on products and services is available on the Company's website, [www.grindwellnorton.co.in](http://www.grindwellnorton.co.in).
2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**  
The usage of products and services is outlined in manuals provided with the products.
3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**  
GNO does not directly provide essential services, as defined in The Essential Services Maintenance Act, 1981. GNO takes measures to ensure that its customers experience minimal disruption to their operations and services. The Company maintains continuous communication with its customers to ensure the smooth running of their operations.
4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No):**  
The Company complies with all relevant laws and regulations, including those related to product labeling.
5. **Provide the following information relating to data breaches:**
  - a. **Number of instances of data breaches along-with impact:** Nil
  - b. **Percentage of data breaches involving personally identifiable information of customers:** Nil

### Annexure to the Business Responsibility and Sustainability Report

#### Weblink of GNO's Code and Policies:

Sr. No.	Name of the Policy	Weblinks
1.	Policy on Materiality of the Related Party Transaction and On Dealing with Related Party Transaction	<a href="https://www.grindwellnorton.co.in/investor-information">https://www.grindwellnorton.co.in/investor-information</a> > Policies
2.	Corporate Social Responsibility Policy	
3.	Code of Practices and Procedures for Fair Disclosures and Legitimate Policy	
4.	Policy for Determination of Materiality	
5.	Policy for appointment of Director, Key Managerial Personnel ("KMP") and Senior Management Appointment Criteria, Performance Evaluation and Removal ("Nomination and Remuneration Policy")	
6.	Archival Policy	
7.	Dividend Distribution Policy	
8.	Whistleblower Policy	
9.	EHS Policy	
10.	Quality Policy	



## INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF GRINDWELL NORTON LIMITED

### Report on the Audit of the Standalone Ind-AS Financial Statements

#### Opinion

We have audited the accompanying standalone Ind-AS financial statements of **GRINDWELL NORTON LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flow for the year then ended and the Notes to the standalone Ind-AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “standalone Ind-AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind-AS financial statements give the information required by the Companies Act, 2013, (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended (Ind-AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind-AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind-AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter description	How the scope of our audit addressed the key audit matter
1.	<p><b>Revenue recognition and measurement</b></p> <p>Refer to Note 1.3 (Accounting policies) for revenue recognition and measurement, Note 30.1 of the standalone Ind-AS financial statements for aggregate revenue from sale of products recognised as required by the applicable Ind-AS. For the year ended March 31, 2023, the Company recognised revenues aggregating to ₹ 217,545.68 lakhs.</p> <p>Revenue from sale of goods is recognised in accordance with Ind-AS 115 “Revenue from Contracts with Customers” at a point-in-time when control of goods has been transferred to customers. The control and ownership transfers to customers at a point-in-time when goods have been delivered to customers as that is generally when legal title, physical possession and risks and rewards of goods transfers to the customers.</p> <p>Amounts disclosed as revenue are net of customer returns, trade allowance, rebates, goods and services tax.</p>	<p>Our procedures included:</p> <p><b>Accounting policies:</b> Assessing the Company’s revenue recognition policies, including those related to commission, discounts, rebates and returns by comparing with the applicable Ind-AS.</p> <p><b>Tests of controls:</b></p> <p>Understanding and evaluating the design and testing the operating effectiveness of controls over the accuracy of discounts, commission and rebates and correct timing of revenue recognition, the accuracy of pricing master and discounts, rebates and incentives in the general ledger accounting system.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>- Verified the supporting documentation for determining that the revenue was recognised in the correct accounting period (cut-off testing). Performed tests, on a sample basis, on revenue recognised and verified that the revenue was recognised at a point-in-time, as per the terms of agreement with customers;</li> <li>- Comparing the discounts and rebates with the prior year and where relevant, performed further inquiries and testing.</li> <li>- Verifying the manual journals posted to revenue to identify unusual or irregular items.</li> </ul>

<p>We have therefore identified Revenue Recognition and Measurement as a key audit matter.</p>	<ul style="list-style-type: none"> <li>- To assess the recoverability of trade receivables, our procedures included an assessment of whether the provision against, or write off of, impacted our view as to the initial recognition of the related revenue.</li> </ul> <p>We also assessed as to whether the disclosures in respect of revenue were adequate.</p>
<p><b>2. Assessment of valuation of Unquoted Equity Investment</b></p> <p>The Company has investments amounting to ₹ 19,830 lakhs in equity interest of two unquoted companies valued on 'Fair Value through Other Comprehensive Income' in accordance with related Accounting Standard.</p> <p>In measuring these investments, valuation methods are used based on inputs that are not directly observable from market information and certain other unobservable inputs. The Management has also used the services of an independent professional valuation expert in this regard, wherever considered necessary.</p> <p>Key inputs used in the valuation of the above investments are cash flow projections, growth rate, terminal value, discount rate, net asset value etc.</p> <p><b>Risk identified:</b></p> <p>The valuation of these investments is a focus area of our audit as it is highly dependent on estimates (including various assumptions and techniques used) which contain assumptions that are not observable in the market.</p> <p>Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the standalone financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<p>Our procedures to test the valuation of investment in the unquoted equity instruments include the following:</p> <p><b>Accounting policies:</b> Assessed the appropriateness of the relevant accounting policies of the Company, including those relating to recognition and measurement of financial instruments and ensuring compliance with applicable accounting standards.</p> <p><b>Tests of controls:</b> Understanding and evaluation the design and testing of operating effectiveness of the controls over determination of fair value (including valuation model and assumptions / judgements) of unquoted equity instruments.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>- Assessing the accuracy and reasonableness of the input data provided by the Management by agreeing with approved budgets.</li> <li>- Comparing recent historical results vis-à-vis corresponding budgets.</li> <li>- Evaluation of competence, capabilities and objectivity of the valuation expert engaged by the Management.</li> <li>- Assessment of reasonableness of cash flow projections and performed audit procedures on Management's assumptions such as earnings, growth rate, cost escalation / savings etc. and have assessed valuation methodology, discount rate, terminal growth rate etc.</li> <li>- Tested the mathematical accuracy of the discounted cash flow projections. Traced the net assets value to the financial statements of the investee.</li> <li>- Assessed adequacy of relevant disclosures in the standalone Ind-AS financial statements</li> </ul>

### Information Other than the Standalone Ind-AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance but does not include the standalone Ind-AS financial statements and our auditor's report thereon.

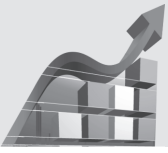
Our opinion on the standalone Ind-AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind-AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind-AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibilities for the Standalone Ind-AS 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 standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application



of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Statements**

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

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

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

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

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

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

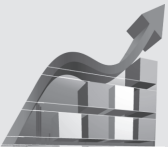
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind-AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless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

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books. Based on our examination and according to the information and explanations provided to us, and as represented by Management, the Company has maintained daily backups of books of account on servers physically located in India, except for intermittent periods during the year when said backups could not be maintained on servers physically located in India due to ongoing infrastructure changes. The backups were re-initiated after the infrastructure changes and included records for the period during which the infrastructure changes had taken place.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2023, and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2023, from being appointed as a Director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind-AS financial statements - Refer Note 44 to the standalone Ind-AS financial statements.
  - ii) The Company has made provision, as required under the applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Notes 1.3(I) and Note 42(C) to the standalone Ind-AS financial statements.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023, except when disputes relating to ownership of the underlying shares are unresolved. Refer Note 26 to the standalone Ind-AS financial statements.
  - iv) The Management has represented that:
    - a) to the best of its knowledge and belief, other than as disclosed in the standalone Ind-AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) to the best of its knowledge and belief, other than as disclosed in the standalone Ind-AS financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



Based on such audit procedures performed by us which is considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- v) As per information and explanation represented by Management and based on the records of the Company, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

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

- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Firm Reg. No.: 104607W / W100166

Daraius Z. Fraser

**Partner**

Membership Number - 42454

UDIN: 23042454BGXFQM5724

Place - Mumbai

Date - May 6, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the standalone Ind-AS financial statements for the year ended March 31, 2023:

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

#### i) Property Plant and Equipment:

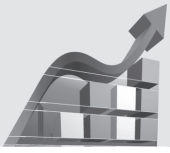
- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of physical verification of Property, Plant and Equipment by which the property, plant and equipment are verified by the Management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year, except for Bangalore Coated Abrasives and Mora bonded Abrasive plant where the Company is in the process of finalising the physical verification report. No material discrepancies were noticed in respect of such assets verified during the year.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company examined by us, the title deeds of immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company or in the name of the erstwhile Company.
- d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- e) According to the information and explanations given to us, representation obtained from Management and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

#### ii) Inventory:

- a) The Management has conducted physical verification of inventories at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its operations.  
The discrepancies noticed on such physical verification of inventories between physical stock and book records is less than 10% in the aggregate for each class of inventories and have been properly dealt with in the books of account.
- b) According to the information and explanations given to us by the Management and books and records maintained, the Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at various points of time during the year, from banks or financial institutions on the basis of security of current assets of the Company. Therefore, the provisions of clause 3 (ii)(b) of the Order is not applicable.

iii) The Company has made investment in and granted unsecured loan to a wholly owned subsidiary company during the year. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

- a) The Company has granted unsecured loan to a wholly owned subsidiary company during the year as detailed in Note 15 of the standalone Ind-AS financial statements.



(A) The details are as under:

(Amount in ₹ lakhs)

Particulars	Loans*
<b>Aggregate amount granted / provided during the year</b>	-
- Subsidiary	25,00
<b>Balance outstanding as at balance sheet date in respect of above case</b>	
- Subsidiary	25,00

\* Excluding interest

(B) The Company has not provided guarantees, securities, granted loans and advances in the nature of loans to any other parties.

- b) In our opinion, the investments made, the terms and conditions of the loans given are prima facie, not prejudicial to the interest of the Company.
- c) According to the information and explanations given to us and based on the audit procedures performed by us, the unsecured loans granted to a subsidiary company and the interest thereon was repayable as per the terms mutually agreed by both the parties. The Company has not demanded from the borrowers for repayment any time from the disbursement of loan therefore, the provisions of clause 3(iii) (c), (d) and (e) of the Order are not applicable.
- d) The Company has granted loans repayable on demand or without specifying any terms or period of repayment to related party as defined in clause (76) of section 2 of the Act whose details are as under:

(Amount in ₹ lakhs)

Particulars	Promoters	Loans*
Aggregate amount of loans	-	-
- Repayable on demand (A)	-	-
- Agreement does not specify any terms or period of repayment (B)	-	25,00
Total (A+B)	-	25,00
Percentage of loans to the total loans (excluding interest thereon).	-	100%

- iv) According to the information and explanations given to us, the Company has not advanced any loans or given guarantee or provided any security to parties covered under section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us and records examined by us, the provisions of section 186 of the Companies Act, 2013, in respect of loans and investments made have been complied with by the Company.
- v) The Company has not accepted any deposit or amounts which are deemed to be deposits during the year. Hence, reporting under clause 3(v) of the Order is not applicable. According to the information and explanations given to us and representation obtained from Management, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- vi) We have broadly reviewed the books of account and records maintained by the Company in respect of the product covered under the Rules prescribed by the Central Government for the maintenance of cost records, under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) Statutory Dues:
- a) According to the information and explanations given to us and on the basis of the records examined by us, the Company is regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material applicable statutory dues during the year. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year, for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023, on account of disputes are given below:

Name of the Statute	Nature of dues	Amount (₹ in lakhs)*	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944.	Excise Duty	10.32	F.Y. 2005-06 to 2011-12	Asst. Commissioner
		199.31	F.Y. 2005-06 to 2006-07, F.Y. 2015-16 to 2016-17	Customs, Excise and Service Tax Appellate Tribunal
		12.62	F.Y. 2014-15	Deputy Commissioner
		13.11	F.Y. 2008-09, F.Y. 2016-17	Commissioner (Appeals)
The Customs Tariff Act, 1962.	Custom Duty	183.03	F.Y. 2006-07 to 2012-13	Customs, Excise and Service Tax Appellate Tribunal
		2.19	F.Y. 2020-21	Superintendent of Customs
The Gujarat Value Added Tax Act, 2003	Value Added Tax	36.44	F.Y. 2009-10	The Gujarat Value Added Tax Tribunal
Income-tax Act, 1961	Income Tax	69.05	A.Y. 2016-17 A.Y. 2017-18	Commissioner of Income-tax (Appeals)

\*Net of amount paid under protest

- viii) According to the information and explanations given to us and on the basis of the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) Borrowings:

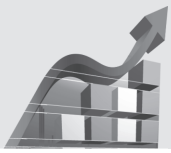
- In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or other borrowings or payment of interest thereon to a bank. The Company has not taken any loan or borrowings from the financial institution or the Government.
- In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- In our opinion and according to the information and explanations given to us by the Management, the Company has availed term loan from a bank during the year which has been utilised for the purpose for which the same was obtained.
- In our opinion and according to the information and explanations given to us by the Management, on an overall examination of the standalone Ind-AS financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.
- According to the information and explanations given to us by the Management, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company, joint venture or associate hence the question of reporting on the same does not arise.
- According to the information and explanations given to us by the Management, the Company has not raised loans during the year on the pledge of securities held in its subsidiary company, joint venture or associate, hence the question of reporting on the same does not arise.

x) Allotment of Shares

- According to the information and explanations given to us by the Management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi) Frauds

- According to the information and explanations given to us, on the basis of the records examined by us and representation from Management, no fraud by the Company or material fraud on the Company has been noticed or reported during the year.



- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us by the Management, no whistle-blower complaints has been received by the Company during the year.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act with respect to applicable transactions with the related parties and details of such transactions have been disclosed in the standalone Ind-AS financial statements as required by the applicable accounting standards.
- xiv) Internal Audit System
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with its directors. and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi) In respect of registration u/s 45-IA
- (a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has also not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(a) and (b) of the Order are not applicable.
- (c) The Company and any other company in the Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.
- xvii) According to the information and explanations given to us and based on our examination of the standalone Ind-AS financial statements of the Company, the Company has not incurred cash losses during the current financial year and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditor of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone Ind-AS financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and representation from Management. Our report does not give any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) Corporate Social Responsibility
- There are no unspent amounts towards Corporate Social Responsibility (CSR) as at March 31, 2023. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

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

Firm Reg. No.: 104607W / W100166

Daraius Z. Fraser

**Partner**

Membership Number - 42454

UDIN: 23042454BGXFQM5724

Place - Mumbai

Date - May 6, 2023

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls with reference to financial statements of **GRINDWELL NORTON LIMITED** ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the "Act" or the "Companies Act").

### Auditors' Responsibility

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

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

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

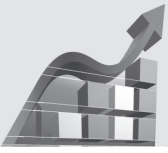
### Meaning of Internal Financial Controls with reference to Standalone Ind-AS Financial Statements

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

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

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

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



### Opinion

In our opinion, to the best of our knowledge and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **Kalyaniwalla & Mistry LLP**

**Chartered Accountants**

Firm Reg. No.: 104607W / W100166

Daraius Z. Fraser

**Partner**

Membership Number - 42454

UDIN: 23042454BGXFQM5724

Place - Mumbai

Date - May 6, 2023

## STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	394,34.77	344,34.55
Right-of-use asset	3A	31,47.08	11,28.50
Capital work-in-progress	3	117,91.08	66,04.31
Goodwill	4	48.80	48.80
Other intangible assets	4	7,72.38	9,50.09
Intangible asset under development	4	67.45	86.59
Financial assets			
i. Investments	5	351,20.42	221,85.53
ii. Loans	6	6,28.63	3,90.49
iii. Other financial assets	7	49,32.13	35,54.99
Income tax asset (Net)	8	7,69.35	7,89.34
Other non-current assets	9	45,90.24	37,52.22
<b>Total non-current assets</b>		<b>1,013,02.33</b>	<b>739,25.41</b>
<b>CURRENT ASSETS</b>			
Inventories	10	428,08.21	437,37.20
Financial assets			
i. Investments	11	435,22.82	330,25.39
ii. Trade receivables	12	241,08.18	236,28.18
iii. Cash and cash equivalents	13	32,73.16	32,67.39
iv. Bank balances other than (iii) above	14	99,11.16	235,20.72
v. Loans	15	26,56.30	66.83
vi. Other financial assets	16	9,90.76	19,13.98
Other current assets	17	42,46.57	61,93.14
<b>Total current assets</b>		<b>1,315,17.16</b>	<b>1,353,52.83</b>
<b>TOTAL ASSETS</b>		<b>2,328,19.49</b>	<b>2,092,78.24</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	18	55,36.00	55,36.00
Other equity	19	1,733,77.67	1,507,68.17
<b>Total Equity</b>		<b>1,789,13.67</b>	<b>1,563,04.17</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
i. Borrowings	20A	3,95.18	-
ia. Lease liabilities	20B	24,14.98	6,64.60
Provisions	21	33,63.51	26,77.50
Deferred tax liabilities (Net)	22	14,60.49	15,50.47
Other non-current liabilities	23	42.02	56.05
<b>Total non-current liabilities</b>		<b>76,76.18</b>	<b>49,48.62</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
i. Borrowings	24A	5,00.00	2,15.34
ia. Lease liabilities	24B	7,98.94	4,71.20
ii. Trade payables	25		
(a) Total outstanding dues of micro and small enterprises		9,16.38	5,74.73
(b) Total outstanding dues of creditors other than (ii)(a) above		255,56.16	314,85.78
iii. Other financial liabilities	26	87,50.99	62,76.51
Provisions	27	24,62.15	25,14.10
Current tax liabilities (Net)	28	20,16.57	21,98.37
Other current liabilities	29	52,28.45	42,89.42
<b>Total current liabilities</b>		<b>462,29.64</b>	<b>480,25.45</b>
<b>TOTAL LIABILITIES</b>		<b>539,05.82</b>	<b>529,74.07</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,328,19.49</b>	<b>2,092,78.24</b>
<b>Significant Accounting Policies</b>	1.3		

The accompanying notes (1 to 51) are an integral part of the Standalone Financial Statements.

As per our Report of even date

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No. 104607W / W100166

Daraius Z. Fraser

Partner

Membership No. 42454

Mumbai : May 6, 2023

For and on behalf of Board of Directors of

Grindwell Norton Limited

Keki M. Elavia

B. Santhanam

Deepak Chindarkar

K. Visweswaran

Chairman

Managing Director

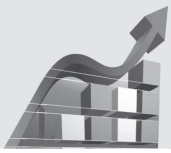
Chief Financial Officer

Company Secretary

DIN 00003940

DIN 00494806

Mumbai : May 6, 2023



## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	March 31, 2023	March 31, 2022
<b>INCOME</b>			
Revenue from Operations	30	2,368,72.98	2,005,62.17
Other Income	31	51,31.64	53,06.20
<b>Total income</b>		<b>2,420,04.62</b>	<b>2,058,68.37</b>
<b>EXPENSES</b>			
Cost of materials consumed	32	844,44.21	711,16.55
Purchases of stock-in-trade	33	267,07.94	258,54.86
Changes in inventories of work-in-progress, stock-in-trade and finished goods	34	(25,21.82)	(72,05.26)
Employee benefits expense	35	273,89.22	248,12.32
Finance costs	36	6,65.89	3,96.00
Depreciation and amortisation expense	37	54,85.77	51,24.03
Other expenses	38	529,15.51	458,07.38
<b>Total expenses</b>		<b>1,950,86.72</b>	<b>1,659,05.88</b>
<b>Profit before tax</b>		<b>469,17.90</b>	<b>399,62.49</b>
Income tax expenses	39		
- Current tax		119,89.91	107,80.48
- Deferred tax		(1,41.22)	(6,17.94)
<b>Total tax expenses</b>		<b>118,48.69</b>	<b>101,62.54</b>
<b>Profit for the year</b>		<b>350,69.21</b>	<b>297,99.95</b>
<b>Other Comprehensive Income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of post employment benefit obligations - gain/(loss)		(1,11.99)	(3,33.71)
Change in fair value of equity instruments at Fair Value through Other Comprehensive Income (FVOCI)		8,23.00	16,47.00
Income tax relating to these items			
- Current tax		28.19	83.99
- Deferred tax		(51.24)	(2,36.90)
<b>Other comprehensive income for the year, net of tax</b>		<b>6,87.96</b>	<b>11,60.38</b>
<b>Total comprehensive income for the year</b>		<b>357,57.17</b>	<b>309,60.33</b>
<b>Earnings per equity share (Face value of ₹ 5/- each)</b>			
Basic earnings per equity share (in ₹)	40	31.67	26.91
Diluted earnings per equity share (in ₹)	40	31.67	26.91
<b>Significant Accounting Policies</b>	1.3		

The accompanying notes (1 to 51) are an integral part of the Standalone Financial Statements.

As per our Report of even date  
For Kalyaniwalla & Mistry LLP  
Chartered Accountants  
Firm Registration No. 104607W / W100166

Daraius Z. Fraser  
Partner  
Membership No. 42454  
Mumbai : May 6, 2023

Keki M. Elavia  
B. Santhanam  
Deepak Chindarkar  
K. Visweswaran

Mumbai : May 6, 2023

For and on behalf of Board of Directors of  
Grindwell Norton Limited

Chairman  
Managing Director  
Chief Financial Officer  
Company Secretary

DIN 00003940  
DIN 00494806

# STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

## 1) EQUITY SHARE CAPITAL

	Notes	Amounts
Balance as at March 31, 2021*		55,36.00
Changes in equity share capital	18	-
Balance as at March 31, 2022*		55,36.00
Changes in equity share capital	18	-
<b>Balance as at March 31, 2023</b>		<b>55,36.00</b>

\* There are no changes in Equity Share Capital due to prior period errors

	Notes	Reserves and Surplus			Other Items of Equity			Total
		Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Revaluation Surplus	Share Based Payment Plan Account	
<b>Balance as at March 31, 2021*</b>	19	27,90.82	402,01.34	746,47.46	113,13.87	3,35.34	8,80.71	1,301,69.54
Profit for the year		-	-	297,99.95	-	-	-	297,99.95
Remeasurement of post employment benefit obligation, net of tax		-	-	(2,49.72)	-	-	-	(2,49.72)
Share Based Payment (Refer Note 46)		-	-	-	-	-	1,56.70	1,56.70
Change in fair value of Equity Instruments through Other Comprehensive Income, net of tax	19	-	-	-	14,10.10	-	-	14,10.10
Dividend for the financial year 2020-21		-	-	(105,18.40)	-	-	-	(105,18.40)
<b>Balance as at March 31, 2022*</b>		27,90.82	402,01.34	936,79.29	127,23.97	3,35.34	10,37.41	1,507,68.17
Profit for the year	19	-	-	350,69.21	-	-	-	350,69.21
Remeasurement of post employment benefit obligation, net of tax		-	-	(83.80)	-	-	-	(83.80)
Share Based Payment (Refer Note 46)		-	-	-	-	-	1,38.73	1,38.73
Change in fair value of Equity Instruments through Other Comprehensive Income, net of tax	19	-	-	-	7,71.76	-	-	7,71.76
Dividend for the financial year 2021-22		-	-	(132,86.40)	-	-	-	(132,86.40)
<b>Balance as at March 31, 2023</b>		27,90.82	402,01.34	1,153,78.30	134,95.73	3,35.34	11,76.14	1,733,77.67

\* There are no changes in other equity due to prior period errors

The accompanying notes (1 to 51) are an integral part of the Standalone Financial Statements.

As per our Report of even date

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No. 104607W / W100166

Daraius Z. Fraser

Partner

Membership No. 42454

Mumbai : May 6, 2023

For and on behalf of Board of Directors of

Grindwell Norton Limited

Chairman

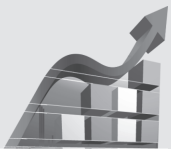
Managing Director

Chief Financial Officer

Company Secretary

DIN 00003940

DIN 00494806



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### NOTE: 1

#### 1.1 CORPORATE INFORMATION

Grindwell Norton Limited ('the Company') is a public limited Company incorporated on July 31, 1950 and domiciled in India. Its shares are publicly traded and has its registered office at 5th Level, Leela Business Park, Andheri Kurla Road, Marol, Andheri (East), Mumbai – 400059. The Company is one of the subsidiary of Compagnie de Saint – Gobain ("Saint Gobain"), a transnational group with its headquarters in Paris. The Company's businesses are a part of the High Performance Solutions. The businesses are divided into three segments:

1. Abrasives;
2. Ceramics and Plastics; and
3. Digital Services

The Standalone Financial Statements of the Company for the year ended March 31, 2023 were authorized for issue in accordance with a resolution of the Board of Directors on May 6, 2023.

#### 1.2 BASIS OF PREPARATION

##### (i) Compliance with Ind AS

The Standalone Financial Statements have been prepared with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 (the Act), read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

##### (ii) Historical cost convention

The Standalone Financial Statements have been prepared on a historical cost basis, 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; and
- Share based payments calculated using the Black and Scholes option pricing model for the shares of Ultimate Parent Company

##### (iii) Current versus non-current classification

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

##### (iv) Recent Accounting Developments

Amendments to Ind AS applicable effective from 1st April, 2022 do not have any impact on the financial statement of the Company.

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

##### Ind AS 1 – Preparation of Financial Statements

Companies should now disclose "Material Accounting Policies" rather than their "Significant Accounting Policies". Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

##### Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'. As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. A Company develops an accounting estimate to achieve the objective set out by an accounting policy.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Accounting estimates include: a) Selection of a measurement technique (estimation or valuation technique) b) Selecting the inputs to be used when applying the chosen measurement technique.

### Ind AS 12 – Income Tax

Narrowed the scope of the Initial Recognition Exemption (IRE) (with regard to leases and decommissioning obligations). Now IRE does not apply to transactions that give rise to equal and offsetting temporary differences. Accordingly, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

There are minor changes involving updating the references and terminology etc to IND AS 101,102,103,109 and 115 that do not lead to change in the principles of IND AS.

The company does not foresee any material changes due to above mentioned amendments.

### 1.3 SIGNIFICANT ACCOUNTING POLICIES

#### A. Property, plant and equipment

##### (i) Recognition and measurement:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

The capital work in progress is capitalised when it is ready for its intended use.

##### (ii) Subsequent Expenditure:

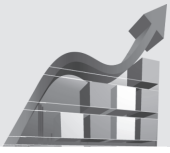
Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

##### (iii) Depreciation:

Depreciation is calculated using the Straight-line method to allocate their cost, net of their residual values, over their following estimated useful life which is similar to useful life prescribed in Schedule II of the Act; except for Server and Networks and Specific Kilns where depreciation has been provided based on the technical specifications, external and internal assessment, requirement of refurbishments and past experience of the remaining useful life.

<b>Assets</b>	<b>Useful life</b>
(i) Building	: 3 to 60 years
(ii) Plant and Equipment	: 7.5 to 25 years
(iii) Electrical Installations and Equipments	: 10 years
(iv) Laboratory Equipments	: 10 years
(v) Computers	: 3 years
(vi) Furniture and Fixtures	: 10 years
(vii) Office Equipments	: 5 years
(viii) Vehicles	: 8 to 10 years
(ix) Specific Kilns	: 5 to 10 years
(x) Server & Networks	: 4 years

Leasehold improvements are depreciated over the lease period or over its useful life if the useful life is less than the lease period.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### B. Intangible assets

#### (i) Recognition and measurement:

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

The useful life of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible asset other than Goodwill and Trade Mark is carried at its cost less any accumulated amortisation and any accumulated impairment losses.

Goodwill and Trade Mark are included in intangible assets on acquisitions. Goodwill and Trade Mark is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill and Trade Mark are allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill and trade mark arose.

#### (ii) Amortisation :

Intangible assets other than Goodwill and Trademark are amortised on the Straight-Line Method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the Management:

- |                        |   |              |
|------------------------|---|--------------|
| (i) Computer Software  | : | 3 to 5 Years |
| (ii) Other Intangibles | : | 10 Years     |

### C. Impairment of Assets

#### (i) Financial assets

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

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

#### (ii) Non-financial assets

Non financial assets, other than Goodwill and Trade Mark, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's Fair value less cost of disposal and Value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than Goodwill and trade mark that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### D. Inventories

Inventories are valued at lower of cost and net realisable value.

Raw materials, packing materials, trading items and stores & spare parts are valued at cost on weighted average basis. Cost includes direct expenses, freight, taxes & duties (where credit not availed).

Cost of finished goods and work-in-process includes material, direct labour, overheads, non-refundable duties & taxes wherever applicable.

Slow-moving, non-moving & defective inventories are identified and wherever necessary, provision is made for such inventories.

### E. Investments and other financial assets

#### (i) Classification

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

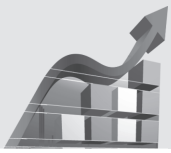
The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit and loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

There are three measurement categories into which Company classifies debt instrument.

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



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit and loss. Dividends from such investments are recognised in profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iii) Derecognition

A financial asset is derecognised only when,

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

## F. Cash and cash equivalents

For the purpose of presentation, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## G. Financial Liabilities

### (i) Measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.

### (ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

## H. Foreign currency translation

### (i) Functional and presentation currency:

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

### (ii) 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 profit and loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

## I. Forward contracts - Not designated as hedges

The Company enters into a derivative contracts (forward contracts) to hedge the risk of foreign exchange fluctuations. Such contracts 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 contracts are accounted for at fair value through profit and loss.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### J. Revenue recognition

#### (i) Revenue

Revenue is recognised towards satisfaction of a performance obligation which is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

##### a. Sale of goods

Revenue generated by the sale of goods is recognized net of rebates, discounts and Goods and service tax, when control of the goods has been transferred to the customer. Revenue generated by the sale of goods is primarily recognized at the time the goods are delivered to the customer.

##### b. Service income

Service income mainly includes income from IT support services. Revenue generated by the sale of services is recognized when the services have been rendered, or by reference to the stage of completion of the services, as per the rates calculated based on estimated costs plus fixed percentage of mark up.

#### (ii) Dividend

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

#### (iii) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using Effective Interest Rate (EIR), which is the rate exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

#### (iv) Other operating income

Export entitlements are recognised when the right to receive them as per terms of the entitlement is established in respect of exports made.

### K. Employee benefits

#### (i) Short-term obligations

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

#### (ii) Other long-term employee benefit obligations

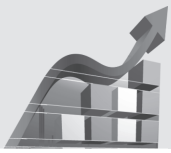
Liability towards Long-term Compensated Absences are determined based on actuarial valuation by independent actuaries as at the date of the Balance Sheet using Projected Unit Credit method. Actuarial gains/losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss of the year.

The obligations are presented in the balance sheet as current or non-current based on the actuary's report.

##### Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### Defined Benefit Plan - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit 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 at the year end by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost, excluding Net Interest cost, is included in Employee Benefit Expense in the Statement of Profit and Loss. The net interest cost is included in the Finance Cost or Other Income, as applicable, in the Statement of Profit and Loss.

Remeasurement 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 and loss as past service cost.

### Defined contribution plans

The Company contributes to Provident Fund, Employee pension schemes 1995, and Superannuation fund under the relevant approved schemes and / or statutes. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

### (iii) Share-based payments

Certain employees are given stock option plans of Ultimate Holding Company. The cost of stock option plans is calculated by the Ultimate Holding Company using the Black and Scholes option pricing model. The cost calculated using this method is recognised as an employee benefits expense over the vesting period of the options, which is four years, with a corresponding credit to other equity.

### (iv) Termination benefits

Termination benefit are recognised as an expense in the period in which they are incurred.

### L. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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 are incurred.

### M. Income Tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit 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.

### N. Provisions and Contingencies

- (i) Provisions are recognised based on the best estimate of probable outflow of resources which would be required to settle obligations arising out of past events.

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be readily estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

Contingent liabilities not provided for as per above are disclosed in notes forming part of the Standalone Financial Statements.

- (iii) Contingent Assets are disclosed, where the inflow of economic benefits is probable.

- (iv) Where the likelihood of outflow of resource is remote, no provision or disclosure as specified in Ind AS-37- "Provision, Contingent Liabilities and Contingent Assets" is made.

### O. Earnings per share

#### (i) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period, adjusted for bonus elements in equity shares issued during the year.

#### (ii) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for diluted effect of all dilutive potential equity shares.

### P. Segment reporting

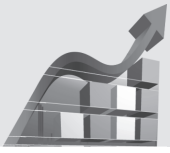
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The CODM, being the Managing Director assesses the financial performance and position of the Company and makes strategic decisions.

### Q. Government grants

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

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### R. Leases

#### As a lessee

The Company mainly has lease arrangements for land and building (office premises and warehouses).

The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether there is an identified asset, whether the Company has the right to direct the use of the asset and whether the Company obtains substantially all the economic benefits from the use of that asset.

The Company recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Country, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset on the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

Short-term leases and leases of low-value assets: The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases as well as low value assets.

#### 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. The respective leased assets are included in the balance sheet based on their nature.

### S. Offsetting financial instruments

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

### T. Rounding off amounts

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

## NOTE: 2

### 2.1 USE OF JUDGMENTS, ESTIMATE AND ASSUMPTIONS

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgments that affect the reported balances of assets and liabilities, disclosures of the contingent liabilities as at the date of the standalone financial statements and the reported amounts of income and expenses for the periods presented. Financial reporting results rely on the management estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecasted and the best estimates require

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The Company uses the following critical accounting estimates in preparation of its standalone financial statements: Judgment, estimates and assumptions are required in particular for:

### a) Determination of the estimated useful lives of tangible assets

Useful lives of tangible assets are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

### b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

### c) Measurement of Fair valuation of financial instruments

- (i) Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.
- (ii) When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### d) Impairment of financial assets

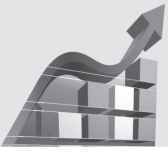
The impairment provisions of financial assets are based on the assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as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

### e) Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise termination option. Extension options (or period after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated):

The factors such as significant penalties (including economic cost), leasehold improvements, disruption in business etc. are considered in evaluation.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant change in circumstance occurs, which affects this assessment, and is within the control of the Management.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

## 3 PROPERTY, PLANT AND EQUIPMENT

	Land - Freehold	Buildings (Refer Note a)	Leasehold Improvements	Plant and Equipments	Electrical Installations and Equipments	Laboratory Equipments	Computers	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital-Work-in-Progress
<b>Gross carrying amount:</b>												
As at March 31, 2021	19,01.35	139,09.24	10,10.34	349,31.45	4,34.95	1,70.37	17,44.64	14,19.46	7,99.28	3,20.78	566,41.86	23,78.63 (10.61)
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	16,39.32	-	35,82.91	68.42	25.79	4,04.50	1,75.34	1,61.44	-	60,57.72	102,94.01
Deductions	-	(2.75)	(4,40.04)	(2,07.98)	(3.96)	-	(10.74)	(47.52)	(18.04)	(37.43)	(7,68.46)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(60,57.72)
As at March 31, 2022	19,01.35	155,45.81	5,70.30	383,06.38	4,99.41	1,96.16	21,38.40	15,47.28	9,42.68	2,83.35	619,31.12	66,04.31
Reclassification	-	-	-	-	-	-	18.89	-	-	-	18.89	-
Additions	-	17,92.79	1,99.91	51,80.88	11,20.60	53.52	3,22.37	3,93.43	3,56.05	1,21.51	95,41.06	147,27.83
Deductions	-	(40.27)	(9.13)	(5,69.35)	(0.83)	(0.68)	(2,51.51)	(13.58)	(41.76)	(10.67)	(9,37.78)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(95,41.06)
As at March 31, 2023	19,01.35	172,98.33	7,61.08	429,17.91	16,19.18	2,49.00	22,28.15	19,27.13	12,56.97	3,94.19	705,53.29	117,91.08
<b>Accumulated Depreciation:</b>												
As at March 31, 2021	-	26,36.49	6,78.84	173,22.36	1,32.56	78.38	14,47.27	8,00.12	5,75.28	1,15.62	237,86.92	-
Depreciation for the year	-	4,98.61	97.77	30,41.21	47.29	17.99	2,56.29	1,31.27	97.99	35.97	42,24.39	-
Depreciation on deductions	-	(0.72)	(2,65.53)	(1,65.23)	(0.94)	-	(10.10)	(32.92)	(16.19)	(23.11)	(5,14.74)	-
As at March 31, 2022	-	31,34.38	5,11.08	201,98.34	1,78.91	96.37	16,93.46	8,98.47	6,57.08	1,28.48	274,96.57	-
Reclassification	-	-	-	-	-	-	1.55	-	-	-	1.55	-
Depreciation for the year	-	5,67.27	73.41	30,82.45	1,09.69	21.69	2,60.80	1,52.72	1,31.76	47.25	44,47.04	-
Depreciation on deductions	-	(8.21)	(9.13)	(4,93.58)	(0.83)	(0.44)	(2,49.41)	(12.83)	(41.54)	(10.67)	(8,26.64)	-
As at March 31, 2023	-	36,93.44	5,75.36	227,87.21	2,87.77	1,17.62	17,06.40	10,38.36	7,47.30	1,65.06	311,18.52	-
<b>Net Carrying amount:</b>												
As at March 31, 2022	19,01.35	124,11.43	59.22	181,08.04	3,20.50	99.79	4,44.94	6,48.81	2,85.60	1,54.87	344,34.55	66,04.31
As at March 31, 2023	19,01.35	136,04.89	1,85.72	201,30.70	13,31.41	1,31.38	5,21.75	8,88.77	5,09.67	2,29.13	394,34.77	117,91.08

Notes:

(a) Includes an amount of ₹ 750/- (March 31, 2022 - ₹ 750/-) representing the value of shares in a co-operative housing society.

(b) The Company has not revalued any of its Property, plant and equipments.

### (c) Ageing of Capital work-in-progress (CWIP)

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1 - 2 years	More than 3 years	
Projects in Progress as at March 31, 2023	108,33.57	9,57.51	-	117,91.08
Projects in Progress as at March 31, 2022	64,33.78	1,13.60	56.93	66,04.31

### (d) Completion schedule for CWIP whose completion is over due or exceeded its cost compared to its original plan:

As at March 31, 2023, there are no projects whose completion is overdue or exceeded its cost compared to its original plan.

As at March 31, 2022

Projects in Progress	To be completed in			Total
	Less than 1 year	1-2 years	More than 3 years	
Kiln	20.72	-	-	20.72
Press	56.94	-	-	56.94
Total	77.66	-	-	77.66

(e) CWIP mainly comprises of Plant and Equipments. An amount of ₹ 30.70 Lakhs (March 31, 2022: ₹ 0.07 Lakhs) pertaining to borrowing costs has been included under CWIP.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 3A RIGHT-OF-USE ASSET

	Land	Building	Total
<b>Gross carrying amount:</b>			
<b>As at March 31, 2021</b>	<b>78.41</b>	<b>25,88.39</b>	<b>26,66.80</b>
Additions	-	7,89.63	7,89.63
Deductions	-	(9,76.64)	(9,76.64)
<b>As at March 31, 2022</b>	<b>78.41</b>	<b>24,01.38</b>	<b>24,79.79</b>
Additions	-	27,56.39	27,56.39
Deductions	-	(8,38.48)	(8,38.48)
<b>As at March 31, 2023</b>	<b>78.41</b>	<b>43,19.29</b>	<b>43,97.70</b>
<b>Accumulated Depreciation:</b>			
<b>As at March 31, 2021</b>	<b>5.77</b>	<b>16,12.34</b>	<b>16,18.11</b>
Depreciation for the year	0.96	6,69.20	6,70.16
Depreciation on deductions	-	(9,36.98)	(9,36.98)
<b>As at March 31, 2022</b>	<b>6.73</b>	<b>13,44.56</b>	<b>13,51.29</b>
Depreciation for the year	0.96	7,36.85	7,37.81
Depreciation on deductions	-	(8,38.48)	(8,38.48)
<b>As at March 31, 2023</b>	<b>7.69</b>	<b>12,42.93</b>	<b>12,50.62</b>
<b>Net Carrying amount:</b>			
<b>As at March 31, 2022</b>	<b>71.68</b>	<b>10,56.82</b>	<b>11,28.50</b>
<b>As at March 31, 2023</b>	<b>70.72</b>	<b>30,76.36</b>	<b>31,47.08</b>

### 4 INTANGIBLE ASSETS

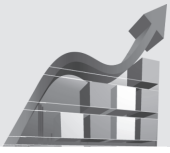
	Computer Software	Trade Marks	Non Compete Fees and Marketing Network	Total	Goodwill	Intangible Assets Under Development
<b>Gross carrying amount:</b>						
<b>As at March 31, 2021</b>	<b>12,57.28</b>	<b>23.97</b>	<b>1,17.90</b>	<b>13,99.15</b>	<b>48.80</b>	<b>-</b>
Reclassification	-	-	-	-	-	10.61
Additions (Refer Note a)	3,22.46	-	-	3,22.46	-	3,98.44
Deductions	(7.89)	-	-	(7.89)	-	-
Transfer	-	-	-	-	-	(3,22.46)
<b>As at March 31, 2022</b>	<b>15,71.85</b>	<b>23.97</b>	<b>1,17.90</b>	<b>17,13.72</b>	<b>48.80</b>	<b>86.59</b>
Reclassification	(18.89)	-	-	(18.89)	-	-
Additions (Refer Note a)	1,40.56	-	-	1,40.56	-	1,21.41
Deductions	(50.30)	-	-	(50.30)	-	-
Transfer	-	-	-	-	-	(1,40.55)
<b>As at March 31, 2023</b>	<b>16,43.22</b>	<b>23.97</b>	<b>1,17.90</b>	<b>17,85.09</b>	<b>48.80</b>	<b>67.45</b>
<b>Accumulated Amortisation:</b>						
<b>As at March 31, 2021</b>	<b>4,24.14</b>	<b>-</b>	<b>1,17.90</b>	<b>5,42.04</b>	<b>-</b>	<b>-</b>
Amortisation for the year	2,29.48	-	-	2,29.48	-	-
Amortisation on deductions	(7.89)	-	-	(7.89)	-	-
<b>As at March 31, 2022</b>	<b>6,45.73</b>	<b>-</b>	<b>1,17.90</b>	<b>7,63.63</b>	<b>-</b>	<b>-</b>
Reclassification	(1.55)	-	-	(1.55)	-	-
Amortisation for the year	3,00.92	-	-	3,00.92	-	-
Amortisation on deductions	(50.29)	-	-	(50.29)	-	-
<b>As at March 31, 2023</b>	<b>8,94.81</b>	<b>-</b>	<b>1,17.90</b>	<b>10,12.71</b>	<b>-</b>	<b>-</b>
<b>Net Carrying amount:</b>						
<b>As at March 31, 2022</b>	<b>9,26.12</b>	<b>23.97</b>	<b>-</b>	<b>9,50.09</b>	<b>48.80</b>	<b>86.59</b>
<b>As at March 31, 2023</b>	<b>7,48.41</b>	<b>23.97</b>	<b>-</b>	<b>7,72.38</b>	<b>48.80</b>	<b>67.45</b>

Notes:

- Additions of intangible asset held by the Company as purchased and not internally developed/acquired through business combinations.
- The Company has not revalued any of its intangible assets.
- Ageing of intangible assets under development

	Amount in Intangible assets under development for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Projects in Progress as at March 31, 2023</b>	<b>42.36</b>	<b>-</b>	<b>25.09</b>	<b>-</b>	<b>67.45</b>
Projects in Progress as at March 31, 2022	61.50	25.09	-	-	86.59

As at Mar 31, 2023 and Mar 31, 2022, there are no projects whose completion is overdue or exceeded its cost compared to its original plan.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 5 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

#### Unquoted Investments

#### Investment in Equity Instruments (at Fair Value through Other Comprehensive Income)

John Oakey & Mohan Ltd. (Refer Note a) 1,900 (March 31, 2022 : 1,900) equity shares of ₹ 10/- each fully paid up	0.16	0.16
Andhra Pradesh Gas Power Corporation Ltd. (Refer Note b) 28,97,080 (March 31, 2022 : 28,97,080) equity shares of ₹ 10/- each fully paid up	-	13,15.00
Shivalik Solid Waste Management Ltd. (Refer Note a) 20,000 (March 31, 2022 : 20,000) equity shares of ₹ 10/- each fully paid up	2.00	2.00

#### In Fellow Subsidiaries :

Saint-Gobain India Pvt. Ltd. 28,50,074 (March 31, 2022 : 28,50,074) equity shares of ₹ 10/- each fully paid up	198,30.00	176,92.00
Saint-Gobain India Foundation (Refer Note a) 100 (March 31, 2022 : 100) equity shares of ₹ 10/- each fully paid up	0.01	0.01

#### Investment in Equity Instruments (at cost)

#### In Subsidiaries :

Saint-Gobain Ceramic Materials Bhutan Pvt. Ltd. 20,29,597 (March 31, 2022 : 20,29,597) equity shares of Bhutanese Ngultrum 100/- each fully paid up	20,34.36	20,34.36
PRS Permacel Private Limited 49,98,994 (March 31, 2022 : NIL) equity shares of ₹ 10/- each fully paid up	121,11.89	-

#### In Joint venture :

SG Shinagawa Refractories India Private Limited 1,12,70,000 (March 31, 2022 : 1,12,70,000) equity shares of ₹ 10/- each fully paid up	11,27.00	11,27.00
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#### In Associate :

Cleanwin Energy Three LLP (Represents capital contribution to the extent of 27.27% of total capital)	15.00	15.00
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Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	351,20.42	221,85.53
Aggregate amount of impairment in value of investments	-	-

#### Notes:

- The change on account of fair value of these investments are immaterial, hence no impact has been considered.
- The Company based on its best judgement and estimate has assessed the fair value of its investment in Andhra Pradesh Gas Power Corporation Ltd. to be Nil as at March 31, 2023.

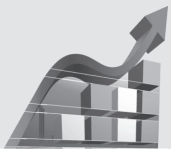
## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>6 NON-CURRENT FINANCIAL ASSETS - LOANS</b>		
<u>Loans Receivables considered good - Unsecured</u>		
Loan to Employees*	6,28.63	3,90.49
	<u>6,28.63</u>	<u>3,90.49</u>
<b>7 NON-CURRENT - OTHER FINANCIAL ASSETS</b>		
Bank Deposits (Deposit with remaining maturity of more than 12 months) [Includes ₹ 24,84.00 lakhs lien with a bank for a term loan (March 31, 2022 - ₹ 25,05.00 lakhs)]	35,32.55	25,50.25
Security Deposits	13,99.58	10,04.74
Advances recoverable in cash or in kind	40.49	40.49
Less: Provision for doubtful advances	(40.49)	(40.49)
	<u>49,32.13</u>	<u>35,54.99</u>
<b>8 NON-CURRENT - INCOME TAX ASSET (Net)</b>		
Income tax assets [Net of provision for tax of ₹ 397,21.38 lakhs (March 31, 2022 - ₹ 405,10.73 lakhs)]	7,69.35	7,89.34
	<u>7,69.35</u>	<u>7,89.34</u>
<b>9 OTHER NON-CURRENT ASSETS</b>		
Capital Advances	43,67.91	34,72.43
Advances other than capital advances:		
-Deposits with Government Authorities	69.29	1,00.15
-Prepaid Expenses	76.50	93.78
-Balance with Government Authorities	76.54	85.87
	<u>45,90.24</u>	<u>37,52.22</u>
<b>10 CURRENT ASSETS - INVENTORIES</b>		
(The mode of valuation of inventories has been stated in Note : 1.3 (D))		
Raw Materials [Includes in transit - ₹ 19,02.73 lakhs (March 31, 2022 - ₹ 23,66.75 lakhs)]	185,93.16	219,48.89
Work-in-Progress	81,73.02	72,52.94
Finished Goods [Includes in transit - ₹ 13,58.39 lakhs (March 31, 2022 - ₹ 22,75.75 lakhs)]	72,31.26	65,41.91
Stock in Trade	68,72.19	59,59.80
Stores and Spares	9,62.53	9,66.48
Packing Materials	9,76.05	10,67.18
	<u>428,08.21</u>	<u>437,37.20</u>

Notes:

- Packing Materials are disclosed separately from Raw Materials for better presentation
- Net of write-downs of inventories amounting to ₹ 27.89 lakhs (March 31, 2022 - ₹ 14,93.39 lakhs) are charged off in the statement of profit and loss.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>11 CURRENT FINANCIAL ASSETS - INVESTMENTS</b>		
<b>Quoted Investments</b>		
Investment in Mutual Funds (at Fair Value through Profit and Loss)	435,22.82	330,25.39
	435,22.82	330,25.39
Aggregate amount of quoted investments	435,22.82	330,25.39
Aggregate market value of quoted investments	435,22.82	330,25.39
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-
<b>12 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES</b>		
Trade Receivables - Secured and considered good	-	-
Trade Receivables - Unsecured and considered good - others	169,78.08	166,55.93
Trade Receivables - Unsecured and considered good - Related Parties (Refer Note No. 48)*	71,30.10	69,72.25
Trade Receivables which has significant increase in credit risk	-	-
Trade Receivables - credit impaired	5,09.04	6,76.45
	246,17.22	243,04.63
Less: Allowance for bad and doubtful debts	(5,09.04)	(6,76.45)
	241,08.18	236,28.18

\*Includes ₹ 10,90.27 lakhs (March 31, 2022 - ₹ 7,54.86 lakhs) due from a Private Company in which the Director of the Company is a Director.

### Ageing of trade receivables:

As at March 31, 2023	Outstanding for the following period from the due date payment:							Total
	Unbilled	Not Due	Less than 6 months	6 months-1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade receivables – considered good (Unsecured)	-	139,68.20	100,80.56	59.42	-	-	-	241,08.18
Undisputed Trade Receivables - credit impaired	-	-	-	50.64	1,35.02	15.14	3,08.24	5,09.04
<b>Total</b>	-	<b>139,68.20</b>	<b>100,80.56</b>	<b>1,10.06</b>	<b>1,35.02</b>	<b>15.14</b>	<b>3,08.24</b>	<b>246,17.22</b>

As at March 31, 2022	Outstanding for the following period from the due date payment:							Total
	Unbilled	Not Due	Less than 6 months	6 months-1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade receivables – considered good (Unsecured)	-	138,65.51	96,99.56	63.11	-	-	-	236,28.18
Undisputed Trade Receivables - credit impaired	-	-	-	1,10.79	1,00.58	2,13.81	2,51.27	6,76.45
<b>Total</b>	-	<b>138,65.51</b>	<b>96,99.56</b>	<b>1,73.90</b>	<b>1,00.58</b>	<b>2,13.81</b>	<b>2,51.27</b>	<b>243,04.63</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>13 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS</b>		
Balances with Banks		
- in Current Accounts	6,72.86	7,66.35
- in Deposit Accounts with original maturity of less than 3 months	26,00.00	25,00.00
Cash on hand	0.30	1.04
	<b>32,73.16</b>	<b>32,67.39</b>
<b>14 CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
Balances with Banks		
- Deposits with maturity of more than 3 months but less than 12 months remaining maturity	97,25.00	233,63.25
- Margin Money Deposits (Security for Bank Guarantees and Lien with Excise Authorities)	3.87	3.87
- Unpaid Dividend	1,82.29	1,53.60
	<b>99,11.16</b>	<b>235,20.72</b>
<b>15 CURRENT FINANCIAL ASSETS - LOANS</b>		
Loans Receivables considered good - Unsecured		
- Loan to Employees (Refer note a)	1,12.27	66.83
- Loan to a related party [Refer note b (ii)]	25,44.03	-
	<b>26,56.30</b>	<b>66.83</b>

Notes:

(a) Includes loan to a Key Managerial Person as defined under the Companies Act ,2013 of ₹ 18.75 lakhs ( March 31, 2022 - ₹18.75 lakhs )

(b) Disclosure u/s 186(4) of the Companies Act, 2013

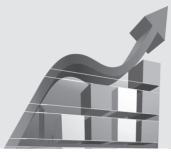
The details for the loan, gurantees and investments u/s 186(4) of the Companies Act, 2013, are as under:

(i) The details of Investment made by the Company are disclosed in Note 5 of the Standalone Financial Statements

(ii) During the year, the Company has given unsecured loan to its subsidiary company amounting to ₹ 24,44.03 lakhs (including interest thereon) which is repayable on demand for meeting its working capital requirements (March 31, 2022 ₹ Nil).

	March 31, 2023	March 31, 2022
<b>16 CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS</b>		
Derivatives- Foreign-exchange forward contracts	-	4,89.33
Employee Advances	2,19.14	1,87.65
Security deposit	92.90	-
Others*	6,78.72	12,37.00
	<b>9,90.76</b>	<b>19,13.98</b>

\*Includes receivable from Related Parties - ₹ 2,28.91 lakhs (March 31, 2022 - ₹ 9,33.53 lakhs)



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>17 OTHER CURRENT ASSETS</b>		
Export benefit receivable	73.01	380.14
<u>Advances other than Capital advances</u>		
- Prepaid expenses	3,60.74	4,26.86
- Balances with Government Authorities	13,79.58	17,84.58
- <u>Advances to Suppliers</u>		
Considered good*	24,33.24	36,01.56
Considered Doubtful	1,62.05	1,55.84
	<u>25,95.29</u>	<u>37,57.40</u>
Less-Allowance for doubtful advances	<u>(1,62.05)</u>	<u>(1,55.84)</u>
	<u><u>42,46.57</u></u>	<u><u>61,93.14</u></u>
*Includes advance to Related Parties - ₹ 28.54 lakhs (March 31, 2022 - ₹ 1,25.33 lakhs)		
<b>18 EQUITY SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
11,20,00,000 (March 31, 2022 : 11,20,00,000) Equity Shares of ₹ 5/- each	<u>56,00.00</u>	<u>56,00.00</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
11,07,20,000 (March 31, 2022: 11,07,20,000) Equity Shares of ₹ 5/- each, fully paid-up	<u>55,36.00</u>	<u>55,36.00</u>
	<u><u>55,36.00</u></u>	<u><u>55,36.00</u></u>

### (a) Shareholding of promoters

Promoter Name	As at March 31, 2023			As at March 31, 2022		
	Number of shares	% of Holding	% Change during the year 2022-23	Number of shares	% of Holding	% Change during the year 2021-22
Saint-Gobain Abrasives Inc.	2,96,35,520	26.77%	-	2,96,35,520	26.77%	-
Societe de Participations Financieres et Industrielles	2,71,92,480	24.56%	-	2,71,92,480	24.56%	-
Vera Anand Mahajan	18,89,115	1.71%	-	18,89,115	1.71%	-
Khursheed M Narang	14,82,515	1.34%	-	14,82,515	1.34%	-12.97%
Ashaita Mahajan	10,57,028	0.95%	-	10,57,028	0.95%	-
Aakil Anand Mahajan	9,97,628	0.90%	-	9,97,628	0.90%	-
Danesh M Narang	6,17,000	0.56%	-	6,17,000	0.56%	-7.77%
Anand Yashavant Mahajan	5,09,904	0.46%	-	5,09,904	0.46%	-
Mikhil M Narang	4,35,069	0.39%	-0.04%	4,82,582	0.44%	-
Saint-Gobain India Private Limited	3,00,000	0.27%	-	3,00,000	0.27%	-
Malvinder C Narang	1,38,000	0.12%	-	1,38,000	0.12%	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Shares of the company held by subsidiaries of ultimate holding company (Compagnie de Saint-Gobain) are as below:

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of Holding	Number of shares	% of Holding
Saint-Gobain Abrasives Inc.*	2,96,35,520	26.77%	2,96,35,520	26.77%
Societe de Participations Financieres et Industrielles*	2,71,92,480	24.56%	2,71,92,480	24.56%
Saint-Gobain India Private Limited	3,00,000	0.27%	3,00,000	0.27%
<b>Total</b>	<b>5,71,28,000</b>	<b>51.60%</b>	<b>5,71,28,000</b>	<b>51.60%</b>

\*Also, represents Shareholder's holding more than 5 % of total equity share capital

(c) Movement in Equity Share Capital:

### Authorised Share Capital

	Number of shares	Amount
As at March 31, 2021	11,20,00,000	56,00.00
Change during the year	-	-
As at March 31, 2022	11,20,00,000	56,00.00
Change during the year	-	-
<b>As at March 31, 2023</b>	<b>11,20,00,000</b>	<b>56,00.00</b>

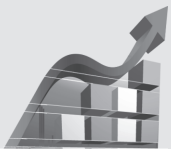
### Issued and paid-up Share Capital

	Number of shares	Amount
As at March 31, 2021	11,07,20,000	55,36.00
Change during the year	-	-
As at March 31, 2022	11,07,20,000	55,36.00
Change during the year	-	-
<b>As at March 31, 2023</b>	<b>11,07,20,000</b>	<b>55,36.00</b>

(d) Rights and restrictions attached to the shares

Equity Shares: The Company has only one class of equity shares having a par value of ₹ 5/- each. Each shareholder is eligible for one vote per share held. The shareholders have rights in proportion to their shareholding for dividend as well as for assets, in case of liquidation.

- (e) There are no shares reserved for issue under options and contracts or commitment for the sale of shares or disinvestments.
- (f) During the period of five years immediately preceding the date as at which the balance sheet is prepared:
- The Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash.
  - The Company has not allotted the fully paid up bonus shares.
  - The Company has not bought back any of its equity shares.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>19 OTHER EQUITY</b>		
Reserves and Surplus (Refer Note 19 (a))	1,583,70.46	1,366,71.45
Other items of Equity (Refer Note 19 (b))	150,07.21	140,96.72
	<b>1,733,77.67</b>	<b>1,507,68.17</b>
<b>19(a) RESERVES AND SURPLUS</b>		
Securities Premium	27,90.82	27,90.82
General Reserve	402,01.34	402,01.34
Retained Earnings	1,153,78.30	936,79.29
	<b>1,583,70.46</b>	<b>1,366,71.45</b>
<b>i) SECURITIES PREMIUM</b>		
Opening Balance	27,90.82	27,90.82
	<b>27,90.82</b>	<b>27,90.82</b>
<b>ii) GENERAL RESERVE</b>		
Opening Balance	402,01.34	402,01.34
	<b>402,01.34</b>	<b>402,01.34</b>
<b>iii) RETAINED EARNINGS</b>		
Opening Balance	936,79.29	746,47.46
Net profit for the period	350,69.21	297,99.95
<u>Items of other comprehensive income</u>		
Remeasurement of post employment benefit obligation (net of tax)	(83.80)	(2,49.72)
<u>Appropriations</u>		
Dividend	(132,86.40)	(105,18.40)
[Dividend per share ₹ 12/- for the year 2021-22 (2020-2021- ₹ 9.50/-)]		
	<b>1,153,78.30</b>	<b>936,79.29</b>

### 19(b) Other Items of Equity

	Equity Instruments through Other Comprehensive Income	Share Based Payment Plan Account	Revaluation Surplus	Total
As at March 31, 2021	113,13.87	8,80.71	3,35.34	125,29.92
Change in fair value of Equity Instruments through Other Comprehensive Income, net of tax	14,10.10	-	-	14,10.10
Share Based Payment (Refer Note 46)	-	1,56.70	-	1,56.70
As at March 31, 2022	127,23.97	10,37.41	3,35.34	140,96.72
Change in fair value of Equity Instruments through Other Comprehensive Income, net of tax	7,71.76	-	-	7,71.76
Share Based Payment (Refer Note 46)	-	1,38.73	-	1,38.73
<b>As at March 31, 2023</b>	<b>134,95.73</b>	<b>11,76.14</b>	<b>3,35.34</b>	<b>150,07.21</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Nature and purpose of reserves:

#### (i) Securities Premium

Securities premium is used to record the premium on issue of shares. This premium is to be utilised in accordance with the provisions of the Act.

#### (ii) General Reserve

The General Reserve is a free reserve, retained from Company's profits. The reserve can be utilised as per the provisions of the Act.

#### (iii) Equity Instruments through Other Comprehensive Income

The Company has elected to recognize changes in the Fair Value of certain Equity investments in Other Comprehensive Income. These changes are accumulated in the 'Equity Instruments through Other Comprehensive Income' within Equity. The company transfers the amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

#### (iv) Share Based Payment Plan Account

The above reserve relates to share options granted by the Ultimate Holding Company to specific employees of its subsidiaries under its employee stock option plan. Further information about share-based payments to employees is set out in Note 46.

#### (v) Revaluation Surplus

Revaluation Surplus was created under the erstwhile Indian GAAP to recognize the gain due to increase in value of certain Tangible assets as on June 30, 1988. The surplus can be utilised as per the provisions of the Act.

### 20A NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Term Loan - from Bank

March 31, 2023	March 31, 2022
3,95.18	-
<u>3,95.18</u>	<u>-</u>

During the year, the Company has been sanctioned a Term Loan amounting to ₹ 25,00 lakhs from a Bank for purchase of capital assets. The said Term Loan is secured by lien on Fixed Deposit with bank (Refer Note 7). The loan is repayable in 60 equal monthly installments from the date of first disbursement and carries interest rate of 7% p.a. as at March 31, 2023 (6.30% p.a. as at March 31, 2022).

The Company has utilised an amount of ₹ 13,96.07 lakhs as at March 31, 2023 (₹ 2,15.34 lakhs as at March 31, 2022) for stated purpose.

### 20B NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

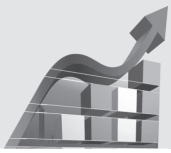
Lease liabilities (Refer Note 44 B)

March 31, 2023	March 31, 2022
24,14.98	6,64.60
<u>24,14.98</u>	<u>6,64.60</u>

### 21 NON-CURRENT LIABILITIES - PROVISIONS

Compensated Absences

33,63.51	26,77.50
<u>33,63.51</u>	<u>26,77.50</u>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 22 DEFERRED TAX LIABILITIES (NET)

#### Deferred Tax Liabilities

The balance comprises temporary differences attributable to:

- Property, plant and equipment and Intangible assets
- Financial assets at FVOCI

#### Total Deferred tax Liabilities

#### Deferred tax asset

The balance comprises temporary differences attributable to:

- Provision for employee benefits
- Others

#### Total Deferred tax asset

March 31, 2023	March 31, 2022
<b>18,19.95</b>	17,86.10
<b>16,01.53</b>	15,50.29
<b>34,21.48</b>	33,36.39
<b>(14,53.38)</b>	(12,71.00)
<b>(5,07.61)</b>	(5,14.92)
<b>(19,60.99)</b>	(17,85.92)
<b>14,60.49</b>	15,50.47

#### Movement in deferred tax liabilities

	Property, plant and equipment and Intangible assets	Provision for employee benefits	Financial Assets at FVOCI	Others	Total
As at March 31, 2021	19,40.06	(10,36.29)	13,13.39	(2,85.65)	19,31.51
Charged/(credited):					
- to profit and loss	(1,53.96)	(2,34.71)	-	(2,29.27)	(6,17.94)
- to other comprehensive income	-	-	2,36.90	-	2,36.90
As at March 31, 2022	17,86.10	(12,71.00)	15,50.29	(5,14.92)	15,50.47
Charged/(credited):					
- to profit and loss	33.85	(182.38)	-	7.31	(1,41.22)
- to other comprehensive income	-	-	51.24	-	51.24
<b>As at March 31, 2023</b>	<b>18,19.95</b>	<b>(14,53.38)</b>	<b>16,01.53</b>	<b>(5,07.61)</b>	<b>14,60.49</b>

### 23 NON-CURRENT LIABILITIES - OTHER NON-CURRENT LIABILITIES

Deferred Income Liability

March 31, 2023	March 31, 2022
<b>42.02</b>	56.05
<b>42.02</b>	56.05

### 24A CURRENT FINANCIAL LIABILITIES - BORROWINGS

Current maturities of long term borrowing [Refer Note 20(i)]

<b>5,00.00</b>	2,15.34
<b>5,00.00</b>	2,15.34

### 24B CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

Lease Liabilities (Refer Note 44 B)

<b>7,98.94</b>	4,71.20
<b>7,98.94</b>	4,71.20

### 25 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Total outstanding due to Micro Enterprises and Small Enterprises (Refer Note 25.1)

Total outstanding due to creditors other than Micro Enterprises and Small Enterprises

Total outstanding due to Related Parties (Refer Note 48)

<b>9,16.38</b>	5,74.73
<b>182,90.57</b>	207,68.96
<b>72,65.59</b>	107,16.82
<b>264,72.54</b>	320,60.51

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

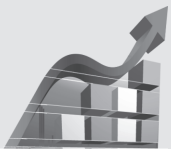
### Ageing of trade payables:

As at March 31, 2023		Outstanding for the following period from the due date payment:					
Particular	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises	-	5,29.61	3,41.66	9.83	30.78	4.50	9,16.39
(ii) Others	139,41.32	89,35.76	22,67.85	3,13.15	33.99	64.09	255,56.16
(iii) Disputed dues – Micro and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
	<b>139,41.32</b>	<b>94,65.37</b>	<b>26,09.51</b>	<b>3,22.98</b>	<b>64.77</b>	<b>68.59</b>	<b>264,72.54</b>
As at March 31, 2022		Outstanding for the following period from the due date payment:					
Particular	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises	-	4,31.56	1,16.26	22.89	3.55	0.47	5,74.73
(ii) Others	139,85.19	120,49.23	50,81.54	3,02.62	24.61	42.59	314,85.78
(iii) Disputed dues – Micro and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
	<b>139,85.19</b>	<b>124,80.79</b>	<b>51,97.80</b>	<b>3,25.51</b>	<b>28.16</b>	<b>43.06</b>	<b>320,60.51</b>

### 25.1 Due to Micro and Small Enterprises:

Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company. The disclosures pursuant to MSMED Act based on the books of account are as under:

	March 31, 2023	March 31, 2022
a) the principal amount remaining unpaid to the supplier at the end of each accounting year;	<b>9,16.38</b>	5,74.73
b) the interest due thereon and remaining unpaid to the supplier at the end of each accounting year;	<b>9.85</b>	9.77
c) the principal amount paid by the buyer during the year to the supplier beyond the appointed day;	<b>6,81.67</b>	6,41.00
d) the amount of interest paid by the buyer during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006);	<b>17.82</b>	13.11
e) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	<b>2.53</b>	1.34
f) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	<b>12.38</b>	11.11
g) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of ab deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>26 CURRENT - OTHER FINANCIAL LIABILITIES</b>		
Trade / Security Deposits	11,99.66	11,04.22
Unclaimed Dividend *	1,82.29	1,53.60
Commission due to directors	1,00.00	1,00.00
Payable for Discounts to Dealers	19,69.77	21,95.25
Derivatives- Foreign-exchange forward contracts	4,41.39	-
Capital Creditors	22,40.52	4,03.75
Employee related payables	26,17.36	23,19.69
	<u>87,50.99</u>	<u>62,76.51</u>

The Company has transferred the amounts required to be transferred to the Investor Education and Protection Fund (IEPF) within due date, except ₹1.43 lakhs, which is held in abeyance, for cases where disputes relating to ownership of the underlying shares have remained unresolved.

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>27 CURRENT LIABILITIES - PROVISIONS</b>		
Compensated Absences	7,47.83	5,40.34
Gratuity (Refer Note 35.1)	8,07.98	2,80.53
Others (Refer Note 27.1)	9,06.34	16,93.23
	<u>24,62.15</u>	<u>25,14.10</u>

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>27.1 DETAILS OF OTHER PROVISIONS</b>		
Opening Balance	16,93.23	10,92.16
Provision made during the year	1,50.37	6,56.31
Paid/reversed during the year	(9,37.26)	(55.24)
Closing Balance	9,06.34	16,93.23

The Company has made provisions towards probable liabilities arising out of pending indirect tax claims/disputes with various authorities. The timing of the outflow with regard to the said matters depends on the exhaustion of remedies available to the Company under the law and hence the Company is not able to reasonably ascertain the timing of the outflow resulting in they being disclosed at their potential undiscounted values.

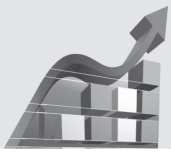
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>28 CURRENT TAX LIABILITIES</b>		
Income Tax [Net of advance tax of ₹ 557,99.32 lakhs (March 31, 2022 - ₹ 436,55.80 lakhs)]	20,16.57	21,98.37
	<u>20,16.57</u>	<u>21,98.37</u>
<b>29 OTHER CURRENT LIABILITIES</b>		
Statutory Liabilities	22,98.91	22,71.22
Deferred Income Liability	14.39	13.57
Advance from customers*	29,15.15	20,04.63
	<u>52,28.45</u>	<u>42,89.42</u>

\*Includes advance from Related Parties - ₹ 7,79.86 lakhs (March 31, 2022 - ₹ 6,04.47 lakhs)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>30 REVENUE FROM OPERATIONS</b>		
Sale of products (Refer Note 30.1)	<b>2,175,45.68</b>	1,854,21.87
Service Income	<b>177,12.83</b>	140,77.14
Other operating revenue	<b>16,14.47</b>	10,63.16
	<b><u>2,368,72.98</u></b>	<u>2,005,62.17</u>
<b>30.1 Sale of products</b>		
Abrasives	<b>1,267,94.72</b>	1,129,39.58
Ceramics & Plastics	<b>847,23.83</b>	688,03.47
Others	<b>60,27.13</b>	36,78.82
	<b><u>2,175,45.68</u></b>	<u>1,854,21.87</u>
<b>30.2 Reconciliation of revenue recognised with contract price</b>		
Revenue from contracts with customers at Contract Price	<b>2,402,36.50</b>	2,034,85.76
Less : Discounts and Rebates on Sale of Products	<b>(49,77.99)</b>	(39,86.75)
	<b><u>2,352,58.51</u></b>	<u>1,994,99.01</u>
Other operating revenue	<b>16,14.47</b>	10,63.16
<b>Revenue from operations</b>	<b><u>2,368,72.98</u></b>	<u>2,005,62.17</u>
<b>31 OTHER INCOME</b>		
Interest income	<b>9,14.09</b>	7,46.33
Dividend Income	<b>6,27.42</b>	2,85.28
Net gain on redemption of investments in Mutual Fund	<b>19,21.98</b>	16,10.09
Net gain/(loss) on investments in Mutual Fund measured at fair value through profit or loss	<b>1,51.91</b>	(2,46.32)
Interest income from financial assets at amortised cost	<b>14.51</b>	6.74
Unwinding of discount on security deposits	<b>22.54</b>	40.73
Net gain on foreign currency transactions	-	12,66.36
Profit on sale of property, plant and equipments (net)	-	3,15.76
Other Non-operating income	<b>14,79.19</b>	12,81.23
	<b><u>51,31.64</u></b>	<u>53,06.20</u>
<b>32 COST OF MATERIALS CONSUMED</b>		
Opening inventories of Raw Materials	<b>219,48.89</b>	167,12.78
Add : Purchases	<b>810,88.48</b>	763,52.66
Less: Closing inventories of Raw Materials	<b>(185,93.16)</b>	(219,48.89)
	<b><u>844,44.21</u></b>	<u>711,16.55</u>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>33 PURCHASE OF STOCK IN TRADE</b>		
Abrasives	181,74.39	175,92.76
Ceramics & Plastics	65,37.85	71,76.57
Others	19,95.70	10,85.53
	<u>267,07.94</u>	<u>258,54.86</u>
<b>34 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS</b>		
<b>Opening inventories of</b>		
Finished Goods	65,41.91	33,93.80
Stock in Trade	59,59.80	35,71.94
Work-In-Progress	72,52.94	55,83.65
	<u>197,54.65</u>	<u>125,49.39</u>
<b>Less : Closing inventories of</b>		
Finished Goods	(72,31.26)	(65,41.91)
Stock in Trade	(68,72.19)	(59,59.80)
Work-In-Progress	(81,73.02)	(72,52.94)
	<u>(222,76.47)</u>	<u>(197,54.65)</u>
	<u>(25,21.82)</u>	<u>(72,05.26)</u>
<b>35 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	228,65.10	208,78.68
Share Based Payments	1,38.73	1,56.70
Contribution to provident, other funds and Gratuity (Refer Note 35.1)	17,32.04	15,63.07
Staff welfare	26,53.35	22,13.87
	<u>273,89.22</u>	<u>248,12.32</u>
<b>35.1 Disclosure as required under Ind AS 19 - Employee Benefits</b>		
I. Defined Contribution Plans:		
Contribution to defined contribution plans, recognised as expense for the year are as under:		
Employer's Contribution to Provident Fund	9,60.22	8,99.71
Employer's Contribution to Superannuation Fund	68.43	70.67
Other Contributions	27.49	0.92

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

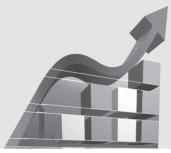
### II. Defined Benefit Plans:

#### Contribution to Gratuity Fund

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India and HDFC Group Term Plan Scheme of the HDFC Life Insurance Company Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy, whichever is beneficial to the employees.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2023:

	March 31, 2023	March 31, 2022
<b>i) Change in present value of defined benefit obligation</b>		
Present Value of defined benefit obligation at the beginning of the year	82,36.37	71,74.56
Interest Cost	5,88.90	4,92.18
Current service cost	6,75.90	5,91.77
Benefits paid	(4,71.15)	(4,73.69)
Actuarial changes arising from changes in demographic assumptions	-	2.90
Actuarial changes arising from changes in financial assumptions	(1,65.06)	(1,49.05)
Actuarial changes arising from experience assumptions	3,07.39	5,97.70
Present Value of defined benefit obligation at the end of the year	91,72.35	82,36.37
<b>ii) Change in fair value of plan assets</b>		
Fair Value of plan assets at the beginning of the year	79,55.84	63,71.94
Interest Income	5,68.84	4,37.12
Contributions paid by the employer	2,80.49	15,02.63
Benefits paid from the fund	(4,71.14)	(4,73.69)
Return on plan assets, excluding interest income	30.34	1,17.84
Fair Value of plan assets at the end of the year	83,64.37	79,55.84
<b>iii) Net asset / (liability) recognised in the Balance Sheet</b>		
Present Value of defined benefit obligation at the end of the year	(91,72.35)	(82,36.37)
Fair Value of plan assets at the end of the year	83,64.37	79,55.84
Amount recognised in the balance sheet	(8,07.98)	(2,80.53)
Net Asset / (Liability) recognised - current	(8,07.98)	(2,80.53)
<b>iv) Expense recognised in the Statement of Profit and Loss for the year</b>		
Current service cost	6,75.90	5,91.77
Interest cost on defined benefit obligation	20.06	55.06
Total expenses included in statement of profit and loss	6,95.96	6,46.83
<b>v) Recognised in Other Comprehensive Income for the year</b>		
Actuarial changes arising from changes in financial assumptions	(1,65.06)	(1,49.05)
Actuarial changes arising from experience assumptions	3,07.39	5,97.70
Actuarial changes arising from changes in demographic assumptions	-	2.90
Actuarial Losses/(Gains) on Obligation for the period	1,42.33	4,51.55
Return on plan assets, excluding interest income	(30.34)	(1,17.84)
Recognised in other comprehensive income	1,11.99	3,33.71



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	<b>March 31, 2023</b>	March 31, 2022
<b>vi) Actuarial Assumptions</b>		
Expected return on plan assets	7.47%	7.15%
Rate of Discounting	7.47%	7.15%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover		
	<b>For service period 4 years and below 8.00% p.a.</b>	For service period 4 years and below 8.00% p.a.
	<b>For service period 5 years and above 5.00% p.a.</b>	For service period 5 years and above 5.00% p.a.
Mortality Rate During Employment	<b>Indian Assured Lives Mortality 2012-14 (Urban)</b>	Indian Assured Lives Mortality 2012-14 (Urban)
<b>vii) Sensitivity Analysis</b>		
Projected Benefit Obligation on Current Assumptions	<b>91,72.35</b>	82,36.37
Delta Effect of +0.5% Change in Rate of Discounting	<b>(2,44.80)</b>	(2,44.32)
Delta Effect of -0.5% Change in Rate of Discounting	<b>2,60.96</b>	2,60.56
Delta Effect of +0.5% Change in Rate of Salary Increase	<b>2,55.97</b>	2,54.79
Delta Effect of -0.5% Change in Rate of Salary Increase	<b>(2,42.55)</b>	(2,41.37)
Delta Effect of +0.5% Change in Rate of Employee Turnover	<b>(28.96)</b>	(32.72)
Delta Effect of -0.5% Change in Rate of Employee Turnover	<b>30.21</b>	34.22
Methodology Adopted for Asset Liability Management (ALM)	<b>Projected Unit Credit Method</b>	Projected Unit Credit Method

### Usefulness and Methodology adopted for Sensitivity analysis:

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

### viii) Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2022 - 8 years). The expected maturity analysis of gratuity on undiscounted basis is as follows:

Projected Benefits Payable in Future Years From the Date of Reporting,

	<b>March 31, 2023</b>	March 31, 2022
1st Following Year	<b>13,20.86</b>	9,86.41
2nd Following Year	<b>17,43.09</b>	11,87.19
3rd Following Year	<b>8,21.77</b>	6,76.56
4th Following Year	<b>8,97.62</b>	7,74.16
5th Following Year	<b>11,36.05</b>	8,94.19
Sum of Years 6 To 10	<b>32,85.33</b>	33,21.90
Sum of Years 11 and above	<b>68,12.32</b>	67,48.96
<b>ix) Major categories of plan assets are as follows:</b>		
Insurer managed funds	<b>83,64.37</b>	79,55.84

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

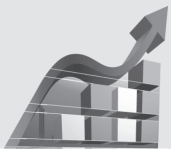
**x) Risk exposure:**

The Company's Defined Benefit Plan is Funded with Life Insurance Corporation of India and HDFC Life Insurance Company Limited. Company's Benefit Plan is exposed to risk such as investment risk, interest rate risk, salary escalation risk and demographic risk. Any change in these factors would impact the contribution to the fund.

**xi) Expected contribution:**

The Company expects to make a contribution of ₹8,38.60 lakhs (March 31, 2022: ₹7,26.40 lakhs) to the defined benefit plans during the next financial year

	March 31, 2023	March 31, 2022
<b>36 FINANCE COSTS</b>		
Interest Expense*	4,48.11	2,18.99
Interest Cost on defined benefit obligation(net)	20.06	55.06
Interest Expense on Lease Liabilities	1,97.72	1,21.95
	<b>6,65.89</b>	<b>3,96.00</b>
*Net of borrowing cost capitalised of ₹ 30.70 Lakhs (March 31, 2022: ₹ 0.07 Lakhs)		
<b>37 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of Property, Plant and Equipment	44,48.59	42,24.39
Depreciation of Right-of-use assets	7,37.81	6,70.16
Amortisation of Intangible Assets	2,99.37	2,29.48
	<b>54,85.77</b>	<b>51,24.03</b>
<b>38 OTHER EXPENSES</b>		
Consumption of Stores and Spares	44,91.58	37,42.38
Processing charges	33,15.23	31,75.18
Power and Fuel	103,88.51	77,87.95
Freight and packing expenses	112,52.82	112,02.86
Rent /Lease payment	7,73.43	10,54.07
Repairs and Maintenance		
Building	4,29.24	3,16.23
Machinery	7,99.35	5,57.68
Others	1,05.43	2,15.11
	<b>13,34.02</b>	<b>10,89.02</b>
Insurance	2,91.60	2,85.10
Rates and Taxes	2,25.05	4,56.23
Travelling and Conveyance	26,88.02	9,65.02
Commission	6,51.15	5,22.65
Royalties	41,78.15	34,95.17
Loss on assets discarded /sold (net)	28.46	-
External Service charges	67,91.15	62,93.90
Bad debts and Advances written off	1,30.45	89.03
Provision/(Recovery) of Doubtful Debts (net)	(1,67.41)	2.42
Net loss on foreign currency transactions	7,32.04	-
Payments to auditor ((Refer Note 38.1)	45.80	46.57
Miscellaneous expenses (Refer Note 38.2)	57,65.46	55,99.83
	<b>529,15.51</b>	<b>458,07.38</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

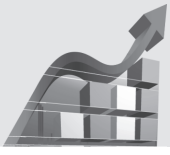
(All amounts in ₹ lakhs, unless otherwise stated)

	<b>March 31, 2023</b>	March 31, 2022
<b>38.1 Payments to auditor</b>		
(i) Auditor	<b>45.50</b>	43.14
(ii) For taxation matters	-	2.50
(iii) For other services	<b>0.30</b>	0.75
(iv) For reimbursement of expenses	-	0.18
	<b>45.80</b>	46.57
<b>38.2 Corporate social responsibility expenditure</b>		
The Company CSR activities include promotion of education and rehabilitation education, rural road development, skill development training, Infra support for Historical Art & culture and support to people affected by Pandemic.		
<b>Particulars</b>		
(i) Gross amount required to be spent by the Company during the year	<b>6,17.27</b>	5,07.00
(ii) Actual amount spent/(paid) during the year towards -		
(a) Construction/ acquisition of any asset	-	-
(b) For purposes other than (a) above	<b>6,22.80</b>	5,10.49
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	<b>Not Applicable</b>	Not Applicable
(vi) Details of related party transfer - Contribution to Saint-Gobain India Foundation (Refer Note no 48)	<b>5,77.32</b>	4,47.53

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>39 TAX EXPENSE</b>		
<b>(a) Income-tax expense</b>		
Current tax		
Current tax on profits for the year	119,89.91	107,80.48
<b>Total current tax expense</b>	<b>119,89.91</b>	<b>107,80.48</b>
Deferred tax		
Decrease / (increase) in deferred tax assets	(1,75.07)	(4,63.98)
(Decrease) / increase in deferred tax liabilities	33.85	(1,53.96)
<b>Total deferred tax expense/(benefit)</b>	<b>(1,41.22)</b>	<b>(6,17.94)</b>
<b>Income tax expense</b>	<b>118,48.69</b>	<b>101,62.54</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Profit before income tax expense	469,17.90	399,62.49
<b>Tax at the Indian tax rate of 25.17 % (2021-2022 – 25.17%)</b>	<b>118,09.24</b>	<b>100,58.56</b>
<u>Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:</u>		
Corporate social responsibility expenditure	1,56.77	1,28.49
Interest income from interest free bond exempt under section 10(34) of Income Tax Act, 1961	-	(1.25)
Other items	40.50	48.48
Deduction under section 80M of Income Tax Act, 1961 on Dividend income	(1,57.82)	(71.74)
<b>Income Tax Expense</b>	<b>118,48.69</b>	<b>101,62.54</b>
<b>40 EARNINGS PER SHARE</b>		
<b>(a) Basic earnings per share</b>		
Basic earnings per share attributable to the equity shares holders of the Company (₹)	31.67	26.91
<b>(b) Diluted earnings per share</b>		
Diluted earnings per share attributable to the equity shares holders of the Company (₹)	31.67	26.91
<b>(c) Reconciliation of earnings used in calculating earnings per share</b>		
Basic earnings per share (₹)	31.67	26.91
Profit attributable to equity holders of the company used in calculating basic earnings per share	350,69.21	297,99.95
Diluted earnings per share (₹)	31.67	26.91
Profit attributable to equity holders of the company used in calculating diluted earnings per share	350,69.21	297,99.95
<b>(d) Weighted average number of equity shares used as the denominator in calculating Basic earnings per share</b>	<b>11,07,200,00</b>	<b>11,07,200,00</b>
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	<b>11,07,200,00</b>	<b>11,07,200,00</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 41 FAIR VALUE MEASUREMENTS

Financial instruments by category

	March 31, 2023			March 31, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments	-	198,32.17	152,88.25	-	190,09.17	31,76.36
- Mutual funds	435,22.82	-	-	330,25.39	-	-
Trade receivables	-	-	241,08.18	-	-	236,28.18
Cash and Bank Balances	-	-	167,16.87	-	-	293,38.36
Loan to employees	-	-	7,40.90	-	-	4,57.32
Loan to related party	-	-	25,44.03	-	-	-
Security deposits	-	-	14,92.48	-	-	10,04.74
Foreign-Exchange Forward Contracts	-	-	-	4,89.33	-	-
Employee Advances	-	-	2,19.14	-	-	1,87.65
Other receivables (Unsecured)	-	-	6,78.72	-	-	12,37.00
<b>Total financial assets</b>	<b>435,22.82</b>	<b>198,32.17</b>	<b>617,88.57</b>	<b>335,14.72</b>	<b>190,09.17</b>	<b>590,29.61</b>
<b>Financial liabilities</b>						
Borrowings	-	-	8,95.18	-	-	2,15.34
Lease liabilities	-	-	32,13.92	-	-	11,35.80
Trade payables	-	-	264,72.54	-	-	320,60.51
Trade / Security Deposits	-	-	11,99.66	-	-	11,04.22
Unclaimed Dividend	-	-	1,82.29	-	-	1,53.60
Capital creditors	-	-	22,40.52	-	-	4,03.75
Foreign-Exchange Forward Contracts	4,41.39	-	-	-	-	-
Other financial liabilities	-	-	46,87.13	-	-	46,14.94
<b>Total financial liabilities</b>	<b>4,41.39</b>	<b>-</b>	<b>388,91.24</b>	<b>-</b>	<b>-</b>	<b>396,88.16</b>

#### (i) Fair value hierarchy

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

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

## Financial assets and liabilities measured at fair value - recurring fair value measurements

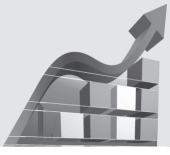
As at March 31, 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial Investments at FVOCI:</b>					
Unquoted Equity Investments	5	-	-	198,32.17	198,32.17
<b>Financial Investments at FVTPL:</b>					
Mutual Funds	11	435,22.82	-	-	435,22.82
<b>Total financial assets</b>		<b>435,22.82</b>	-	<b>198,32.17</b>	<b>633,54.99</b>
<b>Total financial liabilities</b>		-	-	-	-

## Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Loans</b>					
Loans to employees	6, 15	-	-	6,55.35	6,55.35
<b>Other Financials Asset</b>					
Security deposits	7, 16	-	-	14,92.48	14,92.48
Bank Deposits	7	35,32.55	-	-	35,32.55
<b>Total Financial Assets</b>		<b>35,32.55</b>	-	<b>21,47.83</b>	<b>56,80.38</b>
<b>Total financial liabilities</b>		-	-	-	-

## Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial Investments at FVOCI:</b>					
Unquoted Equity Investments	5	-	-	190,09.17	190,09.17
<b>Financial Investments at FVTPL:</b>					
Mutual Funds	11	330,25.39	-	-	330,25.39
<b>Derivatives not designated as hedges</b>					
Foreign-exchange forward contracts	16	-	4,89.33	-	4,89.33
<b>Total financial assets</b>		<b>330,25.39</b>	<b>4,89.33</b>	<b>190,09.17</b>	<b>525,23.89</b>
<b>Total financial liabilities</b>		-	-	-	-



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Loans</b>					
Loans to employees	6, 15	-	-	4,05.49	4,05.49
<b>Other Financials Asset</b>					
Security deposits	7, 16	-	-	10,04.74	10,04.74
Bank Deposits	7	25,50.25	-	-	25,50.25
<b>Total Financial Assets</b>		<b>25,50.25</b>	-	<b>14,10.23</b>	<b>39,60.48</b>
<b>Total Financial Liabilities</b>		-	-	-	-

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

## (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments or published NAV by fund house.
- the fair value of forward foreign exchange contracts is determined using forward exchange rate at the balance sheet date.
- the fair value of employee stock option plans are determined using Black and Scholes valuation model.
- the fair value of the certain financial instruments is determined using discounted cash flow analysis.
- the fair value of one equity instrument is based on Net Asset value Method.

All of the resulting fair value estimates are included in level 1 or 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (iii) Fair value measurements using significant unobservable inputs (level 3)

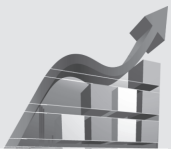
The following table represents the changes in level 3 items for the period ended March 31, 2023 & March 31, 2022.

#### Unquoted Equity Instruments

<b>As on March 31, 2021</b>	<b>173,62.17</b>
Acquisitions	-
Gain recognised in other comprehensive income	16,47.00
<b>As on March 31, 2022</b>	<b>190,09.17</b>
Acquisitions	-
Gain recognised in other comprehensive income	8,23.00
<b>As on March 31, 2023</b>	<b>198,32.17</b>

### (iv) Valuation inputs and relationships to fair value

Particulars	Fair value as at		Significant Unobservable Inputs	Probable - weighted range		Sensitivity
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022	
Unquoted equity shares : Saint-Gobain India Pvt. Ltd. (SGIPL)	<b>198,30.00</b>	176,92.00	Long term growth rate for cash flows for subsequent years	4% - 6% (5%)	4% - 6% (5%)	1% Increase in the long-term growth rate would result in increase in stake value to ₹ 211,10.00 lakhs (March 31, 2022 ₹ 192,13.00 lakhs). 1% Decrease in the long-term growth rate would result in decrease in stake value to ₹ 187,50.00 lakhs (March 31, 2022 ₹ 164,58.00 lakhs).
			Weighted Average Cost of Capital (WACC)	15.3% - 17.3% (16.3%)	13.6% - 15.6% (14.6%)	1% Increase in the WACC would result in decrease in stake value to ₹ 18,330.00 lakhs (March 31, 2022 ₹ 16,027.00 lakhs). 1% Decrease in the WACC would result in increase in stake value to ₹ 21,620.00 lakhs (March 31, 2022 ₹ 19,767.00 lakhs).
			Long term operating margin	18% - 20% (19.0%)	17.8% - 19.8% (18.8%)*	1% Increase in the long term operating margin would result in increase in stake value to ₹ 206,70.00 lakhs (March 31, 2022 ₹ 186,50.00 Lakhs). 1% decrease in the long term operating margin would result in decrease in stake value to ₹ 189,90.00 lakhs (March 31, 2022 ₹ 168,10.00 Lakhs).
			Marketability discount	10%-20% (15%)	10%-20% (15%)	5% Increase in marketability discount would result in decrease in stake value to ₹ 186,60.00 lakhs (March 31, 2022 ₹ 166,50.00 Lakhs). 5% Decrease in marketability discount would result in increase in stake value to ₹ 209,90.00 lakhs (March 31, 2022 ₹ 187,30.00 Lakhs).



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Fair value as at		Significant Unobservable Inputs	Probable - weighted range		Sensitivity
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022	
Unquoted equity shares: Andhra Pradesh Gas Power Corporation Ltd. (APGPCL)	-	13,15.00	Entity specific information - Net Asset Value	NA	NA	NA

### (v) Valuation processes

The Company has outsourced the valuation process of unquoted equity instruments for financial reporting purposes.

The main level 3 inputs for unlisted equity securities used by the Company are derived and evaluated as follows:

For valuation of Saint-Gobain India Pvt. Ltd. discounted cash flow method is used and discount rates are determined using Weighted Average Cost of Capital (WACC) to calculate a post-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Growth rate is estimated based on overall economic growth expected, our understanding of the industry and expected long-term inflation.

For valuation of Andhra Pradesh Gas Power Corporation Ltd. net asset value method is used.

### (vi) Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2023		March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
<b>Loans</b>				
Loans to employees	7,40.90	6,55.35	4,57.32	4,05.49
Security deposits	14,92.48	14,92.48	10,04.74	10,04.74
Bank Deposit	35,32.55	35,32.55	25,50.25	25,50.25
<b>Total financial assets</b>	<b>57,65.93</b>	<b>56,80.38</b>	<b>40,12.31</b>	<b>39,60.48</b>

The carrying amounts of trade receivables, employee advances, cash and cash equivalents and other short term receivables, trade payables, unclaimed dividend, capital creditors, loan to a related party, borrowings and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## 42 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Company's risk management is carried out by a central Treasury department under policies approved by the Board of Directors. The Treasury department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (A) Credit risk

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

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

#### (i) Credit risk management

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company believes that there are no customers or group of customers that would be subjected to any significant credit risks in the collection of the trade receivable.

The Company has evaluated percentage of allowance for doubtful debts with the trade receivables over the years:

Particulars	March 31, 2023	March 31, 2022
Trade Receivables	246,17.22	243,04.63
Allowance for bad and doubtful debts	5,09.04	6,76.45
Percentage	2.07%	2.78%

#### (ii) Reconciliation of Allowance – Trade receivables

Allowance for bad and doubtful debts on March 31, 2021	6,74.03
Changes in allowance	2.42
Allowance for bad and doubtful debts on March 31, 2022	6,76.45
Changes in allowance	(1,67.41)
<b>Allowance for bad and doubtful debts on March 31, 2023</b>	<b>5,09.04</b>

### (B) Liquidity risk

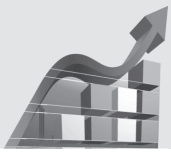
Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The company ensures sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, the Treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below), cash and cash equivalents and investments on the basis of expected cash flows.

#### (i) Financing arrangements

The company had access to the following undrawn unsecured borrowing facilities at the end of the reporting period:

Particulars	March 31, 2023	March 31, 2022
<b>Floating rate</b>		
- Expiring beyond one year (bank loans and overdrafts)	36,60.00	42,62.98

Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (ii) Maturities of financial liabilities

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

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

#### Contractual maturities of financial liabilities

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>March 31, 2023</b>				
<b>Non-derivatives</b>				
Borrowing	5,00.00	3,95.18	-	8,95.18
Lease liabilities	10,53.39	8,14.13	20,09.65	38,77.17
Trade payables	264,72.54	-	-	264,72.54
Other financial liabilities	87,50.99	-	-	87,50.99
<b>Total non-derivative liabilities</b>	<b>367,76.92</b>	<b>12,09.31</b>	<b>20,09.65</b>	<b>399,95.88</b>
<b>March 31, 2022</b>				
<b>Non-derivatives</b>				
Borrowing	2,15.34	-	-	2,15.34
Lease liabilities	5,66.77	3,30.75	4,40.70	13,38.22
Trade payables	320,60.51	-	-	320,60.51
Other financial liabilities	62,76.51	-	-	62,76.51
<b>Total non-derivative liabilities</b>	<b>391,19.13</b>	<b>3,30.75</b>	<b>4,40.70</b>	<b>398,90.58</b>

### (C) Market risk

#### (i) Foreign currency risk

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

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

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows;

Trade receivables	Currency	March 31, 2023	March 31, 2022
		USD	45,81.07
	EUR	32,06.45	41,72.36
	Others	47.20	2,70.66

Trade Payables	Currency	March 31, 2023	March 31, 2022
		USD	25,02.52
	EUR	38,94.57	16,72.89
	CNY	11,83.75	6,82.71
	Others	4,49.92	84.15

The details of forward contracts outstanding at the year ended expressed in ₹, are as follows;

Forward Contracts (Sell)	Currency	March 31, 2023	March 31, 2022
		USD	60,79.92
	EUR	109,62.63	134,49.29
	Others	21.39	2,27.00

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Forward Contracts (Buy)	Currency	March 31, 2023	March 31, 2022
		USD	36,75.46
	EUR	23,50.43	61,30.42
	CNY	15,14.71	24,23.18
	Others	2,80.43	6,07.95

### 43 CAPITAL MANAGEMENT

#### (a) Risk management

The Company's objectives when managing capital are to

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

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

The Company monitors capital using a gearing ratio and is measured by net debt divided by total equity.

	March 31, 2023	March 31, 2022
Total Debt (excluding lease liabilities)	8,95.18	2,15.34
Total equity	1,789,13.65	1,563,04.17
<b>Adjusted net debts to total equity</b>	<b>0.50%</b>	0.14%

#### (b) Dividends

##### (i) Dividend paid during the year

Final dividend paid during the year ₹ 12/- per fully paid up share (March 31, 2022 - ₹ 9.50/- per fully paid up share)

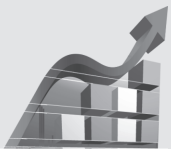
	March 31, 2023	March 31, 2022
	105,18.40	83,04.00

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

In addition to the above dividends, since year end the directors have recommended the payment of a dividend of ₹ 14.50/- each per fully paid equity share (March 31, 2022 – ₹ 12/-). This proposed dividend is subject to the approval of shareholders at the ensuing annual general meeting.

### 44 CONTINGENT LIABILITIES

	March 31, 2023	March 31, 2022
(a) Excise, Service Tax & Custom Duty demands pending with the appropriate authorities and disputed by the Company	4,35.72	5,27.74
(b) Sales Tax demands pending with the authorities and disputed by the Company	36.44	38.33
(c) Claims against the Company under the Labour Laws disputed by the Company	1,22.31	3,55.75
(d) Guarantees given by Banks, as counter guaranteed by the Company	9,18.06	5,38.63
(e) Non-Agricultural Land Cess	37.79	37.79
(f) Other Claims against the Company not acknowledged as debts	1,21.81	1,21.81
(g) Demand raised by Southern Power Distribution Company of Andhra Pradesh Ltd (SPDCL) disputed by the company and subjudice in High court/Supreme court *	13,40.77	46,50.53



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
(i) Income tax liability on account of disputed disallowances	20.34	88.32
(j) Good and Service Tax liability for Credit of duty paid on goods and services received prior to July 1, 2017	16.18	8.09

\*The invoice of SPDCL towards power charges reflect a demand of ₹ 91,65.00 lakhs as at March 31, 2023 towards disputed matters which is not acknowledged as debt by the Company. The Company after considering the legal opinion, has determined the amount relating to ongoing disputes and disclosed the same in (g) above.

### 44 A COMMITMENTS

#### Capital commitments

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

Property, Plant and Equipment

	March 31, 2023	March 31, 2022
	59,50.70	13,62.10

### 44 B Disclosures as required under Ind AS 116:

#### As a Lessee

(a) Amounts recognised in Balance Sheet	March 31, 2023	March 31, 2022
<b>Right-of-use asset (Refer Note 3A)</b>	<b>31,47.08</b>	11,28.50
Opening Lease Liabilities	11,35.80	10,36.84
Addition during year	26,92.40	7,52.57
Interest cost accrued during the year	1,97.72	1,21.95
Payment of lease liabilities	(8,12.00)	(7,75.56)
Reversal/Adjustment of lease liabilities		-
<b>Closing Lease Liabilities</b>	<b>32,13.92</b>	11,35.80
Current Lease Liabilities	7,98.94	4,71.20
Non-current Lease Liabilities	24,14.98	6,64.60
<b>Closing Lease Liabilities</b>	<b>32,13.92</b>	11,35.80
(b) Amount recognized in the Statement of Profit and Loss	March 31 2023	March 31 2022
Depreciation for the year	7,37.81	6,70.16
Interest cost accrued during the year	1,97.72	1,21.95
Expenses related to short term leases/low value assets	7,73.43	10,54.07
<b>Total</b>	<b>17,08.96</b>	18,46.18
(c) Total Cash outflows from leases during the year	15,85.44	18,29.63

45 The segment information is presented under the Notes forming part of the Consolidated Financial Statements as required under the Indian Accounting Standard - 108 on "Operating Segment".

### 46 SHARE BASED PAYMENTS

#### (a) Performance Share Plan

Certain employees of the Company in India are allotted Performance shares of the Ultimate Holding Company. These plans are subject to eligibility criteria based on the employee's period of service (service conditions) with the Group as well as performance criteria (performance conditions). The Ultimate Holding Company does not charge any cost for this benefit, the cost of this benefit has been arrived at using Black and Scholes method.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Summary of Share options granted under plan :

	March 31, 2023	March 31, 2022
	<b>Number of options</b>	Number of options
Opening balance	29,605	34,370
Granted during the year	6,425	5,575
Exercised during the year	(8,664)	(8,027)
Forfeited during the year	(1,016)	(2,313)
<b>Closing balance</b>	<b>26,350</b>	<b>29,605</b>

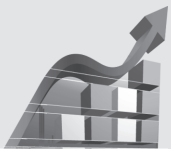
### (b) Expense arising from share based payment transaction

	March 31, 2023	March 31, 2022
Performance Share Plan	1,38.73	1,56.70
	<b>1,38.73</b>	<b>1,56.70</b>

## 47 Financial performance ratios

Ratios	Numerator	Denominator	March 31, 2023	March 31, 2022	% Variance
Current Ratio	Total Current Assets	Total Current Liabilities	2.84	2.82	0.94%
Debt-Equity Ratio	Total Debt/Borrowings	Equity attributable to owners of the Company	0.02	0.01	140.14%*
Debt Service Coverage Ratio	Earnings available for Debt service	Total Debt Service	50.22	45.19	11.14%
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	20.92%	20.41%	2.51%
Inventory turnover ratio	Sale of products	Average Inventory	5.03	4.93	1.94%
Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	9.86	9.15	7.72%
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	5.49	4.68	17.40%
Net capital turnover ratio	Net Sales	Working Capital	2.76	2.28	20.75%
Net profit ratio	Net Profit after tax	Revenue from operation	14.81%	14.86%	-0.36%
Return on Capital employed	Earning before interest and taxes	Capital Employed	25.85%	25.35%	1.97%
Return on investment	Return on investment	Average investment held by the Company	4.48%	5.97%	-24.93%

\* Increase in debt-equity ratio pertains to additional term loan obtained during the year.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 48 RELATED PARTY TRANSACTIONS (As per Ind AS 24 Related Party Disclosures)

#### RELATIONSHIP:

##### (i) HOLDING COMPANY

Compagnie De Saint-Gobain, France

##### (ii) FELLOW SUBSIDIARIES

Certaineed Corporation, USA  
Saint-Gobain Services Construction Products Gmbh, Germany  
L.M.Van Moppes Diamond Tools India Pvt. Ltd., India  
Saint-Gobain Abrasives Brownsville  
Pt. Saint-Gobain Abrasives Diamas, Indonesia  
Saint-Gobain Performance Plastics Corporation, USA  
Saint-Gobain Ceramics & Plastics, Inc, USA  
Saint-Gobain Abrasives (Suzhou) Co., Ltd, China

Saint-Gobain Abrasives BV, Netherlands  
Saint-Gobain Abrasives Gmbh, Germany  
Saint-Gobain Achats, France  
Saint-Gobain Adfors, France  
Saint-Gobain Building Distribution-UK (till 12<sup>th</sup> December, 2022)  
SG Ceramic Materials AS, Norway  
Saint-Gobain Corporation, France  
Saint-Gobain Dsi Groupe, France  
Saint-Gobain Glass, France  
Saint-Gobain India Private Limited, India  
Saint-Gobain Innovative Materials Belgium, Belgium  
Saint-Gobain Solar Gard, LLC, USA  
Saint-Gobain Norpro, USA  
Saint-Gobain International Digital-It Services, France  
Saint-Gobain Glass Deutschland Gmbh, Germany  
Saint-Gobain (sea) Pte. Ltd., Philippines

Saint-Gobain Abrasifs, UAE  
Saint-Gobain Abrasifs S.A. (Maroc), Morocco  
Saint-Gobain Abrasifs, France  
Saint-Gobain Abrasives Limited, New Zealand

Saint-Gobain Abrasives (Pty.) Ltd., South Africa  
Saint-Gobain Abrasives (Thailand) Ltd., Thailand  
Saint-Gobain Abrasives Ltd, UK  
Saint-Gobain Abrasives Limited, England  
ST-Gobain Abrasives Pty. Ltd., Australia  
Saint-Gobain Abrasives S.A., Luxembourg  
Saint-Gobain Abrasives (Shanghai) Co Ltd, China  
Saint-Gobain Abrasives, Inc., USA  
Saint-Gobain Abrasivi SPA, Italy

Saint Gobain America, S.A. De C.V., Mexico  
Saint-Gobain Building Distribution Deutschland Gmbh, Germany  
Saint-Gobain Ceramic Materials (Zhengzhou) Co. Ltd, China  
Saint-Gobain Colombia SAS, Colombia  
Saint-Gobain Diamantwerkzeuge Gmbh, Germany  
Saint-Gobain Distribution Bâtiment France S.A.S., France  
Saint-Gobain Distribution Denmark, Denmark  
Saint-Gobain Do Brasil Produtos Industriais E Para Construção Ltda, Brazil  
Saint-Gobain Glass Egypte S.A.E., Egypt  
Saint-Gobain HPM Polska sp.z o.o, Poland  
Saint-Gobain Industrial Ceramics Pty Ltd, Australia  
SG Industrial Ceramics Ltd, UK  
Saint-Gobain Industriekeramik Rodental Gmbh, Germany

Saint-Gobain K.K., Japan  
Saint-Gobain Materiales Ceramicos, Venezuela  
Saint-Gobain Materiaux Ceramiques, France  
Saint-Gobain Nordic A/S, Denmark  
Saint-Gobain Pipes, France  
Saint-Gobain Performance Plastics (Shanghai) Co Ltd, China  
Saint-Gobain Sekurit India Ltd, India  
Saint-Gobain Sekurit (Thailand) Co Lt, Thailand  
H.K.O. Isolier-Und Textiltechnik Gmbh, Germany  
Saint-Gobain Proppants (Guanghan) Co., Ltd  
Saint-Gobain Inovatif Malzemeler Ve Asindirici Sanayi Ticaret Anonim Sirketi, Turkey  
Saint-Gobain Technical Fabrics, S.A. De, Mexico  
Saint-Gobain Vietnam Ltd., Vietnam  
Savoie Refractaires, France  
Societe Europeenne Des Produits Refractaires - S.E.P.R., France  
Saint-Gobain Consulting Information and Organisation, France  
Saint-Gobain Distribuição Brasil Ltda, Brazil  
Saint-Gobain Info Sys Gmbh, Germany  
Saint-Gobain Isover, France  
Saint-Gobain Materiaux Ceramiques, Belgium  
Saint-Gobain Performance Plastics Corby, UK  
Saint-Gobain Performance Plastics Korea Co Ltd, Korea  
Saint-Gobain Performance Plastics Pampus Gmbh, Germany  
Saint-Gobain Performance Plastics Ireland, Ireland

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Saint-Gobain Abrasivos LDA. - (Portugal), Portugal	Saint-Gobain Performance Plastics Rencol Limited, UK
Saint-Gobain Abrasivos S.A.(ESPAÑA), Spain	Saint-Gobain Technology Services, France
Saint-Gobain Advanced Ceramics(Shanghai) Co Ltd, China	Thai Gypsum Products PCI, Thailand
Saint-Gobain Gyproc Emirates Industries LLC, UAE	Saint-Gobain Centre De Recherche Et D'Etudes Europeen, France
Saint-Gobain Adfors Cz S.R.O., Czech Republic	Saint-Gobain Abrasivos Limitada, Chile
Saint-Gobain Solar Gard Australia Pty. Ltd.	Saint-Gobain Distribution The Netherlands BV, Netherlands
Saint-Gobain Advanced Materials (Taiwan) Co Ltd	Saint-Gobain Adfors America, Inc, USA
Saint-Gobain Rigips Alci Sanayi Ve Ticaret Anonim Sirketi, Turkey	Saint-Gobain Adfors Austria Gmbh, Austria
Sanitas Troesch Ag, Switzerland	Toyoda Van Moppes Ltd
Saint-Gobain Performance Plastics Mg Silikon Gmbh, Germany	Saint-Gobain Performance Plastics L+S Gmbh, Germany
Compania Industrial El Volcan S.A	Hangzhou Join Leader New Materials Co, Ltd
Xuancheng Huiken Import and Export Co. Ltd	Brodrene Dahl As Norway
Joinleader (HK) New Materials Co.Limited	Saint-Gobain Performance Plastics España S.A.
Saint-Gobain Construction Products South Africa (Pty) Ltd	Industrias Del Cuarzo S.A.
Saint-Gobain Glass Qingdao Co., Ltd.	Saint-Gobain Ceramics INC
Saint-Gobain Gyproc Middle East FZE	Saint Gobain PCR
Saint-Gobain Hycomp LLC	Saint Gobain Abrasives, Dubai
Saint-Gobain Performance Plastics Tygaflor Ltd	Saint Gobain Abrasives, Reynosa
Saint-Gobain Placo	Saint-Gobain Semiconductor Components
Saint-Gobain Performance Plastics France	Saint-Gobain Adfors España S.A
Saint-Gobain Niagra Falls, USA	Saint-Gobain Malaysia SDN BHD
Saint-Gobain Construction Products Rus LLC	Saint-Gobain Industries India Pvt Ltd.
Saint-Gobain Glass UK Limited	Saint-Gobain Advanced Ceramics,LLC
Saint-Gobain Distribucion Construccion S.L.	
Saint-Gobain Life Sciences - Beaver	
Saint-Gobain Glass (United Kingdom)	
SG Abrasivi DC Vercelli	
Saint-Gobain Performance Plastics Portag	
Saint-Gobain Abrasifs(Deplanque)	

### (iii) OTHER RELATED PARTIES :

Grindwell Norton Ltd Employees Group Gratuity Life Assurance Scheme  
Grindwell Norton Ltd Employees Superannuation Scheme  
Saint Gobain India Foundation

### (iv) SUBSIDIARY COMPANY

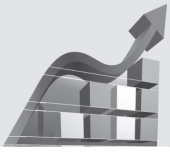
Saint-Gobain Ceramic Materials Bhutan Pvt. Ltd.  
PRS Permacel Private Limited

### (v) JOINT VENTURE:

SG Shinagawa Refractories India Private Limited

### (vi) ASSOCIATE:

Cleanwin Energy Three LLP



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (vii) KEY MANAGEMENT PERSONNEL

- Mr. Keki Elavia, Independent Director
- Dr. Archana Hingorani, Independent Director
- Mr. Anand Mahajan, Non-Executive Director (upto July 29, 2022)
- Mr. Subodh Nadkarni, Independent Director
- Mr. Krishna Prasad, Whole time Director
- Mr. B. Santhanam, Managing Director
- Mr. Sreedhar Natarajan, Non-Executive Director
- Mr. Laurent Tellier, Non-Executive Director (upto February 13, 2023)
- Mr. David Eric Molho, Non-Executive Director
- Mr. Aakil Mahajan, Non-Executive Director (w.e.f July 30, 2022)

### (viii) (a) Parent entities

The Group is controlled by following entity:

Name of entity	Type	Place of business	Ownership interest held by the Group	
			March 31, 2023	March 31, 2022
Compagnie de Saint-Gobain	Ultimate Holding Co*	Tour Saint-Gobain - 12 place de l'Iris, 92096 La Défense Cedex, France	51.60%	51.60%
* The Ultimate Holding Company ("Saint-Gobain") holds shares in the Company through the following subsidiaries				
Saint-Gobain Abrasives Inc	Fellow Subsidiary	1 New Bond Street, P.O Box 15008 Worcester MA 01615 USA	26.77%	26.77%
Societe de Participations Financieres et Industrielles	Fellow Subsidiary	Tour Saint-Gobain - 12 place de l'Iris, 92096 La Défense Cedex, France	24.56%	24.56%
Saint-Gobain India Pvt Ltd	Fellow Subsidiary	Sigapi Aachi Building, Floor No 7, 18/3 Rukmani Lakshmpathi Road, Egmore Chennai TN India 600 008	0.27%	0.27%

### (b) Subsidiaries

Name of entity	Type	Place of business	Ownership interest held by the Company	
			March 31, 2023	March 31, 2022
Saint-Gobain Ceramic Materials Bhutan Pvt. Ltd.	Subsidiary	L-14 Pasakha Industrial Estate, PO Box 275, Pasakha Bhutan	70%	70%
PRS Parmacel Pvt. Ltd.	Subsidiary	Plot No.PL-11/1, MIDC Additional Ambernath Industrial Area,Ambernath (East) 421 506, Dist. Thane, Maharashtra, India	100%	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (c) Joint Venture

Name of entity	Type	Place of business	Ownership interest held by the Company	
			March 31, 2023	March 31, 2022
SG Shinagawa Refractories India Private Limited	Joint Venture	No-1609, 16th Floor, Shapath-V, Opp Karnawati Club, Sarkhej-Gandhinagar Highway, Ahmedabad, Gujarat, India, 380015	49%	49%

### (d) Associate

Name of entity	Type	Place of business	Ownership interest held by the Company	
			March 31, 2023	March 31, 2022
Cleanwin Energy Three LLP	Associate	1, Floor-G, Plot No 68, Shirin Manzil, Nathalal Parikh Marg, Colaba, Mumbai -400005	27.27%	27.27%

### (e) Key Management Personnel Compensation

	March 31, 2023	March 31, 2022
Short-term employee benefits <sup>^</sup>	5,70.70	5,11.90
Post-employment benefits*	10.89	22.76
Sitting Fees	20.20	19.30
Commission	1,00.00	1,00.00

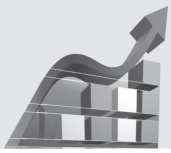
\*Includes estimated amount of gratuity considering amount funded with LIC and does not include provision for leave encashment as separate actuarial valuation is not available.

<sup>^</sup> it includes the remuneration of Mr. B. Sathanam, Managing Director, effective from April 1, 2020 and Mr. Krishna Prasad, Alternate Director Effective from May 20, 2020. Upto January 01, 2022, whole time director w.e.f February 03, 2022.

### (f) Transactions with related parties

The following transactions were carried out with the related parties in the ordinary course of business alongwith year-end balances as follows :

Sr. No.	Particulars	Holding Company		Fellow Subsidiaries		Other Related Parties		Subsidiary Company		Joint Venture		Associate	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Sales	-	-	172,99.54	170,79.65	-	-	3,69.71	-	21,93.29	5,72.39	-	-
2	Agency Commission received	-	-	1,79.09	2,45.53	-	-	-	-	1,06.56	26.84	-	-
3	Service Income	1,95.91	1,90.67	169,83.94	134,51.05	-	-	9.97	18.75	-	5.00	-	-
4	Other Income	-	-	9,26.30	8,12.51	-	-	81.01	-	-	-	-	-
5	Dividend Income	-	-	6,27.02	2,85.01	-	-	-	-	-	-	-	-
6	Expenses incurred on behalf of group companies	-	2.69	28,01.07	33,98.92	-	-	52.63	20.25	56.35	29.05	-	-
7	Expenses charged by other group companies	44.96	8.69	40,22.21	32,04.93	-	-	-	-	-	-	-	-
8	Purchase of Goods	-	-	250,52.21	245,90.00	-	-	32,16.16	26,21.66	-	-	34.69	-
9	Royalty Paid	-	-	41,78.15	34,95.17	-	-	-	-	-	-	-	-



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Sr. No.	Particulars	Holding Company		Fellow Subsidiaries		Other Related Parties		Subsidiary Company		Joint Venture		Associate	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
10	Dividend Paid	-	-	68,55.36	54,27.16	-	-	-	-	-	-	-	-
11	Donation Paid	-	-	5,77.32	4,47.53	-	-	-	-	-	-	-	-
12	Contribution to Post employment benefit plans	-	-	-	-	3,48.96	15,73.30	-	-	-	-	-	-
13	Trade Receivables*	35.85	16.14	59,88.85	68,39.49	-	-	5,36.41	-	5,68.99	1,16.62	-	-
14	Other Receivables*	-	-	2,01.11	5,25.15	-	-	27.80	4,08.38	-	-	-	-
15	Loans*	-	-	-	-	-	-	25,44.03	-	-	-	-	-
16	Advances to Suppliers*	-	-	28.54	1,13.66	-	-	-	11.67	-	-	-	-
17	Trade Payables*	7.00	-	70,28.74	104,39.35	-	-	2,03.16	2,77.47	-	-	26.69	-
18	Advance from Customers*	-	-	7,79.86	6,04.47	-	-	-	-	-	-	-	-

\* Closing Balance

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.

(g) Rent paid to key management personnel ₹ 3.00 lakhs (March 31, 2022 - ₹ 2.76 lakhs).

(h) **Terms and conditions**

- Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.
- The terms and conditions of the loans to Key Managerial Personnel were as per the policy of the Company.
- All other transactions were made on normal commercial terms and conditions and at market rates.
- All outstanding balances are unsecured and are repayable in cash.

(i) **Related parties with whom significant transactions were undertaken and included in figures reported in Note No. 48 (viii) (f) is as under**

Sr. No.	Nature of Transactions	Name of the company	March 31, 2023	March 31, 2022
1	Sale of Goods	Saint-Gobain Gyproc Middle East Fze	46,35.21	14,52.07
		Saint-Gobain Performance Plastics France	35,84.24	10,80.20
		Saint-Gobain Performance Plastics Corporation	4,37.53	47,17.08
		Saint-Gobain Performance Plastics (Shanghai) Co. Ltd.	98.67	20,35.89
2	Service Income	Saint-Gobain International Digital-It Services	92,38.79	61,80.84
		Saint Gobain Dsi Groupe, France	23,58.70	30,35.44
3	Purchase of Goods	Saint-Gobain Performance Plastics Corporation	41,04.37	28,11.78
		Saint-Gobain Ceramic Materials Bhutan Private Limited	32,07.25	26,21.66
		Saint-Gobain Performance Plastics France	14,83.66	35,54.76
		Saint-Gobain Do Brasil Produtos Industriais E Para Construção Ltda, Brazil	11,22.32	31,71.12
4	Royalty Paid	Saint-Gobain Abrasives Inc., USA	28,52.83	24,60.04
5	Expenses incurred on behalf of group companies	Saint-Gobain India Private Limited, India	25,33.28	32,69.17
6	Dividend Paid	Saint-Gobain Abrasives Inc., USA	35,56.26	28,15.37
		Societe de Participations Financieres et Industrielles	32,63.10	25,83.29

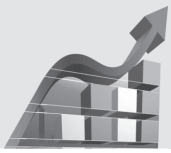
## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

- 49** During the current year, the Company has acquired 100% equity shares of PRS Permacel Private Limited (PRS) at a consideration of ₹ 121,12 Lakhs. Consequently, PRS has become a wholly owned subsidiary of the Company effective May 27, 2022. Further, the Board of Directors of the Company at their meeting held on July 29, 2022, approved the Scheme of Amalgamation of PRS with the Company, the appointed date being May 27, 2022. The said Scheme has been filed with the National Company Law Tribunal on August 24, 2022, and is awaiting necessary approvals, as required.
- 50** Figures for the previous year have been re-grouped / reclassified wherever necessary, to confirm to current year's classification. The details for regrouping are as follows:

Sr. No.	Regrouped to	Regrouped from	Amount	Reasons
1	Income tax asset (Net)	Current Tax Liabilities (Net)	7,89.34	Regrouping of provision for taxation (net of advance tax), as required by Ind AS 12
2	Other non-current assets -Balance with Government Authorities	Current liabilities-Provision	(49.26)	For appropriate disclosures
3	Other current assets -Advance to suppliers	Current liabilities-Provision	(1,55.84)	For appropriate disclosures

- 51** (a) There are no subsequent events that would require adjustments or disclosure in the financial statements as on the balance sheet date.
- (b) The other matters as required under paragraph "L - Additional Regulatory Information" under part I of Division II of Schedule III of the Companies Act, 2013 and Paragraph 7(l) and 7 (n) of Part II of Division II and Schedule III to Companies Act 2013, are either not applicable or there are no reportable matters.
- (c) Previous year's figures have been audited by firm of Chartered Accountants other than Kalyaniwalla & Mistry LLP, Chartered Accountants.



## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>469,17.90</b>	399,62.49
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	54,85.77	51,24.03
Loss/(Profit) on assets discarded/sold (net)	28.46	(3,15.76)
Gain on redemption of mutual funds	(19,21.98)	(16,10.09)
Unrealised (gain)/loss on foreign exchange	(57.75)	47.63
Dividend income	(6,27.42)	(2,85.28)
Interest income	(9,14.09)	(7,46.33)
Finance costs	6,45.83	3,96.00
Share based Payments	1,38.73	1,56.70
Changes in fair value on financial instruments	(1,51.91)	2,46.32
<b>Operating cash flows before working capital changes</b>	<b>495,43.54</b>	429,75.71
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	(5,04.40)	(37,19.00)
(Increase)/Decrease in inventories	9,28.99	(122,74.87)
(Increase)/Decrease in loans	(28,27.61)	(3,47.35)
(Increase)/Decrease in other financial asset	5,04.17	57.46
(Increase)/Decrease in other non-current asset	57.45	23.24
(Increase)/Decrease in other current asset	19,46.57	(10,00.43)
Increase/(Decrease) in trade payables	(55,05.22)	8,52.53
Increase/(Decrease) in provisions	5,22.27	2,09.44
Increase/(Decrease) in other non-current liabilities	(14.03)	(13.94)
Increase/(Decrease) in other current liabilities	9,39.03	11,66.22
Increase/(Decrease) in other financial liabilities	6,37.71	5,89.58
<b>Cash generated from operations</b>	<b>462,28.47</b>	285,18.59
Income taxes paid (net of refunds)	(121,23.53)	(99,66.52)
<b>Net cash inflow from operating activities</b>	<b>341,04.94</b>	<b>185,52.07</b>
<b>Cash flows from investing activities</b>		
Payments towards purchase of property, plant and equipment and intangible assets	(139,07.95)	(125,36.34)
Proceeds from maturity of NHA1 bond	-	74.17
Proceeds from sale of property, plant and equipment	82.61	5,69.48
Sale/(Purchase) of Mutual Fund (net)	(84,23.61)	211,17.56
Investment in subsidiary	(121,11.89)	(15.00)
Investment in Bank Deposit with maturity of more than 3 months	-	(154,25.99)
Proceeds from maturity of Bank Deposit with maturity of more than 3 months	126,55.95	-
Dividend received	6,27.42	2,85.28
Interest received	8,45.56	4,08.72
<b>Net cash (outflow) from investing activities</b>	<b>(202,31.91)</b>	<b>(55,22.12)</b>

## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>Cash flows from financing activities</b>		
Interest paid on other than lease liabilities	(4,48.11)	(2,74.05)
Proceeds from borrowings	11,80.15	2,15.34
Repayment of borrowings	(5,00.89)	-
Dividend paid	(132,86.40)	(105,18.40)
Principal payment of lease liabilities	(6,14.29)	(6,53.62)
Interest paid on lease liabilities	(1,97.72)	(1,21.95)
<b>Net cash (outflow) from financing activities</b>	<b>(138,67.26)</b>	<b>(113,52.68)</b>
<b>Net increase in cash and cash equivalents</b>	<b>5.77</b>	<b>16,77.27</b>
Add : Cash and cash equivalents at the beginning of the financial year (Refer note 13)	32,67.39	15,90.12
<b>Cash and cash equivalents at end of the year as reported in balance sheet (Refer note 13)</b>	<b>32,73.16</b>	<b>32,67.39</b>

**Note :** Above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS-7-Statement of Cash Flows notified under Section 133 of the Companies Act 2013.

The accompanying notes (1 to 51) are an integral part of the Standalone Financial Statements.

As per our Report of even date  
For Kalyaniwalla & Mistry LLP  
Chartered Accountants  
Firm Registration No. 104607W / W100166

Daraius Z. Fraser  
Partner  
Membership No. 42454  
Mumbai : May 6, 2023

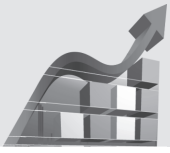
Keki M. Elavia  
B. Santhanam  
Deepak Chindarkar  
K. Visweswaran

Mumbai : May 6, 2023

For and on behalf of Board of Directors of  
Grindwell Norton Limited

Chairman  
Managing Director  
Chief Financial Officer  
Company Secretary

DIN 00003940  
DIN 00494806



**FORM AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules 2014)

**Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Venture**

**Part "A" - Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹ lakhs)

1	Name of the subsidiary	: Saint-Gobain Ceramic Materials Bhutan Pvt Ltd	PRS Permacel Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	: January - December 2021	April - March 2023
3	Date on which Subsidiary was acquired	: February 06, 2008	May 27, 2022
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	: Nugultrum, Exchange rate 1:1	Indian Rupees, Exchange rate 1:1
5	Share capital	: 28,99.42	4,99.90
6	Reserves and surplus	: 8,64.60	85,04.05
7	Total assets	: 48,20.47	158,30.53
8	Total Liabilities	: 48,20.47	158,30.53
9	Investments	: Nil	Nil
10	Turnover	: 50,48.42	158,81.30
11	Profit before taxation	: (66.78)	21,66.58
12	Provision for taxation	: (14.63)	6,44.66
13	Profit after taxation	: (52.15)	15,21.92
14	Proposed Dividend	: Nil	Nil
15	Extent of shareholding (in percentage)	: 70%	100%

Note:

- |   |   |       |
|---|---|-------|
| 1 | Names of subsidiaries which are yet to commence operations                | : Nil |
| 2 | Names of subsidiaries which have been liquidated or sold during the year. | : Nil |

## Part "B"- Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate and Joint ventures.

### (I) Details of Joint Venture:

1	Name of Joint Venture	:	SG Shinagawa Refractories India Private Limited
2	Latest Balance Sheet Date (Audited)	:	March 31, 2023
3	Date on which Joint Venture was acquired	:	August 2, 2020
4	Shares of the Joint Venture held by the company on the year end		
	No. of shares	:	1,12,70,000
	Amount of investment (₹ in lakhs)	:	1,127.00
	Extent of Holding (in percentage)	:	49%
5	Description of how there is significant influence	:	Through shareholding
6	Reason why joint venture is not consolidated	:	Not applicable as the financials of this entity is consolidated in the Company's Consolidated Financials
7	Networth attributable to shareholding as per latest audited Balance Sheet	:	17,06.82
8	Profit / (loss) for the year (₹ in lakhs)	:	(380.11)
	Considered in Consolidation (₹ in lakhs)	:	(186.25)
	Not considered in Consolidation (₹ in lakhs)	:	(193.86)

### (II) Details of Associate:

1	Name of Associate	:	Cleanwin Energy Three LLP
2	Latest Balance Sheet Date (Unaudited)	:	March 31, 2023
3	Date on which Associate was acquired	:	August 28, 2021
4	Shares of the Associate held by the company on the year end		
	No. of shares	:	NA
	Amount of investment (₹ in lakhs)	:	15.00
	Extent of Holding (in percentage)	:	27.27%
5	Description of how there is significant influence	:	Through capital contribution
6	Reason why associate is not consolidated	:	Not applicable as the financials of this entity is consolidated in the Company's Consolidated Financials
7	Networth attributable to shareholding as per latest unaudited Balance Sheet	:	(41.89)
8	Profit / (loss) for the year (₹ in lakhs)	:	17.70
	Considered in Consolidation (₹ in lakhs)	:	NA
	(The Company is not entitled in share of profit/(loss) of Associate entity)		
	Not considered in Consolidation (₹ in lakhs)	:	17.70

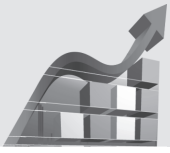
#### Note:

1	Names of associates or joint ventures which are yet to commence operations.	:	Nil
2	Names of associates or joint ventures which have been liquidated or sold during the year.	:	Nil

For and on behalf of Board of Directors of  
Grindwell Norton Limited

Keki M. Elavia	Chairman	DIN 00003940
B. Santhanam	Managing Director	DIN 00494806
Deepak Chindarkar	Chief Financial Officer	
K. Visweswaran	Company Secretary	

Mumbai : May 6, 2023



## INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF GRINDWELL NORTON LIMITED

### Report on the Audit of the Consolidated Ind-AS Financial Statements

#### Opinion

We have audited the consolidated Ind-AS financial statements of **GRINDWELL NORTON LIMITED** (hereinafter referred to as “the Parent Company”) and its subsidiaries (Parent Company and its subsidiaries together referred to as “the Group”), its associate and joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year then ended and the Notes to the Consolidated Ind-AS Financial Statements, including a summary of significant accounting policies (hereinafter referred to as “the consolidated Ind-AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind-AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group including its associate and joint venture as at March 31, 2023, of the consolidated profits, Consolidated Statement of Changes in Equity and its Consolidated Cash Flows Statement for the year then ended

#### 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 Consolidated Ind-AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on consolidated Ind-AS financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind-AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind-AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter description	How the scope of our audit addressed the key audit matter
1.	<p><b>Revenue recognition and measurement</b></p> <p>Refer to Note 1.3 (Accounting policies) for revenue recognition and measurement, Note 31.1 of the consolidated Ind-AS financial statements for aggregate revenue from sale of products recognised as required by the applicable Ind-AS. For the year ended March 31, 2023, the Company recognised revenues aggregating to ₹ 2,348,19.86 lakhs.</p> <p>Revenue from sale of goods is recognised in accordance with Ind-AS 115 “Revenue from Contracts with Customers” at a point-in-time when control of goods has been transferred to customers. The control and ownership transfers to customers at a point-in-time when goods have been delivered to customers as that is generally when legal title, physical possession and risks and rewards of goods transfers to the customers.</p> <p>Amounts disclosed as revenue are net of customer returns, trade allowance, rebates, goods and services tax.</p> <p>We have therefore identified Revenue Recognition and Measurement as a key audit matter.</p>	<p>Our procedures included:</p> <p><b>Accounting policies:</b> Assessing the Company’s revenue recognition policies, including those related to commission, discounts, rebates and returns by comparing with the applicable Ind-AS.</p> <p><b>Tests of controls:</b> Understanding and evaluating the design and testing the operating effectiveness of controls over the accuracy of discounts, commission and rebates and correct timing of revenue recognition, the accuracy of pricing master and discounts, rebates and incentives in the general ledger accounting system.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>- Verified the supporting documentation for determining that the revenue was recognised in the correct accounting period (cut-off testing). Performed tests, on a sample basis, on revenue recognised and verified that the revenue was recognised at a point-in-time, as per the terms of agreement with customers;</li> <li>- Comparing the discounts and rebates with the prior year and, where relevant, performed further inquiries and testing.</li> <li>- Verifying the manual journals posted to revenue to identify unusual or irregular items.</li> <li>- To assess the recoverability of trade receivables, our procedures included an assessment of whether the provision against, or write off, impacted our view as to the initial recognition of the related revenue.</li> </ul> <p>We also assessed as to whether the disclosures in respect of revenue were adequate.</p>

Sr. No.	Key Audit Matter description	How the scope of our audit addressed the key audit matter
2.	<p><b>Assessment of valuation of Unquoted Equity Investment</b></p> <p>The Company has investments amounting to ₹ 198,30 lakhs in equity interest of two unquoted companies valued on 'Fair Value through Other Comprehensive Income' in accordance with related Accounting Standard.</p> <p>In measuring these investments, valuation methods are used based on inputs that are not directly observable from market information and certain other unobservable inputs. The Management has also used the services of an independent professional valuation expert in this regard, wherever considered necessary.</p> <p>Key inputs used in the valuation of the above investments are cash flow projections, growth rate, terminal value, discount rate, net asset value etc.</p> <p><b>Risk identified:</b></p> <p>The valuation of these investments is a focus area of our audit as it is highly dependent on estimates (including various assumptions and techniques used) which contain assumptions that are not observable in the market.</p> <p>Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the consolidated financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<p>Our procedures to test the valuation of investment in the unquoted equity instruments include the following:</p> <p><b>Accounting policies:</b> Assessed the appropriateness of the relevant accounting policies of the Company, including those relating to recognition and measurement of financial instruments and ensuring compliance with applicable accounting standards.</p> <p><b>Tests of controls:</b></p> <p>Understanding and evaluation the design and testing of operating effectiveness of the controls over determination of fair value (including valuation model and assumptions / judgements) of unquoted equity instruments.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>- Assessing the accuracy and reasonableness of the input data provided by the Management by agreeing with approved budgets.</li> <li>- Comparing recent historical results vis-à-vis corresponding budgets.</li> <li>- Evaluation of competence, capabilities and objectivity of the valuation expert engaged by the Management.</li> <li>- Assessment of reasonableness of cash flow projections and performed audit procedures on Management's assumptions such as earnings, growth rate, cost escalation / savings etc. and have assessed valuation methodology, discount rate, terminal growth rate etc.</li> <li>- Tested the mathematical accuracy of the discounted cash flow projections. Traced the net assets value to the financial statements of the investee.</li> <li>- Assessed adequacy of relevant disclosures in the consolidated Ind-AS financial statements.</li> </ul>

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

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance but does not include the consolidated Ind-AS financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated Ind-AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and as referred to in Other matter paragraph, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the Consolidated Ind-AS Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint venture 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated Ind-AS financial statements by the Directors of the Parent Company, as aforesaid.



In preparing the consolidated Ind-AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its joint venture and Partners of its associate are responsible for overseeing the financial reporting process of the Group, of its associate and joint venture.

### **Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements**

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

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind-AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture 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 consolidated Ind-AS 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 Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind-AS financial statements, including the disclosures, and whether the consolidated Ind-AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture to express an opinion on the consolidated Ind-AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors

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

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated Ind-AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matters

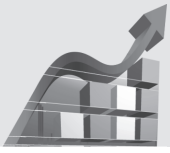
We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 140,30.71 lakhs as at March 31, 2023, total revenues of ₹ 208,46.11 lakhs and net cash inflows amounting to ₹ 1,15.53 lakhs for the year ended on that date, as considered in the consolidated Ind-AS financial statements before consolidation adjustments. These Ind-AS financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind-AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated Ind-AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind-AS financial statements.
- b) In our opinion, proper books of account as required by law have been kept by the Group so far as appears from our examination of those books. Based on our examination and according to the information and explanations provided to us, and as represented by Management, the Company's in India has maintained daily backups of books of account on servers physically located in India, except for intermittent periods during the year when said backups could not be maintained on servers physically located in India due to ongoing infrastructure changes. The backups were re-initiated after the infrastructure changes and included records for the period during which the infrastructure changes had taken place.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind-AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2023, taken on record by the Board of Directors of the Parent Company and the written representations received from the directors of a subsidiary company and joint venture company incorporated in India, none of the directors of the Parent company, subsidiary company and joint venture company incorporated in India are disqualified as on March 31, 2023, from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- g) According to information and explanations given to us and based on our examination of the records of the Parent Company, the Parent Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act. The provisions of Section 197 read with Schedule V to the Act are not applicable to its subsidiaries and joint venture companies.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate and joint venture. Refer Note 45 to the consolidated Ind-AS financial statements.
- ii) Provisions have been made in the consolidated financial statements, as required under applicable laws or accounting standards for material foreseeable losses, if any, on long term contracts, including derivative contracts. Refer Notes 1.3(I) and Note 43(C) to the consolidated Ind-AS financial statements.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company during the year ended March 31, 2023, except when disputes relating to ownership of the underlying shares are unresolved. Refer Note 27 to the consolidated Ind-AS financial statements.
- iv) The Management has represented that:
  - a) to the best of its knowledge and belief, other than as disclosed in the consolidated Ind-AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) to the best of its knowledge and belief, other than as disclosed in the consolidated Ind-AS financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures performed by us which is considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under a) and (b) contain any material misstatement.

- v) As per information and explanation represented by Management and based on the records of the Parent Company, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent Company until the date of this report is in compliance with Section 123 of the Act.

- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and its associate company and joint venture included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

Daraius Z. Fraser  
**Partner**  
Membership Number - 42454  
UDIN: 23042454BGXFQN6494

Place - Mumbai  
Date - May 6, 2023

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in Para (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Group and the associate company and joint venture incorporated in India on the consolidated Ind-AS financial statements for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to consolidated Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to financial statements of **GRINDWELL NORTON LIMITED** (hereinafter referred to as "the Parent Company"), and its subsidiary companies (Parent Company and its subsidiaries together referred to as "the Group") and its associate company and joint venture incorporated in India, as of March 31, 2023, in conjunction with our audit of the consolidated Ind-AS financial statements of the Group and its associate and joint venture for the year ended on that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to its subsidiary company namely Saint-Gobain Ceramic Materials Bhutan Pvt. Ltd., since it is incorporated outside India, its joint venture namely SG Shinagawa Refractories India Private Limited, incorporated in India, pursuant to MCA notification GSR 583(E) dated June 13, 2017 and its associate namely Cleanwin Energy Three LLP being limited liability partnership.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

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

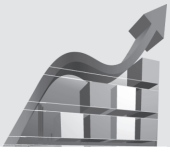
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind-AS 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 Group's and its associate and joint venture internal financial controls system with reference to financial statements.

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

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;



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

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

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

#### **Opinion**

In our opinion, the Parent Company, its Subsidiary Companies, its Associate and Joint Venture, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Parent 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.

#### **Other Matters**

The internal financial controls with reference to financial statements in so far as it relates to one subsidiary company, which is a company incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditors. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary company are not material to the Group.

Our opinion is not modified in respect of this matter.

For **Kalyaniwalla & Mistry LLP**

**Chartered Accountants**

Firm Reg. No.: 104607W / W100166

Daraius Z. Fraser

**Partner**

Membership Number - 42454

UDIN: 23042454BGXFQN6494

Place - Mumbai

Date - May 6, 2023

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	440,45.64	362,91.93
Right-of-use asset	3A	50,86.69	12,62.36
Capital work-in-progress	3	123,53.24	66,24.41
Goodwill	4	46,78.66	48.80
Other intangible assets	4	47,57.49	9,50.09
Intangible asset under development	4	67.45	86.59
Investment accounted for using the equity method	5A	8,51.35	10,37.60
Financial assets			
i. Investments	5B	198,32.17	190,09.17
ii. Loans	6	6,28.63	3,90.50
iii. Other financial assets	7	50,21.49	35,66.99
Income tax asset (Net)	8	7,69.35	7,89.34
Deferred tax assets (Net)	9	5,86.64	3,41.63
Other non-current assets	10	46,49.43	37,54.23
<b>Total non-current assets</b>		<b>1,033,28.23</b>	<b>741,53.64</b>
<b>CURRENT ASSETS</b>			
Inventories	11	463,94.31	447,61.08
Financial assets			
i. Investments	12	435,22.82	330,25.39
ii. Trade receivables	13	280,20.31	236,86.57
iii. Cash and cash equivalents	14	39,61.36	38,40.07
iv. Bank balances other than (iii) above	15	99,41.04	239,59.32
v. Loans	16	1,12.27	66.91
vi. Other financial assets	17	9,15.51	15,17.49
Current tax assets (Net)	9	-	26.60
Other current assets	18	49,82.74	68,95.14
<b>Total current assets</b>		<b>1,378,50.36</b>	<b>1,377,78.57</b>
<b>TOTAL ASSETS</b>		<b>2,411,78.59</b>	<b>2,119,32.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	19	55,36.00	55,36.00
Other Equity	20	1,750,44.88	1,513,09.70
Equity attributable to owners of the Company		1,805,80.88	1,568,45.70
Non-controlling interest		11,07.51	11,56.54
<b>Total Equity</b>		<b>1,816,88.39</b>	<b>1,580,02.24</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
i. Borrowings	21A	3,95.18	-
ia. Lease liabilities	21B	25,50.17	8,00.15
Provisions	22	33,63.51	26,77.50
Deferred tax liabilities (Net)	23	15,74.25	15,50.47
Other non-current liabilities	24	42.02	56.05
<b>Total non-current liabilities</b>		<b>79,25.13</b>	<b>50,84.17</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
i. Borrowings	25A	13,58.96	2,15.34
ia. Lease liabilities	25B	8,32.14	4,93.85
ii. Trade payables	26		
(a) Total outstanding dues of micro and small enterprises		9,16.38	5,74.73
(b) Total outstanding dues of creditors other than (ii)(a) above		289,59.56	321,95.30
iii. Other financial liabilities	27	91,09.25	63,12.16
Provisions	28	24,62.18	25,14.40
Current tax liabilities (Net)	29	25,10.50	21,98.37
Other current liabilities	30	54,16.10	43,41.65
<b>Total current liabilities</b>		<b>515,65.07</b>	<b>488,45.80</b>
<b>TOTAL LIABILITIES</b>		<b>594,90.20</b>	<b>539,29.97</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,411,78.59</b>	<b>2,119,32.21</b>
<b>Significant Accounting Policies</b>	1.3		

The accompanying notes (1 to 54) are an integral part of the Consolidated Financial Statements.

As per our Report of even date

For and on behalf of Board of Directors of

For Kalyaniwalla & Mistry LLP  
Chartered Accountants  
Firm Registration No. 104607W / W100166

Keki M. Elavia

Grindwell Norton Limited  
Chairman

DIN 00003940

B. Santhanam

Managing Director

DIN 00494806

Daraius Z. Fraser  
Partner  
Membership No. 42454  
Mumbai : May 6, 2023

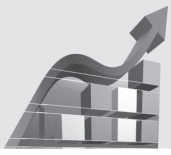
Deepak Chindarkar

Chief Financial Officer

K. Visweswaran

Company Secretary

Mumbai : May 6, 2023



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	March 31, 2023	March 31, 2022
<b>INCOME</b>			
Revenue from Operations	31	2,541,34.24	2,012,75.88
Other Income	32	56,06.67	53,09.34
<b>Total income</b>		<b>2,597,40.91</b>	<b>2,065,85.22</b>
<b>EXPENSES</b>			
Cost of materials consumed	33	923,76.19	702,76.34
Purchases of stock-in-trade	34	267,07.94	258,54.86
Changes in Inventories of work-in-progress, stock-in-trade and finished goods	35	(29,16.33)	(71,37.09)
Employee benefits expense	36	297,36.10	250,69.01
Finance costs	37	7,80.08	4,12.02
Depreciation and amortisation expense	38	60,14.56	53,46.71
Other expenses	39	582,66.53	470,76.30
<b>Total expenses</b>		<b>2,109,65.07</b>	<b>1,668,98.15</b>
<b>Profit before share of profit/(loss) of joint venture and tax</b>		<b>487,75.84</b>	<b>396,87.07</b>
Share of profit/(loss) of joint venture accounted for using the equity method		(1,86.25)	(98.49)
<b>Profit before tax</b>		<b>485,89.59</b>	<b>395,88.58</b>
Income tax expenses	40		
- Current tax		127,02.01	107,80.38
- Deferred tax		(2,64.66)	(6,99.46)
<b>Total tax expenses</b>		<b>124,37.35</b>	<b>100,80.92</b>
<b>Profit for the year</b>		<b>361,52.24</b>	<b>295,07.66</b>
<b>Other Comprehensive Income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of post employment benefit obligations - gain/(loss)		(1,18.37)	(3,33.71)
Change in fair value of equity instruments at Fair Value through Other Comprehensive Income (FVOCI)		8,23.00	16,47.00
Income tax relating to these items			
- Current tax		28.19	83.99
- Deferred tax		(51.24)	(2,36.90)
<b>Other comprehensive income for the year</b>		<b>6,81.58</b>	<b>11,60.38</b>
<b>Total comprehensive income for the year</b>		<b>368,33.82</b>	<b>306,68.04</b>
<b>Net Profit attributable to:</b>			
- Owners		361,90.41	295,64.54
- Non controlling interests		(38.17)	(56.88)
<b>Total comprehensive income attributable to:</b>			
- Owners		368,71.99	307,24.92
- Non controlling interests		(38.17)	(56.88)
<b>Earnings per equity share</b> (Face value of ₹ 5/- each)			
Basic earnings per equity share (in ₹)	41	32.69	26.70
Diluted earnings per equity share (in ₹)	41	32.69	26.70
<b>Significant Accounting Policies</b>	1.3		

The accompanying notes (1 to 54) are an integral part of the Consolidated Financial Statements.

As per our Report of even date

For Kalyaniwalla & Mistry LLP  
Chartered Accountants  
Firm Registration No. 104607W / W100166

Daraius Z. Fraser  
Partner  
Membership No. 42454  
Mumbai : May 6, 2023

Keki M. Elavia

B. Santhanam

Deepak Chindarkar

K. Visweswaran

Mumbai : May 6, 2023

For and on behalf of Board of Directors of  
Grindwell Norton Limited  
Chairman

Managing Director

Chief Financial Officer

Company Secretary

DIN 00003940

DIN 00494806

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

## I) EQUITY SHARE CAPITAL

	Notes	Amount
Balance as at March 31, 2021*		55,36.00
Changes in equity share capital	19	-
Balance as at March 31, 2022*		55,36.00
Changes in equity share capital	19	-
<b>Balance as at March 31, 2023</b>		<b>55,36.00</b>

\* There are no changes in Equity Share Capital due to prior period errors

## II) OTHER EQUITY

	Notes	Reserves and Surplus		Other Items of Equity			Grand Total			
		Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Comprehensive Income	Revaluation Surplus	Share Based Payment Plan Account	Total Attributable to Owners of the Company	Attributable to Non-controlling Interest	Total
<b>Balance as at March 31, 2021*</b>		<b>27,90.82</b>	<b>402,01.34</b>	<b>754,24.40</b>	<b>113,13.87</b>	<b>3,35.34</b>	<b>8,80.71</b>	<b>1,309,46.48</b>	<b>12,13.42</b>	<b>1,321,59.90</b>
Profit for the year	20	-	-	295,64.54	-	-	-	295,64.54	(56.88)	295,07.66
Remeasurement of post employment benefit obligation, net of tax		-	-	(2,49.72)	-	-	-	(2,49.72)	-	(2,49.72)
Share Based Payment (Refer Note 4.7)		-	-	-	-	-	1,56.70	1,56.70	-	1,56.70
Change in fair value of Equity Instruments through Other Comprehensive Income, net of tax	20	-	-	-	14,10.10	-	-	14,10.10	-	14,10.10
Dividend for the financial year 2020-21		-	-	(105,18.40)	-	-	-	(105,18.40)	-	(105,18.40)
<b>Balance as at March 31, 2022*</b>		<b>27,90.82</b>	<b>402,01.34</b>	<b>942,20.82</b>	<b>127,23.97</b>	<b>3,35.34</b>	<b>10,37.41</b>	<b>1,513,09.70</b>	<b>11,56.54</b>	<b>1,524,66.24</b>
Profit for the year		-	-	361,90.41	-	-	-	361,90.41	(38.17)	361,52.24
Remeasurement of post employment benefit obligation, net of tax		-	-	(90.18)	-	-	-	(90.18)	-	(90.18)
Share Based Payment (Refer Note 4.7)		-	-	-	-	-	1,38.73	1,38.73	-	1,38.73
Change in fair value of Equity Instruments through Other Comprehensive Income, net of tax	20	-	-	-	7,71.76	-	-	7,71.76	-	7,71.76
Dividend for the financial year 2021-22		-	-	(132,86.40)	-	-	-	(132,86.40)	-	(132,86.40)
Other Adjustment		-	-	10.86	-	-	-	10.86	(10.86)	-
<b>Balance as at March 31, 2023</b>		<b>27,90.82</b>	<b>402,01.34</b>	<b>1,170,45.51</b>	<b>134,95.73</b>	<b>3,35.34</b>	<b>11,76.14</b>	<b>1,750,44.88</b>	<b>11,07.51</b>	<b>1,761,52.39</b>

\* There are no changes in other equity due to prior period errors

The accompanying notes (1 to 54) are an integral part of the Consolidated Financial Statements.

As per our Report of even date

For Kalyaniwalla & Mistry LLP  
Chartered Accountants  
Firm Registration No. 104607W / W100166

Daraius Z. Fraser  
Partner  
Membership No. 42454  
Mumbai : May 6, 2023

For and on behalf of Board of Directors of  
Grindwell Norton Limited  
Chairman

Keki M. Elavia

B. Santhanam

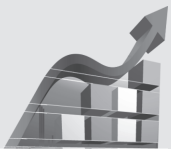
Deepak Chindarkar

K. Visweswaran

DIN 00003940

DIN 00494806

Managing Director  
Chief Financial Officer  
Company Secretary  
Mumbai : May 6, 2023



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### NOTE: 1

#### 1.1 CORPORATE INFORMATION

Grindwell Norton Ltd (the 'Company') is a public limited Company incorporated on July 31, 1950 and domiciled in India. Its shares are publicly traded and has its registered office at 5th Level, Leela Business Park, Andheri Kurla Road, Marol, Andheri (East), Mumbai – 400059. The Group is one of the subsidiaries of Compagnie de Saint – Gobain (“Saint Gobain”), a transnational group with its headquarters in Paris. The Company’s businesses are a part of the High Performance Solutions.

The Consolidated Financial Statements relate to Grindwell Norton Limited, its Subsidiaries, PRS Permacel India Private Limited and Saint-Gobain Ceramic Materials Bhutan Private Limited, a Company incorporated in Bhutan and its Joint Venture entity SG Shinagawa Refractories India Private Limited and its associate, Cleanwin Energy Three LLP (jointly referred as “the Group”).

The businesses are divided into three segments:

1. Abrasives;
2. Ceramics and Plastics; and
3. Digital Services

The Consolidated Financial Statements for the year ended March 31, 2023 were authorized for issue in accordance with a resolution of the Board of Directors on May 6, 2023.

#### 1.2 BASIS OF PREPARATION

##### (i) Compliance with Ind AS

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

##### (ii) Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments calculated using the Black and Scholes option pricing model for the Ultimate Parent Company.

##### (iii) Current versus non-current classification

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

##### (iv) Recent Accounting Developments

Amendments to Ind AS applicable effective from 1st April, 2022 do not have any impact on the financial statement of the Group.

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

##### Ind AS 1 – Preparation of Financial Statements

Companies should now disclose “Material Accounting Policies” rather than their “Significant Accounting Policies”. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'. As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. A Company develops an accounting estimate to achieve the objective set out by an accounting policy. Accounting estimates include: a) Selection of a measurement technique (estimation or valuation technique) b) Selecting the inputs to be used when applying the chosen measurement technique.

### Ind AS 12 – Income Tax

Narrowed the scope of the Initial Recognition Exemption (IRE) (with regard to leases and decommissioning obligations). Now IRE does not apply to transactions that give rise to equal and offsetting temporary differences. Accordingly, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

There are minor changes involving updating the references and terminology etc to IND AS 101,102,103,109 and 115 that do not lead to change in the principles of IND AS.

The Group does not foresee any material changes due to above mentioned amendments.

### (v) Basis of consolidation:

The consolidated financial statements relate to Grindwell Norton Limited, its two subsidiaries, Saint-Gobain Ceramic Materials Bhutan Private Limited, a Company incorporated in Bhutan in which the Company has 70% equity holding and PRS Permacel Private Limited in which the Company has 100% equity holding and its Joint Venture entity SG Shinagawa Refractories India Private Limited in which the Company has 49% shareholding and one associate Cleanwin Energy Three LLP. The Company has 27% of capital contribution in the associate.

As per the current contractual terms, defined under clause 14.2 of the Limited Liability Partnership Agreement dated September 28, 2021, with its associate Cleanwin Energy Three LLP, the Company is not entitled for a share of Profit/(Loss) in the associate.

### (vi) Principles of consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

#### (a) Subsidiaries

Subsidiaries are entities controlled by the Group. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

#### (b) Consolidation procedure:

and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., 31 March 2023. When the end of the reporting year of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the standalone financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Ind AS -110.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Non-Controlling Interest” represents the amount of equity attributable to minority shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since that date. Minority interest’s share of net profit/ loss for the year of the subsidiary is identified and adjusted against the profit after tax of the Group.

### (c) Joint Venture and Associate

The Group’s investments in its joint venture and associate are accounted for using the equity method. Under the equity method, the investment in a joint venture and associate is initially recognised at cost.

The carrying amount of the investment is adjusted to recognise changes in the Group’s share of net assets of the joint venture and associate since the acquisition date. As per contractual term, the Company is not entitled for a share of profit/ (loss) in the associate, Cleanwin Energy Three LLP.

### (vi) Business Combinations :

The Group accounts for business combinations in accordance with Ind AS 103, using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired, as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

## 1.3 SIGNIFICANT ACCOUNTING POLICIES

### A. Property, plant and equipment

#### (i) Recognition and measurement:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

#### (ii) Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

#### (iii) Depreciation:

Depreciation is calculated using the Straight-line method to allocate their cost, net of their residual values, over their following estimated useful life which is similar to useful life prescribed in Schedule II of the Act; except for Server & Networks and Specific Kilns where depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life.

<b>Assets</b>	<b>Useful life</b>
(i) Building	: 3 to 60 years
(ii) Plant and Equipment	: 7.5 to 25 years
(iii) Electrical Installations and Equipments	: 10 years
(iv) Laboratory Equipments	: 10 years
(v) Computers	: 3 years
(vi) Furniture and Fixtures	: 10 years
(vii) Office Equipments	: 5 years

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(viii) Vehicles	:	8 to 10 years
(ix) Specific Kilns	:	5 to 10 years
(x) Server & Networks	:	4 years

Leasehold improvements are depreciated over the lease period or over its useful life if the useful life is less than the lease period.

### B. Intangible assets

#### (i) Recognition and measurement:

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

The useful life of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible asset other than Goodwill, Trade Mark and Brand Value is carried at its cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date, which is regarded as their cost. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, if any, on the same basis as intangible assets that are acquired separately.

Goodwill, Trade Mark and Brand Value are included in intangible assets on acquisitions. Goodwill, Trade Mark and Brand Value is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill, Trade Mark and Brand Value are allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill, trade mark and brand value arose.

#### (ii) Amortisation :

Intangible assets other than Goodwill and Trademark are amortised on the Straight-Line Method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the Management:

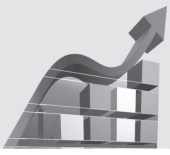
(i) Computer Software	:	3 to 5 years
(ii) Other Intangibles	:	3 to 10 years

### C. Impairment of assets

#### (i) Financial assets

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

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### (ii) Non-financial assets

Non financial assets, other than Goodwill, Trade Mark and Brand Value, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's Fair value less cost of disposal and Value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than Goodwill, Trade mark and Brand Value that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### D. Inventories

Inventories are valued at lower of cost and net realisable value.

Raw materials, packing materials, trading items and stores & spare parts are valued at cost on weighted average basis. Cost includes direct expenses, freight, taxes & duties (where credit not availed).

Cost of finished goods and work-in-process includes material, direct labour, overheads, non-refundable duties & taxes wherever applicable.

Slow-moving, non-moving & defective inventories are identified and wherever necessary, provision is made for such inventories.

### E. Investments and other financial assets

#### (i) Classification

The Group classifies its financial assets in the following measurement categories –

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

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

For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

#### (ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

There are three measurement categories into which Group classifies debt instrument.

- (a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest method.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

- (b) Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss and recognised in other income. Interest income from these financial assets is included in other income using the effective interest rate method.
- (c) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains or losses to profit and loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iii) Derecognition

A financial asset is derecognised only when,

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

## F. Cash and cash equivalents

For the purpose of presentation, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## G. Financial Liabilities

### (i) Measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.

### (ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

## H. Foreign currency translation

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### (ii) 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 profit and loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

### I. Forward contracts - Not designated as hedges

The Group enters into a derivative contracts (forward contracts) to hedge the risk of foreign exchange fluctuations. Such contracts 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 contracts are accounted for at fair value through profit and loss.

### J. Revenue recognition

#### (i) Revenue

Revenue is recognised towards satisfaction of a performance obligation which is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

#### a. Sale of goods

Revenue generated by the sale of goods is recognized net of rebates, discounts and Goods and service tax, when control of the goods has been transferred to the customer. Revenue generated by the sale of goods is primarily recognized at the time the goods are delivered to the customer.

#### b. Service income

Service income mainly includes income from IT support services. Revenue generated by the sale of services is recognized when the services have been rendered, or by reference to the stage of completion of the services, as per the rates calculated based on estimated costs plus fixed percentage of mark up.

#### (ii) Dividend

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

#### (iii) Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using Effective Interest Rate (EIR), which is the rate exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

#### (iv) Other operating income

Export entitlements are recognised when the right to receive them as per terms of the entitlement is established in respect of exports made.

### K. Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### (ii) Other long-term employee benefit obligations

Liability towards Long-term Compensated Absences are determined based on actuarial valuation by independent actuaries as at the date of the Balance Sheet using Projected Unit Credit method. Actuarial gains/losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognized in the Statement of Profit and Loss of the year.

The obligations are presented in the balance sheet as current or non-current based on the actuary's report.

#### Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

#### Defined Benefit Plan - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan 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 at year-end by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost, excluding Net Interest cost, is included in Employee Benefit Expense in the Statement of Profit and Loss. The net interest cost is included in the Finance Cost or Other Income, as applicable, in the Statement of Profit and Loss.

Remeasurement 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 and loss as past service cost.

#### Defined contribution plans

The Group contributes to Provident Fund, Employee pension schemes 1995, and Superannuation fund under the relevant approved schemes and / or statutes. The Group 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.

### (iii) Share-based payments

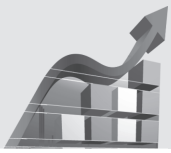
Certain employees are given stock option plans of Ultimate Holding Company. The cost of stock option plans is calculated by the Ultimate Holding Company using the Black and Scholes option pricing model. The cost calculated using this method is recognised as an employee benefits expense over the vesting period of the options, which is four years, with a corresponding credit to other equity.

### (iv) Termination benefits

Termination benefit are recognised as an expense in the period in which they are incurred.

## L. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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 incurred.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### M. Income Tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Deferred tax assets are recognised for all deductible temporary differences and only if it is probable that future taxable amounts will be available to utilise those temporary differences. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit 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.

### N. Provisions and Contingencies

- (i) Provisions are recognised based on the best estimate of probable outflow of resources which would be required to settle obligations arising out of past events.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be readily estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

Contingent liabilities not provided for as per above are disclosed in notes forming part of the Consolidated Financial Statements.

- (iii) Contingent Assets are disclosed, where the inflow of economic benefits is probable.

- (iv) Where the likelihood of outflow of resource is remote, no provision or disclosure as specified in Ind AS 37-“Provision, Contingent Liabilities and Contingent Assets” is made.

### O. Earnings per share

#### (i) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### (ii) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for diluted effect of all dilutive potential equity shares.

### P. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The CODM, being the Managing Director, assesses the financial performance and position of the Group and makes strategic decisions.

### Q. Government grants

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

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### R. Leases

#### As a lessee

The Group mainly has lease arrangements for land and building (office premises and warehouses).

The Group assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether there is an identified asset, whether the Group has the right to direct the use of the asset and whether the Group obtains substantially all the economic benefits from the use of that asset.

The Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group uses an incremental borrowing rate specific to the Country, term and currency of the contract. Generally, the Group uses its incremental borrowing rate as the discount rate.

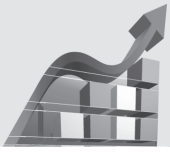
The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset on the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

Short-term leases and leases of low-value assets: The Group has elected not to recognize right-of-use assets and lease liabilities for short term leases as well as low value assets.

#### As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

### S. Offsetting financial instruments

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

### T. Rounding off amounts

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

## NOTE: 2

### 2.1 USE OF JUDGEMENTS, ESTIMATE AND ASSUMPTIONS

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Group to make estimates and judgments that affect the reported balances of assets and liabilities, disclosures of the contingent liabilities as at the date of the standalone financial statements and the reported amounts of income and expenses for the periods presented. Financial reporting results rely on the Management estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgment, estimates and assumptions are required in particular for:

#### (a) Determination of the estimated useful lives of tangible assets

Useful lives of tangible assets are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

#### (b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

#### (c) Measurement of Fair valuation of financial instruments

- (i) Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.
- (ii) When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### (d) Impairment of financial assets

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

### (e) Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise termination option. Extension options (or period after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated):

The factors such as significant penalties (including economic cost), leasehold improvements, disruption in business etc. are considered in evaluation.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercised) it. The assessment of reasonable certainty is only revised if a significant change in circumstance occurs, which affects this assessment, and is within the control of the Management.

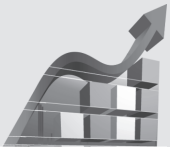
### (f) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities of the acquiree. Significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by independent valuation experts which involves certain estimates and judgements.

#### Impairment of Goodwill

Goodwill, is tested for impairment on an annual basis.. The impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which Management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 3 PROPERTY, PLANT AND EQUIPMENT

	Land - Freehold	Buildings (Refer Note a)	Leasehold Improvements	Plant and Equipment	Electrical installations and Equipments	Laboratory Equipments	Computers	Furniture and Fixtures	Office Equipment	Vehicles	Total	Capital work-in-progress
<b>Gross carrying amount:</b>												
As at March 31, 2021	19,01.35	164,18.89	10,10.34	360,94.86	4,72.07	1,71.78	17,47.57	14,26.12	7,91.81	3,32.28	603,67.07	23,99.88
Reclassification	-	-	-	-	-	-	-	-	-	-	-	(10.61)
Additions	-	16,50.65	-	35,94.87	68.42	27.32	4,04.50	1,75.34	1,61.44	-	60,82.54	103,17.68
Deductions	-	(7.31)	(4,40.04)	(2,12.98)	(3.96)	(1.55)	(10.74)	(47.52)	(18.04)	(37.43)	(7,79.57)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(60,82.54)
<b>As at March 31, 2022</b>	<b>19,01.35</b>	<b>180,62.23</b>	<b>5,70.30</b>	<b>394,76.75</b>	<b>5,36.53</b>	<b>1,97.55</b>	<b>21,41.33</b>	<b>15,53.94</b>	<b>9,35.21</b>	<b>2,94.85</b>	<b>656,70.04</b>	<b>66,24.41</b>
Acquisitions through business combinations	-	17,35.00	-	10,41.36	2,39.40	26.75	4.60	25.61	37.21	13.42	31,23.35	-
Reclassification	-	2.20	-	7.79	(21.04)	8.64	19.17	0.04	1.65	0.44	18.89	-
Additions	-	18,57.11	1,99.91	53,53.74	11,21.27	55.43	4,41.79	4,15.16	3,69.23	1,35.25	99,48.89	156,77.72
Deductions	-	(7,71.65)	(9.13)	(7,08.55)	(0.83)	(3.87)	(2,51.86)	(21.71)	(51.88)	(31.63)	(18,51.11)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(99,48.89)
<b>As at March 31, 2023</b>	<b>19,01.35</b>	<b>208,84.89</b>	<b>7,61.08</b>	<b>451,71.09</b>	<b>18,75.33</b>	<b>2,84.50</b>	<b>23,55.03</b>	<b>19,73.04</b>	<b>12,91.42</b>	<b>4,12.33</b>	<b>769,10.06</b>	<b>123,53.24</b>
<b>Accumulated Depreciation:</b>												
As at March 31, 2021	-	32,83.44	6,78.84	183,41.06	1,48.28	87.07	14,46.27	8,06.39	5,68.42	1,19.45	254,79.22	-
Depreciation for the year	-	6,26.85	97.77	31,03.75	47.29	18.42	2,58.01	1,31.69	98.82	39.10	44,21.70	-
Depreciation on deductions	-	(2.39)	(2,65.53)	(1,70.08)	(0.94)	(1.55)	(10.10)	(32.92)	(16.19)	(23.11)	(5,22.81)	-
<b>As at March 31, 2022</b>	<b>-</b>	<b>39,07.90</b>	<b>5,11.08</b>	<b>212,74.73</b>	<b>1,94.63</b>	<b>1,03.94</b>	<b>16,94.18</b>	<b>9,05.16</b>	<b>6,51.05</b>	<b>1,35.44</b>	<b>293,78.11</b>	<b>-</b>
Reclassification	-	-	-	-	-	-	1.55	-	-	-	-	1.55
Depreciation for the year	-	7,88.77	73.41	32,54.73	1,31.75	25.81	2,77.47	1,59.91	1,40.58	53.00	49,05.43	-
Depreciation on deductions	-	(4,39.85)	(9.13)	(6,28.63)	(0.83)	(1.54)	(2,49.41)	(20.22)	(50.65)	(20.42)	(14,20.67)	-
<b>As at March 31, 2023</b>	<b>-</b>	<b>42,56.82</b>	<b>5,75.36</b>	<b>239,00.83</b>	<b>3,25.55</b>	<b>1,28.21</b>	<b>17,23.79</b>	<b>10,44.86</b>	<b>7,40.98</b>	<b>1,68.02</b>	<b>328,64.42</b>	<b>-</b>
<b>Net Carrying amount:</b>												
As at March 31, 2022	19,01.35	141,54.33	59.22	182,02.02	3,41.90	93.61	4,47.15	6,48.78	2,84.16	1,59.41	362,91.93	66,24.41
<b>As at March 31, 2023</b>	<b>19,01.35</b>	<b>166,28.07</b>	<b>1,85.72</b>	<b>212,70.26</b>	<b>15,49.78</b>	<b>1,56.29</b>	<b>6,31.24</b>	<b>9,28.18</b>	<b>5,50.44</b>	<b>2,44.31</b>	<b>440,45.64</b>	<b>123,53.24</b>

Notes:

a) Includes an amount of ₹ 750/- (March 31, 2022 - ₹ 750/-) representing the value of shares in a co-operative housing society.

b) The Company has not revalued any of its Property, plant and equipments..

#### (c) Ageing of Capital work-in-progress (CWIP)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Projects in Progress as at March 31, 2023</b>	<b>113,76.72</b>	<b>9,65.67</b>	<b>10.84</b>	<b>-</b>	<b>123,53.24</b>
Projects in Progress as at March 31, 2022	64,45.87	1,21.61	56.93	-	66,24.41

#### (d) Completion schedule for capital work-in-progress whose completion is over due or exceeded its cost compared to its original plan:

As at March 31, 2023, there are no projects whose completion is overdue or exceeded its cost compared to its original plan.

As at March 31, 2022

Projects in Progress	To be completed in			Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	
Kiln	20.72	-	-	20.72
Press	56.94	-	-	56.94
<b>Total</b>	<b>77.66</b>	<b>-</b>	<b>-</b>	<b>77.66</b>

(e) CWIP mainly comprises of Plant and Equipments. An amount of ₹ 30.70 Lakhs (March 31, 2022: ₹ 0.07 Lakhs) pertaining to borrowing costs has been included under CWIP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 3A RIGHT-OF-USE ASSET

	Land	Building	Total
<b>Gross carrying amount:</b>			
As at March 31, 2021	2,88.40	25,88.39	28,76.79
Additions	-	7,89.64	7,89.64
Deductions	-	(9,76.64)	(9,76.64)
<b>As at March 31, 2022</b>	<b>2,88.40</b>	<b>24,01.39</b>	<b>26,89.79</b>
Acquisitions through business combinations	18,08.00	-	18,08.00
Additions	4.12	27,89.83	27,93.95
Deductions	-	(8,38.48)	(8,38.48)
<b>As at March 31, 2023</b>	<b>21,00.52</b>	<b>43,52.74</b>	<b>64,53.26</b>
<b>Accumulated Depreciation :</b>			
As at March 31, 2021	56.53	16,12.34	16,68.87
Depreciation for the year	26.34	6,69.20	6,95.54
Depreciation on deductions	-	(9,36.98)	(9,36.98)
<b>As at March 31, 2022</b>	<b>82.87</b>	<b>13,44.56</b>	<b>14,27.43</b>
Depreciation for the year	34.35	7,43.27	7,77.62
Depreciation on deductions	-	(8,38.48)	(8,38.48)
<b>As at March 31, 2023</b>	<b>1,17.22</b>	<b>12,49.35</b>	<b>13,66.57</b>
<b>Net Carrying amount:</b>			
<b>As at March 31, 2022</b>	<b>2,05.53</b>	<b>10,56.83</b>	<b>12,62.36</b>
<b>As at March 31, 2023</b>	<b>19,83.30</b>	<b>31,03.39</b>	<b>50,86.69</b>

### 4 INTANGIBLE ASSETS

	Computer Software	Trade Marks	Non Compete Fees and Marketing Network	Patents	Brand Value	Total	Goodwill	Intangible Assets Under Development
<b>Gross carrying amount:</b>								
<b>As at March 31, 2021</b>	12,57.28	23.97	1,17.90	-	-	13,99.15	48.80	-
Reclassification	-	-	-	-	-	-	-	10.61
Additions (Refer Note a)	3,22.46	-	-	-	-	3,22.46	-	3,98.44
Deductions	(7.89)	-	-	-	-	(7.89)	-	-
Transfers	-	-	-	-	-	-	-	(3,22.46)
<b>As at March 31, 2022</b>	<b>15,71.85</b>	<b>23.97</b>	<b>1,17.90</b>	<b>-</b>	<b>-</b>	<b>17,13.72</b>	<b>48.80</b>	<b>86.59</b>
Acquisitions through business combinations	10.00	15,35.00	-	81.00	23,90.00	40,16.00	46,29.86	-
Reclassification	(18.89)	-	-	-	-	(18.89)	-	-
Additions (Refer Note a)	1,40.55	-	-	-	-	1,40.55	-	1,21.40
Deductions	(56.68)	-	-	-	-	(56.68)	-	-
Transfers	-	-	-	-	-	-	-	(1,40.55)
<b>As at March 31, 2023</b>	<b>16,46.84</b>	<b>15,58.97</b>	<b>1,17.90</b>	<b>81.00</b>	<b>23,90.00</b>	<b>57,94.70</b>	<b>46,78.66</b>	<b>67.45</b>
<b>Accumulated Amortisation:</b>								
<b>As at March 31, 2021</b>	4,24.14	-	1,17.90	-	-	5,42.04	-	-
Amortisation for the year	2,29.48	-	-	-	-	2,29.48	-	-
Depreciation on deductions	(7.89)	-	-	-	-	(7.89)	-	-
<b>As at March 31, 2022</b>	<b>6,45.73</b>	<b>-</b>	<b>1,17.90</b>	<b>-</b>	<b>-</b>	<b>7,63.63</b>	<b>-</b>	<b>-</b>
Reclassification	(1.55)	-	-	-	-	(1.55)	-	-
Amortisation for the year	3,02.54	-	-	28.97	-	3,31.51	-	-
Amortisation on deductions	(56.38)	-	-	-	-	(56.38)	-	-
<b>As at March 31, 2023</b>	<b>8,90.34</b>	<b>-</b>	<b>1,17.90</b>	<b>28.97</b>	<b>-</b>	<b>10,37.21</b>	<b>-</b>	<b>-</b>
<b>Net Carrying amount:</b>								
<b>As at March 31, 2022</b>	<b>9,26.12</b>	<b>23.97</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,50.09</b>	<b>48.80</b>	<b>86.59</b>
<b>As at March 31, 2023</b>	<b>7,56.49</b>	<b>15,58.97</b>	<b>-</b>	<b>52.03</b>	<b>23,90.00</b>	<b>47,57.49</b>	<b>46,78.66</b>	<b>67.45</b>

Note:

- (a) Additions of intangible asset held by the Company as purchased and not internally developed.  
(b) The Company has not revalued any of its intangible assets.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

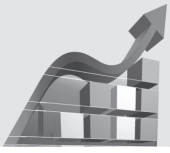
(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>6 NON-CURRENT FINANCIAL ASSETS - LOANS</b>		
<u>Loans Receivables considered good - Unsecured</u>		
Loan to Employees*	6,28.63	3,90.50
	<u>6,28.63</u>	<u>3,90.50</u>
* Includes loan to a Key Managerial Person as defined under Companies Act, 2013 of ₹ 1,10.94 lakhs (March 31, 2022 - ₹ 1,29.69 lakhs)		
<b>7 NON-CURRENT - OTHER FINANCIAL ASSETS</b>		
Bank Deposits	35,32.55	25,50.25
(Deposit with remaining maturity of more than 12 months) [Includes ₹ 24,84.00 lakhs lien with a bank for a term loan (March 31, 2022 - ₹ 25,05.00 lakhs)]		
Security Deposits	14,88.94	10,16.74
Advances recoverable in cash or in kind	40.49	40.49
Less: Provision for doubtful advances	(40.49)	(40.49)
	<u>50,21.49</u>	<u>35,66.99</u>
<b>8 NON-CURRENT - INCOME TAX ASSET (Net)</b>		
Income tax assets (Net)	7,69.35	7,89.34
	<u>7,69.35</u>	<u>7,89.34</u>
<b>9 TAX ASSETS</b>		
Deferred tax assets (Net) (Refer Note 23)	5,86.64	3,41.63
Current tax asset (Net)	-	26.60
	<u>5,86.64</u>	<u>3,68.23</u>
<b>10 OTHER NON-CURRENT ASSETS</b>		
Capital advances	44,17.68	34,74.38
Advances other than capital advances:		
- Deposits with Government Authorities	69.29	1,00.15
- Prepaid Expenses	85.90	92.99
- Balances with Government Authorities	76.56	86.71
	<u>46,49.43</u>	<u>37,54.23</u>
<b>11 CURRENT ASSETS - INVENTORIES</b>		
(The mode of valuation of Inventories has been stated in Note : 1.3 (D))		
Raw Materials [Includes in transit: ₹ 19,71.60 lakhs (March 31, 2022 - ₹ 24,05.87 lakhs)]	201,63.81	223,12.25
Work-in-Progress	93,15.16	76,11.02
Finished Goods [(Includes in transit - ₹ 13,58.39 lakhs (March 31, 2022 - ₹ 22,75.75 lakhs)]	78,55.26	65,49.97
Stock in Trade [(Includes in transit - ₹ 4,78.63 lakhs (March 31, 2022 - ₹ 3,46.49 lakhs)]	68,72.19	59,59.80
Stores and Spares	12,11.84	12,60.86
Packing Materials	9,76.05	10,67.18
	<u>463,94.31</u>	<u>447,61.08</u>

Notes:

(a) Packing Materials are disclosed separately from Raw Materials for better presentation

(b) Net of write-downs of inventories amounting to ₹ 27.89 lakhs (March 31, 2022 - ₹ 14,93.39 lakhs) are charged off in the statement of profit and loss.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>12 CURRENT FINANCIAL ASSETS - INVESTMENTS</b>		
<b>Quoted Investments</b>		
Investment in Mutual Funds (at Fair Value through Profit and Loss)	<b>435,22.82</b>	330,25.39
	<b>435,22.82</b>	330,25.39
Aggregate amount of quoted investments	<b>435,22.82</b>	330,25.39
Aggregate market value of quoted investments	<b>435,22.82</b>	330,25.39
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-
<b>13 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES</b>		
Trade Receivables - Secured and considered good	-	-
Trade Receivables - Unsecured and considered good - others	<b>214,26.62</b>	167,14.32
Trade Receivables - Unsecured and considered good - Related Parties (Refer Note No. 48)*	<b>65,93.69</b>	69,72.25
Trade Receivables which has significant increase in credit risk	-	-
Trade Receivables - credit impaired	<b>5,09.64</b>	6,78.08
	<b>285,29.95</b>	243,64.65
Less: Allowance for bad and doubtful debts	<b>(5,09.64)</b>	(6,78.08)
	<b>280,20.31</b>	236,86.57

\*Includes ₹10,90.27 lakhs (March 31, 2022 - ₹ 7,54.86 lakhs) due from a Private Company in which the Director of the Company is a Director.

### Ageing of trade receivables:

As at March 31, 2023	Outstanding for the following period from the due date of payment:							
	Unbilled	Not Due	Less than 6 months	6 Months-1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed Trade receivables – considered good (Unsecured)	-	164,63.34	113,14.38	2,42.59	-	-	-	<b>280,20.31</b>
Undisputed Trade Receivables - credit impaired	-	-	-	19.97	1,63.44	12.89	3,13.34	<b>5,09.64</b>
<b>Total</b>	<b>-</b>	<b>164,63.34</b>	<b>113,14.38</b>	<b>2,62.56</b>	<b>1,63.44</b>	<b>12.89</b>	<b>3,13.34</b>	<b>285,29.95</b>

As at March 31, 2022	Outstanding for the following period from the due date of payment:							
	Unbilled	Not Due	Less than 6 months	6 Months-1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed Trade receivables - considered good (Unsecured)	-	139,24.57	96,99.56	62.44	-	-	-	<b>236,86.57</b>
Undisputed Trade Receivables - credit impaired	-	-	-	1,11.46	1,00.58	2,14.77	2,51.27	<b>6,78.08</b>
<b>Total</b>	<b>-</b>	<b>139,24.57</b>	<b>96,99.56</b>	<b>1,73.90</b>	<b>1,00.58</b>	<b>2,14.77</b>	<b>2,51.27</b>	<b>243,64.65</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>14 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS</b>		
Balances with Banks		
- in Current Accounts	13,61.06	13,39.03
- in Deposit Accounts with original maturity of less than 3 months	26,00.00	25,00.00
Cash Balances	0.30	1.04
	<b>39,61.36</b>	<b>38,40.07</b>
<b>15 CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
Balances with Banks		
- Deposits with maturity of more than 3 months but less than 12 months remaining maturity	97,25.00	237,63.25
- Margin Money Deposits (Security for Bank Guarantees and Lien with Excise Authorities)	7.29	3.87
- Unpaid Dividend	1,82.29	1,53.60
- Gratuity Fund	26.46	38.60
	<b>99,41.04</b>	<b>239,59.32</b>
<b>16 CURRENT FINANCIAL ASSETS - LOANS</b>		
<u>Loans Receivables considered good - Unsecured</u>		
Loan to Employees*	1,12.27	66.91
	<b>1,12.27</b>	<b>66.91</b>

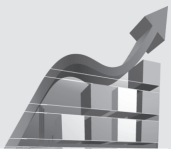
\* Includes loan to a Key Managerial Person as defined under the Companies Act, 2013 of ₹ 18.75 lakhs (March 31, 2022 - ₹ 18.75)

	March 31, 2023	March 31, 2022
<b>17 CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS</b>		
Derivatives - Foreign-exchange forward contracts	-	4,89.33
Employee Advances	2,52.05	1,94.44
Security Deposits	95.13	-
Others*	5,68.33	8,33.72
	<b>9,15.51</b>	<b>15,17.49</b>

\*Includes receivable from Related Parties - ₹ 2,01.11 lakhs (March 31, 2022 - ₹ 5,25.15 lakhs)

	March 31, 2023	March 31, 2022
<b>18 OTHER CURRENT ASSETS</b>		
Export benefit receivable	73.01	380.14
<u>Advances other than Capital advances</u>		
- Prepaid Expenses	4,12.15	4,29.65
- Balances with Government Authorities	13,79.58	17,84.58
- <u>Advances to Suppliers</u>		
Considered good*	31,18.00	43,00.77
Considered Doubtful	1,62.05	1,55.84
	<b>32,80.05</b>	<b>44,56.65</b>
Less-Allowance for doubtful advances	(1,62.05)	(1,55.84)
	<b>49,82.74</b>	<b>68,95.14</b>

\*Includes advance to Related Parties - ₹ 28.54 lakhs (March 31, 2022 - ₹ 1,13.66 lakhs)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 19 EQUITY SHARE CAPITAL AUTHORISED

11,20,00,000 (March 31, 2022 : 11,20,00,000) Equity Shares of ₹ 5/- each  
**ISSUED SUBSCRIBED AND PAID UP**

11,07,20,000 (March 31, 2022 : 11,07,20,000) Equity Shares of ₹ 5/- each  
fully paid-up

March 31, 2023	March 31, 2022
<b>56,00.00</b>	56,00.00
<b>55,36.00</b>	5,536.00
<b>55,36.00</b>	5,536.00

#### (a) Shareholding of promoters

Promoter Name	As at March 31, 2023			As at March 31, 2022		
	Number of shares	% of Holding	% Change during the year	Number of shares	% of Holding	% Change during the year
Saint-Gobain Abrasives Inc	2,96,35,520	26.77%	-	2,96,35,520	26.77%	-
Societe De Participations Financieres Et Industrielles	2,71,92,480	24.56%	-	2,71,92,480	24.56%	-
Vera Anand Mahajan	18,89,115	1.71%	-	18,89,115	1.71%	-
Khursheed M Narang	14,82,515	1.34%	-	14,82,515	1.34%	-12.97%
Ashaita Mahajan	10,57,028	0.95%	-	10,57,028	0.95%	-
Aakil Anand Mahajan	9,97,628	0.90%	-	9,97,628	0.90%	-
Danesh M Narang	6,17,000	0.56%	-	6,17,000	0.56%	-7.77%
Anand Yashavant Mahajan	5,09,904	0.46%	-	5,09,904	0.46%	-
Mikhail M Narang	4,35,069	0.39%	-0.04%	4,82,582	0.44%	-
Saint-Gobain India Private Limited	3,00,000	0.27%	-	3,00,000	0.27%	-
Malvinder C Narang	1,38,000	0.12%	-	1,38,000	0.12%	-

#### (b) Shares of the company held by subsidiaries of ultimate holding company (Compagnie de Saint-Gobain) are as below;

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of Holding	Number of shares	% of Holding
Saint-Gobain Abrasives Inc.*	2,96,35,520	26.77%	2,96,35,520	26.77%
Societe de Participations Financieres et Industrielles*	2,71,92,480	24.56%	2,71,92,480	24.56%
Saint-Gobain India Private Limited	3,00,000	0.27%	3,00,000	0.27%
	<b>5,71,28,000</b>	<b>51.60%</b>	<b>5,71,28,000</b>	<b>51.60%</b>

\*Also, represents Shareholder's holding more than 5 % of total equity share capital.

#### (c) Movement in Equity Share Capital

Authorised Share Capital	Number of shares	Amount
As at 31 March 2021	11,20,00,000	56,00.00
Change during the year	-	-
As at 31 March 2022	11,20,00,000	56,00.00
Change during the year	-	-
<b>As at 31 March 2023</b>	<b>11,20,00,000</b>	<b>56,00.00</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Issued and paid-up share capital	Number of shares	Amount
As at 31 March 2021	11,07,20,000	55,36.00
Change during the year	-	-
As at 31 March 2022	11,07,20,000	55,36.00
Change during the year	-	-
<b>As at 31 March 2023</b>	<b>11,07,20,000</b>	<b>55,36.00</b>

### (d) Rights and restrictions attached to the shares

Equity Shares: The Company has only one class of equity shares having a par value of ₹ 5/- each. Each shareholder is eligible for one vote per share held. The shareholders have rights in proportion to their shareholding for dividend as well as for assets, in case of liquidation.

- (e) There are no shares reserved for issue under options and contracts or commitment for the sale of shares or disinvestments.
- (f) During the period of five years immediately preceding the date as at which the balance sheet is prepared:
- The Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash.
  - The Company has not allotted the fully paid up bonus shares.
  - The Company has not bought back any of its equity shares.

### 20 OTHER EQUITY

Reserves and Surplus (Refer Note 20 (a))  
Other items of Equity (Refer Note 20 (b))

#### 20(a) RESERVES AND SURPLUS

Securities Premium  
General Reserve  
Retained Earnings

##### i) SECURITIES PREMIUM

Opening Balance

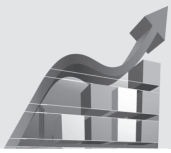
##### ii) GENERAL RESERVE

Opening Balance

##### iii) RETAINED EARNINGS

Opening balance  
Net profit for the period  
Add: Share of loss of Non-controlling Interest  
Add: Other adjustment  
Items of other comprehensive income  
Remeasurement of post employment benefit obligation (net of tax)  
Appropriations  
Dividend  
[Dividend per share ₹ 12/- for year 2021-22  
(2020-2021- ₹ 9.50/-)]

March 31, 2023	March 31, 2022
<b>1,600,37.67</b>	1,372,12.98
<b>150,07.21</b>	140,96.72
<b>1,750,44.88</b>	1,513,09.70
<b>27,90.82</b>	27,90.82
<b>402,01.34</b>	402,01.34
<b>1,170,45.51</b>	942,20.82
<b>1,600,37.67</b>	1,372,12.98
<b>27,90.82</b>	27,90.82
<b>27,90.82</b>	27,90.82
<b>402,01.34</b>	402,01.34
<b>402,01.34</b>	402,01.34
<b>942,20.82</b>	754,24.40
<b>361,52.24</b>	295,07.66
<b>38.17</b>	56.88
<b>10.86</b>	-
<b>(90.18)</b>	(2,49.72)
<b>(132,86.40)</b>	(105,18.40)
<b>1,170,45.51</b>	942,20.82



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 20(b) Other Items of Equity

	Equity Instruments through Other Comprehensive Income	Share Based Payment Plan Account	Revaluation Surplus	Total
As at March 31, 2021	113,13.87	8,80.71	3,35.34	125,29.92
Change in fair value of Equity Instruments through Other Comprehensive Income, net of tax	14,10.10	-	-	14,10.10
Share Based Payment (Refer Note 47)	-	1,56.70	-	1,56.70
As at March 31, 2022	127,23.97	10,37.41	3,35.34	140,96.72
Change in fair value of Equity Instruments through Other Comprehensive Income, net of tax	7,71.76	-	-	7,71.76
Share Based Payment (Refer Note 47)	-	1,38.73	-	1,38.73
<b>As at March 31, 2023</b>	<b>134,95.73</b>	<b>11,76.14</b>	<b>3,35.34</b>	<b>150,07.21</b>

#### Nature and purpose of reserves:

##### (i) Securities Premium

Securities premium is used to record the premium on issue of shares. This premium is to be utilised in accordance with the provisions of the Act.

##### (ii) General Reserve

The General Reserve is a free reserve, retained from Company's profits. The reserve can be utilised as per the provisions of the Act.

##### (iii) Equity Instruments through Other Comprehensive Income

The Group has elected to recognize changes in the Fair Value of certain Equity investments in Other Comprehensive Income. These changes are accumulated in the 'Equity Instruments through Other Comprehensive Income' within Equity. The company transfers the amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

##### (iv) Share Based Payment Plan Account

The above reserve relates to share options granted by the Ultimate Holding Company to specific employees of its subsidiaries under its employee stock option plan. Further information about share-based payments to employees is set out in Note 47.

##### (v) Revaluation Surplus

Revaluation Surplus was created under the erstwhile Indian GAAP to recognize the gain due to increase in value of certain Tangible assets as on June 30, 1988. The surplus can be utilised as per the provisions of the Act.

### 21A NON-CURRENT FINANCIAL LIABILITIES -BORROWINGS

Term Loan - from Bank

March 31, 2023	March 31, 2022
3,95.18	-
3,95.18	-

During the year, the Company has been sanctioned a Term Loan amounting to ₹ 25,00 lakhs from a Bank for purchase of capital assets. The said Term Loan is secured by lien on Fixed Deposit with bank (Refer Note 7). The loan is repayable in 60 equal monthly installments from the date of first disbursement and carries interest rate of 7% p.a. as at March 31, 2023 (6.30% p.a. as at March 31, 2022).

The Company has utilised an amount of ₹13,96.07 lakhs as at March 31, 2023 (₹ 2,15.34 lakhs as at March 31, 2022) for stated purpose.

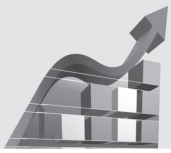
## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>21B NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES</b>		
Lease liabilities (Refer Note 45 B)	25,50.17	8,00.15
	<u>25,50.17</u>	<u>8,00.15</u>
<b>22 NON-CURRENT LIABILITIES - PROVISIONS</b>		
Compensated Absence	33,63.51	26,77.50
	<u>33,63.51</u>	<u>26,77.50</u>
<b>23 DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liabilities</b>		
The balance comprises temporary differences attributable to:		
Property, plant and equipment and Intangible assets	19,33.71	17,86.10
Financial assets at FVOCI	16,01.53	15,50.29
<b>Total Deferred tax Liabilities</b>	<u>35,35.24</u>	<u>33,36.39</u>
<b>Deferred tax asset</b>		
The balance comprises temporary differences attributable to:		
Provision for employee benefits	(14,53.38)	(12,71.00)
Others	(5,07.61)	(5,14.92)
<b>Total Deferred tax asset</b>	<u>(19,60.99)</u>	<u>(17,85.92)</u>
	<u>15,74.25</u>	<u>15,50.47</u>

### Movement in deferred tax Liabilities and Asset

	Property, plant and equipment and Intangible assets	Provision for employee benefits	Financial Assets at FV OCI	Others	Total	Depreciation and Other items in Another Jurisdiction
As at March 31, 2021	19,40.06	(10,36.29)	13,13.39	(2,85.65)	19,31.51	(2,60.11)
Charged/(credited):						
- to profit or loss	(1,53.96)	(2,34.71)		(2,29.27)	(6,17.94)	(81.52)
- to other comprehensive income			2,36.90		2,36.90	
As at March 31, 2022	<u>17,86.10</u>	<u>(12,71.00)</u>	<u>15,50.29</u>	<u>(5,14.92)</u>	<u>15,50.47</u>	<u>(3,41.63)</u>
Acquired through business combination	1,81.16	-	-	-	1,81.16	
Charged/(credited):						
- to profit or loss	(33.55)	(1,82.38)	-	7.31	(2,08.62)	(56.04)
- to other comprehensive income	-	-	51.24	-	51.24	
<b>As at March 31, 2023</b>	<u>19,33.71</u>	<u>(14,53.38)</u>	<u>16,01.53</u>	<u>(5,07.61)</u>	<u>15,74.25</u>	<u>(3,97.67)</u>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>24 NON-CURRENT LIABILITIES - OTHER NON-CURRENT LIABILITIES</b>		
Deferred Income Liability	42.02	56.05
	<u>42.02</u>	<u>56.05</u>
<b>25A CURRENT FINANCIAL LIABILITIES -BORROWINGS</b>		
Current maturities of long term borrowing [Refer Note 21(i)]	5,00.00	2,15.34
Bank Overdraft	8,58.96	-
	<u>13,58.96</u>	<u>2,15.34</u>
<b>25B CURRENT FINANCIAL LIABILITIES -LEASE LIABILITIES</b>	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Lease liabilities (Refer Note 45 B)	8,32.14	4,93.85
	<u>8,32.14</u>	<u>4,93.85</u>
<b>26 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES</b>	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Total outstanding due to Micro Enterprises and Small Enterprises (Refer Note 26.1)	9,16.38	5,74.73
Total outstanding due to creditors other than Micro Enterprises and Small Enterprises	218,97.13	217,55.95
Total outstanding due to Related Parties (Refer Note 48)	70,62.43	104,39.35
	<u>298,75.94</u>	<u>327,70.03</u>

### Ageing of trade payables:

As at March 31, 2023 Particular	Outstanding for the following period from the due date of payment:						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro Enterprises and Small Enterprises	-	5,29.61	3,41.66	9.83	30.78	4.50	9,16.38
(ii) Others	150,24.97	101,66.29	33,14.36	3,48.70	41.15	64.09	289,59.56
(iii) Disputed dues – Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
	<u>150,24.97</u>	<u>106,95.90</u>	<u>36,56.02</u>	<u>3,58.53</u>	<u>71.93</u>	<u>68.59</u>	<u>298,75.94</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

As at March 31, 2022	Outstanding for the following period from the due date of payment:						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro Enterprises and Small Enterprises	-	4,31.57	1,16.26	22.89	3.54	0.47	5,74.73
(ii) Others	146,48.84	121,23.57	50,41.49	3,09.83	27.42	44.15	321,95.30
(iii) Disputed dues – Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
	<b>146,48.84</b>	<b>125,55.14</b>	<b>51,57.75</b>	<b>3,32.72</b>	<b>30.96</b>	<b>44.62</b>	<b>327,70.03</b>

### 27 CURRENT - OTHER FINANCIAL LIABILITIES

Trade / Security Deposits	
Unclaimed Dividend *	
Commission due to directors	
Derivatives- Foreign-exchange forward contracts	
Payable for Discounts to Dealers	
Capital Creditors	
Employee related payables	

March 31, 2023	March 31, 2022
13,90.37	11,06.29
1,82.29	1,53.60
1,00.00	1,00.00
4,41.39	-
19,79.88	22,10.07
22,40.64	4,04.70
27,74.68	23,37.50
<b>91,09.25</b>	<b>63,12.16</b>

The Parent Company has transferred the amounts required to be transferred to the Investor Education and Protection Fund (IEPF) within due date, except ₹ 1.43 lakhs, which is held in abeyance, for cases where disputes relating to ownership of the underlying shares have remained unresolve

### 28 CURRENT LIABILITIES - PROVISIONS

Compensated Absences	
Gratuity (Refer Note 36.1)	
Others (Refer Note 28.1)	

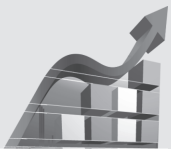
March 31, 2023	March 31, 2022
7,47.83	5,40.34
8,07.98	2,80.53
9,06.37	16,93.53
<b>24,62.18</b>	<b>25,14.40</b>

#### 28.1 Details of Other Provisions

Opening Balance	
Provision made during the year	
Paid/reversed during the year	
Closing Balance	

16,93.53	10,92.16
1,50.37	6,56.62
(9,37.53)	(55.24)
<b>9,06.37</b>	<b>16,93.53</b>

The Group has made provisions towards probable liabilities arising out of pending indirect tax claims/disputes with various authorities. The timing of the outflow with regard to the said matters depends on the exhaustion of remedies available to the Group under the law and hence the Group is not able to reasonably ascertain the timing of the outflow resulting in they being disclosed at their potential undiscounted values.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

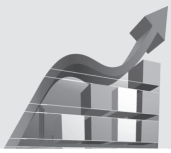
(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>29 CURRENT TAX LIABILITIES</b>		
Income Tax Liabilities (Net)	25,10.50	21,98.37
	<b>25,10.50</b>	<b>21,98.37</b>
<b>30 OTHER CURRENT LIABILITIES</b>		
Statutory Liabilities	24,49.07	23,24.20
Deferred Income Liability	14.39	13.57
Advance from customers*	29,52.64	20,03.88
	<b>54,16.10</b>	<b>43,41.65</b>
* Includes advance from Related Parties - ₹ 7,79.86 lakhs (March 31, 2022 - ₹ 6,04.47 lakhs)		
<b>31 REVENUE FROM OPERATIONS</b>		
Sale of products (Refer Note 31.1)	2,348,19.86	1,861,54.33
Service Income	176,99.91	140,58.39
Other operating revenue	16,14.47	10,63.16
	<b>2,541,34.24</b>	<b>2,012,75.88</b>
<b>31.1 Sale of products</b>		
Abrasives	1,267,94.72	1,129,39.58
Ceramics & Plastics	1,019,98.01	695,35.93
Others	60,27.13	36,78.82
	<b>2,348,19.86</b>	<b>1,861,54.33</b>
<b>31.2 Reconciliation of revenue recognised with contract price</b>		
Revenue from contracts with customers at Contract Price	2,574,93.05	2,042,04.09
Less : Discounts and Rebates on Sale of Products	(49,73.28)	(39,91.37)
	<b>2,525,19.77</b>	<b>2,002,12.72</b>
Other operating revenue	16,14.47	10,63.16
<b>Revenue from operations</b>	<b>2,541,34.24</b>	<b>2,012,75.88</b>
<b>32 OTHER INCOME</b>		
Interest income	9,19.97	7,52.36
Dividend Income	6,27.42	2,85.28
Net gain on redemption of investments in Mutual Fund	19,21.98	16,10.09
Net gain/(loss) on investments in Mutual Fund measured at fair value through profit or loss	1,51.91	(2,46.32)
Interest income from financial assets at amortised cost	14.51	6.74
Unwinding of discount on security deposits	22.54	40.73
Net gain on foreign currency transactions	-	12,66.36
Profit on sale of property, plant and equipments (net)	-	3,12.86
Other Non-operating income	19,48.34	12,81.24
	<b>56,06.67</b>	<b>53,09.34</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>33 COST OF MATERIALS CONSUMED</b>		
Opening inventories of Raw Materials	223,12.25	108,04.84
Add : Acquisitions through business combinations	11,79.41	-
Add : Purchases	890,48.34	817,83.75
Less: Closing inventories of Raw Materials	<u>(201,63.81)</u>	<u>(223,12.25)</u>
	<u>923,76.19</u>	<u>702,76.34</u>
<b>34 PURCHASE OF STOCK-IN-TRADE</b>		
Abrasives	181,74.39	175,92.76
Ceramics & Plastics	65,37.85	71,76.57
Others	19,95.70	10,85.53
	<u>267,07.94</u>	<u>258,54.86</u>
<b>35 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS</b>		
<b>Opening inventories of</b>		
Finished Goods	65,49.97	34,05.13
Stock in Trade	59,59.80	35,71.94
Work-In-Progress	76,11.02	60,06.63
	<u>201,20.79</u>	<u>129,83.70</u>
Add : Acquisitions through business combinations	10,05.49	-
<b>Less : Closing inventories of</b>		
Finished Goods	(78,55.26)	(65,49.97)
Stock in Trade	(68,72.19)	(59,59.80)
Work-In-Progress	(93,15.16)	(76,11.02)
	<u>(240,42.61)</u>	<u>(201,20.79)</u>
	<u>(29,16.33)</u>	<u>(71,37.09)</u>
<b>36 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	248,85.70	210,79.57
Share Based Payments	1,38.73	1,56.70
Contribution to provident, other funds and Gratuity (Refer Note 36.1)	18,92.42	15,70.58
Staff welfare	28,19.25	22,62.41
	<u>297,36.10</u>	<u>250,69.01</u>
<b>36.1 Disclosure as required under Ind AS 19 - Employee Benefits</b>		
I. Defined Contribution Plans:		
Contribution to Defined Contribution Plans, recognised as expense for the year are as under:		
Employer's Contribution to Provident Fund	960.22	899.71
Employer's Contribution to Superannuation Fund	68.43	70.67
Other Contributions	27.49	0.92
II. Defined Benefit Plans:		
Contribution to Gratuity Fund		
The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India and HDFC Group Term Plan Scheme of the HDFC Life Insurance Company Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy, whichever is beneficial to the employees.		



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2023:

	March 31, 2023	March 31, 2022
<b>i) Change in present value of defined benefit obligation</b>		
Present Value of defined benefit obligation at the beginning of the year	82,36.37	71,74.56
Interest Cost	5,88.90	4,92.18
Current service cost	6,75.90	5,91.77
Benefits paid	(4,71.15)	(4,73.69)
Actuarial changes arising from changes in demographic assumptions	-	2.90
Actuarial changes arising from changes in financial assumptions	(1,65.06)	(1,49.05)
Actuarial changes arising from experience assumptions	3,07.39	5,97.70
Present Value of defined benefit obligation at the end of the year	91,72.35	82,36.37
<b>ii) Change in fair value of plan assets</b>		
Fair Value of plan assets at the beginning of the year	79,55.84	63,71.94
Interest Income	5,68.84	4,37.12
Contributions paid by the employer	2,80.49	15,02.63
Benefits paid from the fund	(4,71.14)	(4,73.69)
Return on plan assets, excluding interest income	30.34	1,17.84
Fair Value of plan assets at the end of the year	83,64.37	79,55.84
<b>iii) Net asset / (liability) recognised in the Balance Sheet</b>		
Present Value of defined benefit obligation at the end of the year	(91,72.35)	(82,36.37)
Fair Value of plan assets at the end of the year	83,64.37	79,55.84
Amount recognised in the balance sheet	(8,07.98)	(2,80.53)
Net Asset / (Liability) recognised - current	(8,07.98)	(2,80.53)
<b>iv) Expense recognised in the statement of profit and loss for the year</b>		
Current service cost	6,75.90	5,91.77
Interest cost on defined benefit obligation	20.06	55.06
Total expenses included in statement of profit and loss	6,95.96	6,46.83
<b>v) Recognised in Other Comprehensive Income for the year</b>		
Actuarial changes arising from changes in financial assumptions	(1,65.06)	(1,49.05)
Actuarial changes arising from experience assumptions	3,07.39	5,97.70
Actuarial changes arising from changes in demographic assumptions	-	2.90
Actuarial Losses/(Gains) on Obligation for the period	1,42.33	4,51.55
Return on plan assets, excluding interest income	(30.34)	(1,17.84)
Recognised in other comprehensive income	1,11.99	3,33.71

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>vi) Actuarial Assumptions</b>		
Expected return on plan assets	7.47%	7.15%
Rate of Discounting	7.47%	7.15%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover		
	<b>For service period 4 years and below 8.00% p.a.</b>	For service period 4 years and below 8.00% p.a.
	<b>For service period 5 years and above 5.00% p.a.</b>	For service period 5 years and above 5.00% p.a.
Mortality Rate During Employment	<b>Indian Assured Lives Mortality 2012-14 (Urban)</b>	Indian Assured Lives Mortality 2012-14 (Urban)
<b>vii) Sensitivity Analysis</b>		
Projected Benefit Obligation on Current Assumptions	91,72.35	82,36.37
Delta Effect of +0.5% Change in Rate of Discounting	(2,44.80)	(2,44.32)
Delta Effect of -0.5% Change in Rate of Discounting	2,60.96	2,60.56
Delta Effect of +0.5% Change in Rate of Salary Increase	2,55.97	2,54.79
Delta Effect of -0.5% Change in Rate of Salary Increase	(2,42.55)	(2,41.37)
Delta Effect of +0.5% Change in Rate of Employee Turnover	(28.96)	(32.72)
Delta Effect of -0.5% Change in Rate of Employee Turnover	30.21	34.22
Methodology Adopted for Asset Liability Management (ALM)	<b>Projected Unit Credit Method</b>	Projected Unit Credit Method

### Usefulness and Methodology adopted for Sensitivity analysis

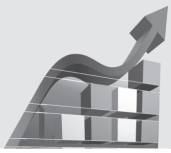
The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

### viii) Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2022 - 8 years). The expected maturity analysis of gratuity on undiscounted basis is as follows:

	March 31, 2023	March 31, 2022
Projected Benefits Payable in Future Years From the Date of Reporting,		
1st Following Year	13,20.86	9,86.41
2nd Following Year	17,43.09	11,87.19
3rd Following Year	8,21.77	6,76.56
4th Following Year	8,97.62	7,74.16
5th Following Year	11,36.05	8,94.19
Sum of Years 6 To 10	32,85.33	33,21.9
Sum of Years 11 and above	68,12.32	67,48.96
<b>ix) Major categories of plan assets are as follows:</b>		
Insurer managed funds	83,64.37	79,55.84



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

**x) Risk exposure:**

The Company's Defined Benefit Plan is Funded with Life Insurance Corporation of India and HDFC Life Insurance Company Limited. Company's Benefit Plan is exposed to risk such as investment risk, interest rate risk, salary escalation risk and demographic risk. Any change in these factors would impact the contribution to the fund.

**xi) Expected contribution**

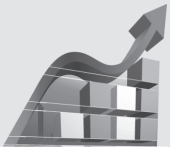
The Company expects to make a contribution of ₹ 8,38.60 lakhs (March 31, 2022: ₹ 7,26.40 lakhs) to the defined benefit plans during the next financial year.

	March 31, 2023	March 31, 2022
<b>37 FINANCE COSTS</b>		
Interest Expense*	5,44.68	2,18.99
Interest Cost on defined benefit obligation (net)	20.06	55.06
Interest Expense on Lease Liabilities	2,15.34	1,37.97
	<u>7,80.08</u>	<u>4,12.02</u>
*Net off borrowing cost capitalised of ₹ 30.70 Lakhs (March 31, 2022: ₹ 0.07 Lakhs)		
<b>38 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of Property, Plant and Equipment	49,06.98	44,21.69
Depreciation of Right-of-use assets	7,77.62	6,95.54
Amortisation of Intangible Assets	3,29.96	2,29.48
	<u>60,14.56</u>	<u>53,46.71</u>
<b>39 OTHER EXPENSES</b>		
Consumption of Stores and Spares	50,37.68	38,84.99
Processing charges	38,39.82	31,75.18
Power and Fuel	115,80.92	85,15.44
Freight and packing expenses	115,40.95	112,20.74
Rent / Lease payment	8,01.37	10,51.87
Repairs and Maintenance		
Building	4,80.44	3,16.23
Machinery	7,74.34	6,23.46
Others	2,03.03	2,17.63
	<u>14,57.81</u>	<u>11,57.32</u>
Insurance	3,50.52	3,23.67
Rates and Taxes	(67.37)	4,57.16
Travelling and Conveyance	27,95.10	9,67.15
Commission	8,42.15	5,22.65
Royalties	41,78.15	34,95.17
Loss on assets discarded / sold (net)	3,48.79	-
External Service charges	70,93.52	64,44.75
Provision / (Recovery) of Doubtful Debts and advances(net)	(1,68.44)	2.52
Net loss on foreign currency transactions	7,31.74	-
Payments to auditor	45.80	46.57
Miscellaneous expenses	78,58.03	58,11.12
	<u>582,66.53</u>	<u>470,76.30</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>40 TAX EXPENSE</b>		
<b>(a) Income Tax Expense</b>		
Current tax		
Current tax on profits for the year	127,02.01	107,80.38
<b>Total current tax expense</b>	<b>127,02.01</b>	<b>107,80.38</b>
Deferred tax		
Decrease / (increase) in deferred tax assets	(2,31.11)	(5,45.50)
(Decrease) / increase in deferred tax liabilities	(33.55)	(1,53.96)
<b>Total deferred tax expense/(benefit)</b>	<b>(2,64.66)</b>	<b>(6,99.46)</b>
<b>Income-tax expense</b>	<b>124,37.35</b>	<b>100,80.92</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Profit before income tax expense	485,89.59	395,88.59
<b>Tax at the Indian tax rate of 25.17 % (2021-2022 – 25.17%)</b>	<b>122,30.00</b>	<b>99,64.45</b>
<u>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</u>		
Corporate social responsibility expenditure	1,55.37	1,28.49
Interest income from interest free bond exempt under section 10(34) of Income Tax Act, 1961	-	(1.25)
Other items	53.20	48.48
Deduction under section 80M of Income Tax Act, 1961 on Dividend income	(1,57.80)	(71.74)
Difference in overseas tax rates	1,56.58	12.49
<b>Income tax expense</b>	<b>124,37.35</b>	<b>100,80.92</b>
<b>41 EARNINGS PER SHARE</b>		
<b>(a) Basic earnings per share</b>		
Basic earnings per share attributable to the equity shares holders of the Company (₹)	32.69	26.70
<b>(b) Diluted earnings per share</b>		
Diluted earnings per share attributable to the equity shares holders of the Company (₹)	32.69	26.70
<b>(c) Reconciliation of earnings used in calculating earnings per share</b>		
Basic earnings per share (₹)	32.69	26.70
Profit attributable to equity holders of the company used in calculating basic earnings per share	361,90.43	295,64.54
Diluted earnings per share (₹)	32.69	26.70
Profit attributable to equity holders of the company used in calculating diluted earnings per share	361,90.43	295,64.54
<b>(d) Weighted average number of equity shares used as the denominator in calculating Basic earnings per share</b>	<b>11,07,20,000</b>	<b>11,07,20,000</b>
Adjustments for calculation of diluted earnings per share:		
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	-	-
	<b>11,07,20,000</b>	<b>11,07,20,000</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

### 42 FAIR VALUE MEASUREMENTS

(All amounts in ₹ lakhs, unless otherwise stated)

#### Financial instruments by category

	March 31, 2023			March 31, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments	-	198,32.17	-	-	190,09.17	-
- Mutual funds	435,22.82	-	-	330,25.39	-	-
Trade receivables	-	-	280,20.31	-	-	236,86.57
Cash and Bank Balances	-	-	174,34.96	-	-	303,49.64
Loan to employees	-	-	7,40.90	-	-	4,57.41
Security deposits	-	-	15,84.07	-	-	10,16.74
Foreign-Exchange Forward Contracts	-	-	-	4,89.33	-	-
Employee Advances	-	-	2,52.05	-	-	1,94.44
Other receivables (Unsecured)	-	-	5,68.33	-	-	8,33.72
<b>Total financial assets</b>	<b>435,22.82</b>	<b>198,32.17</b>	<b>486,00.62</b>	<b>335,14.72</b>	<b>190,09.17</b>	<b>565,38.52</b>
<b>Financial liabilities</b>						
Borrowings	-	-	17,54.14	-	-	2,15.34
Lease liabilities	-	-	33,82.31	-	-	12,94.00
Trade payables	-	-	298,75.94	-	-	327,70.04
Trade / Security Deposits	-	-	13,90.37	-	-	11,06.29
Unclaimed Dividend	-	-	1,82.29	-	-	1,53.60
Capital creditors	-	-	22,40.64	-	-	4,04.70
Foreign-Exchange Forward Contracts	4,41.39	-	-	-	-	-
Other financial liabilities	-	-	48,54.57	-	-	46,47.57
<b>Total financial liabilities</b>	<b>4,41.39</b>	<b>-</b>	<b>436,80.26</b>	<b>-</b>	<b>-</b>	<b>405,91.54</b>

#### (i) Fair value hierarchy

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

## Financial assets and liabilities measured at fair value - recurring fair value measurements

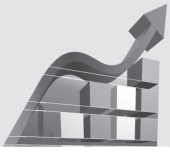
As at March 31, 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial Investments at FVOCI:</b>					
Unquoted Equity Investments	5B	-	-	198,32.17	198,32.17
<b>Financial Investments at FVTPL:</b>					
Mutual Funds	12	435,22.82	-	-	435,22.82
<b>Derivatives not designated as hedges:</b>					
Foreign-Exchange Forward Contracts	27	-	4,41.39	-	4,41.39
<b>Total Financial Assets</b>		<b>435,22.82</b>	<b>-</b>	<b>198,32.17</b>	<b>637,96.38</b>
<b>Total Financial Liabilities</b>		<b>-</b>	<b>4,41.39</b>	<b>-</b>	<b>-</b>

## Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Loans</b>					
Loans to employees	6, 16	-	-	6,55.35	6,55.35
<b>Other Financials Asset</b>					
Security deposits	7, 17	-	-	15,84.07	15,84.07
Bank Deposits	7	35,32.55	-	-	35,32.55
<b>Total Financial Assets</b>		<b>35,32.55</b>	<b>-</b>	<b>22,39.42</b>	<b>57,71.97</b>
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial Investments at FVOCI:</b>					
Unquoted Equity Investments	5B	-	-	190,09.17	190,09.17
<b>Financial Investments at FVTPL:</b>					
Mutual Funds	12	330,25.39	-	-	330,25.39
<b>Derivatives not designated as hedges:</b>					
Foreign-Exchange Forward Contracts	17	-	4,89.33	-	4,89.33
<b>Total Financial Assets</b>		<b>330,25.39</b>	<b>4,89.33</b>	<b>190,09.17</b>	<b>525,23.89</b>
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

Assets and Liabilities which are measured at amortised cost for which fair values are disclosed  
(All amounts in ₹ lakhs, unless otherwise stated)

As at March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Loans					
Loans to employees	6, 16	-	-	4,05.49	4,05.49
<b>Other Financials Asset</b>					
Security deposits	7, 17	-	-	10,16.74	10,16.74
Bank Deposits	7	25,50.25	-	-	25,50.25
<b>Total Financial Assets</b>		<b>25,50.25</b>	-	<b>14,22.23</b>	<b>39,72.48</b>
<b>Total Financial Liabilities</b>		-	-	-	-

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments or published NAV by fund house.
- the fair value of forward foreign exchange contracts is determined using forward exchange rate at the balance sheet date
- the fair value of employee stock option plans are determined using Black and Scholes valuation model
- the fair value of the certain financial instruments is determined using discounted cash flow analysis.
- the fair value of one equity instrument is based on Net Asset value Method

All of the resulting fair value estimates are included in level 1 or 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (iii) Fair value measurements using significant unobservable inputs (level 3)

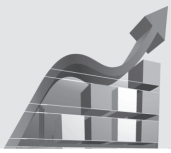
The following table represents the changes in level 3 items for the period ended March 31, 2023 & March 31, 2022.

#### Unquoted Equity Instruments

As on March 31, 2021	173,62.17
Acquisitions	-
Gain recognised in other comprehensive income	16,47.00
As on March 31, 2022	190,09.17
Acquisitions	-
Gain recognised in other comprehensive income	8,23.00
<b>As on March 31, 2023</b>	<b>198,32.17</b>

### (iv) Valuation inputs and relationships to fair value

Particulars	Fair value as at		Significant Unobservable Inputs	Probable - weighted range		Sensitivity
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022	
Unquoted equity shares : Saint-Gobain India Pvt. Ltd. (SGIPL)	198,30.00	176,92.00	Long term growth rate for cash flows for subsequent years	4% - 6% (5%)	4% - 6% (5%)	1% Increase in the long-term growth rate would result in increase in stake value to ₹ 211,10.00 lakhs (March 31,2022 ₹192,13.00 lakhs). 1% Decrease in the long-term growth rate would result in decrease in stake value to ₹ 187,50.00 lakhs (March 31, 2022 ₹ 164,58.00 lakhs).
			Weighted Average Cost of Capital (WACC)	15.3% - 17.3% (16.3%)	13.6% - 15.6% (14.6%)	1% Increase in the WACC would result in decrease in stake value to ₹ 18,330.00 lakhs (March 31, 2022 ₹ 16,027.00 lakhs). 1% Decrease in the WACC would result in Increase in stake value to ₹ 21,620.00 lakhs (March 31, 2022 ₹ 19,767.00 lakhs).
			Long term operating margin	18% - 20% (19.0%)	17.8% - 19.8% (18.8%)"	1% Increase in the long term operating margin would result in increase in stake value to ₹ 206,70.00 lakhs (March 31,2022 ₹ 186,50.00 Lakhs). 1% decrease in the long term operating margin would result in decrease in stake value to ₹ 189,90.00 lakhs (March 31,2022 ₹ 168,10.00 Lakhs).
			Marketability discount	10%-20% (15%)	10%-20% (15%)	5% Increase in marketability discount would result in decrease in stake value to ₹ 186,60.00 lakhs (March 31,2022 ₹ 166,50.00 Lakhs). 5% Decrease in marketability discount would result in increase in stake value to ₹ 209,90.00 lakhs (March 31,2022 ₹ 187,30.00 Lakhs).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Fair value as at		Significant Unobservable Inputs	Probable - weighted range		Sensitivity
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022	
Unquoted equity shares : Andhra Pradesh Gas Power Corporation Ltd.	-	13,15.00	Entity specific information - Net Asset value	NA	NA	NA

### (v) Valuation processes

The Group has outsourced the valuation process of unquoted equity instruments for financial reporting purposes.

The main level 3 inputs for unlisted equity securities used by the Group are derived and evaluated as follows:

For valuation of Saint-Gobain India Pvt. Ltd. discounted cash flow method is used and discount rates are determined using Weighted Average Cost of Capital (WACC) to calculate a post-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Growth rate is estimated based on overall economic growth expected, our understanding of the industry and expected long-term inflation.

For valuation of Andhra Pradesh Gas Power Corporation Ltd. net asset value method is used.

### (vi) Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2023		March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
<b>Loans</b>				
Loans to employees	7,40.90	6,55.35	4,57.41	4,05.49
Security deposits	15,84.07	15,84.07	10,16.74	1,016.74
Bank Deposit	35,32.55	35,32.55	25,50.25	25,50.25
<b>Total financial assets</b>	<b>58,57.52</b>	<b>57,71.97</b>	<b>40,24.40</b>	<b>39,72.48</b>

The carrying amounts of trade receivables, employee advances, cash and cash equivalents and other short term receivables, trade payables, unclaimed dividend, borrowings, capital creditors and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## 43 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Group's risk management is carried out by a central Treasury department under policies approved by the Board of Directors. The Treasury department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (A) Credit risk

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

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

#### (i) Credit risk management

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Company believes that there are no customers or group of customers that would be subjected to any significant credit risks in the collection of the trade receivable.

The Company has evaluated percentage of allowance for doubtful debts with the trade receivables over the years:

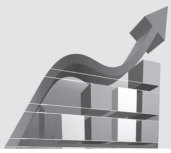
Particulars	March 31, 2023	March 31, 2022
Trade Receivables	285,29.95	243,64.65
Allowance for bad and doubtful debts	5,09.64	6,78.08
Percentage	1.79%	2.78%

#### (ii) Reconciliation of Allowance – Trade receivables

Allowance for bad and doubtful debts on March 31, 2021	6,75.56
Changes in allowance	2.52
Allowance for bad and doubtful debts on March 31, 2022	6,78.08
Changes in allowance	(1,68.44)
<b>Allowance for bad and doubtful debts on March 31, 2023</b>	<b>5,09.64</b>

### (B) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The group ensures sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, the Treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below), cash and cash equivalents and investments on the basis of expected cash flows.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (i) Financing arrangements

The Group had access to the following undrawn unsecured borrowing facilities at the end of the reporting period:

Particulars	March 31, 2023	March 31, 2022
<b>Floating rate</b>		
- Expiring beyond one year (bank loans and overdrafts)	37,04.00	51,62.98

Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.

### (ii) Maturities of financial liabilities

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

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

#### Contractual maturities of financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>March 31, 2023</b>				
<b>Non-derivatives</b>				
Borrowing	13,58.96	3,95.18	-	17,54.14
Lease liabilities	11,00.42	8,63.56	21,16.20	40,80.18
Trade payables	298,75.94	-	-	298,75.94
Other financial liabilities	91,09.26	-	-	91,09.26
<b>Total non-derivative liabilities</b>	<b>414,44.58</b>	<b>12,58.74</b>	<b>21,16.20</b>	<b>448,19.52</b>
<b>March 31, 2022</b>				
<b>Non-derivatives</b>				
Borrowing	2,15.34	-	-	2,15.34
Lease liabilities	6,03.66	3,68.75	5,72.14	15,44.55
Trade payables	327,70.02	-	-	327,70.02
Other financial liabilities	63,12.16	-	-	63,12.16
<b>Total non-derivative liabilities</b>	<b>399,01.18</b>	<b>3,68.75</b>	<b>5,72.14</b>	<b>408,42.07</b>

### (C) Market risk

#### (i) Foreign currency risk

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

The risk is measured through a forecast of foreign currency sales and purchases for the Group's operations. The Group uses foreign exchange forward contracts to manage its exposure in foreign currency risk. Entire foreign currency receivables and payables have been hedged.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

	Currency	March 31, 2023	March 31, 2022
Trade Receivables	USD	45,81.07	28,91.64
	EUR	32,06.45	41,72.36
	Others	47.20	2,70.66

	Currency	March 31, 2023	March 31, 2022
Trade Payable	USD	25,02.52	18,91.57
	EUR	38,94.57	16,72.89
	CNY	11,83.75	6,82.71
	Others	4,49.92	84.15

The details of forward contracts outstanding at the year ended expressed in ₹, are as follows;

	Currency	March 31, 2023	March 31, 2022
Forward Contracts (Sell)	USD	60,79.92	109,66.94
	EUR	109,62.63	134,49.29
	Others	21.39	2,27.00

	Currency	March 31, 2023	March 31, 2022
Forward Contracts (Buy)	USD	36,75.46	45,36.84
	EUR	23,50.43	61,30.42
	CNY	15,14.71	24,23.18
	Others	2,80.43	6,07.95

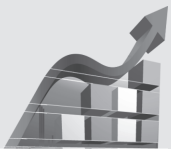
#### 44 CAPITAL MANAGEMENT

##### (a) Risk management

The Group's objectives when managing capital are to

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

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

The Company monitors capital using a gearing ratio and is measured by net debt divided by total equity.

	March 31, 2023	March 31, 2022
Total Debt (excluding lease liabilities)	17,54.14	2,15.34
Total equity	1,816,88.39	1,580,02.24
<b>Adjusted net debts to total equity</b>	<b>0.97%</b>	0.14%

### (b) Dividends

	March 31, 2023	March 31, 2022
<b>(i) Dividend paid during the year</b>		
Final dividend paid during the year ₹ 12/- per fully paid up share (March 31, 2021 - ₹ 9.50/- per fully paid up share)	<b>132,86.40</b>	105,18.40

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

In addition to the above dividends, since year end the directors have recommended the payment of a dividend of ₹ 14.50/- per fully paid equity share (March 31, 2022 - ₹ 12/-). This proposed dividend is subject to the approval of shareholders at the ensuing annual general meeting.

### 45 CONTINGENT LIABILITIES

	March 31, 2023	March 31, 2022
(a) Excise, Service Tax & Custom Duty demands pending with the appropriate authorities and disputed by the Parent Company	<b>6,44.45</b>	5,27.74
(b) Sales Tax demands pending with the authorities and disputed by the Parent Company	<b>36.44</b>	38.33
(c) Claims against the Parent Company under the Labour Laws disputed by the Parent Company	<b>1,22.31</b>	3,55.75
(d) Guarantees given by Banks, as counter guaranteed by the Company	<b>9,18.06</b>	5,38.63
(e) Non-Agricultural Land Cess	<b>37.79</b>	37.79
(f) Other Claims against the Parent Company not acknowledged as debts	<b>1,21.81</b>	1,21.81
(g) Demand raised by Southern Power Distribution Company of Andhra Pradesh Ltd (SPDCL) disputed by the company and subjudice in High court/Supreme court *	<b>13,40.77</b>	46,50.53
(h) Income tax liability on account of disputed disallowances	<b>79.71</b>	88.32
(i) Good and Service Tax liability for Credit of duty paid on goods and services received prior to	<b>16.18</b>	8.09

\*The invoice of SPDCL towards power charges reflect a demand of ₹ 91,65.00 lakhs as at March 31, 2023 towards disputed matters which is not acknowledged as debt by the Company. The Company after considering the legal opinion, has determined the amount relating to ongoing disputes and disclosed the same in (g) above.

### 45 A COMMITMENTS

#### Capital Commitments

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

Property, Plant and Equipment

	March 31, 2023	March 31, 2022
	<b>62,62.12</b>	13,62.10

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 45 B Disclosures as required under Ind AS 116;

(a) Amounts recognised in balance sheet	March 31, 2023	March 31, 2022
<b>Right-of-use asset (Refer Note 3A)</b>	<b>50,86.69</b>	12,62.36
Opening Lease Liabilities	12,94.00	12,14.84
Addition during year	27,21.87	7,52.56
Interest cost accrued during the year	2,15.34	1,37.97
Payment of lease liabilities	(8,48.90)	(8,11.37)
<b>Closing Lease Liabilities</b>	<b>33,82.31</b>	12,94.00
Current Lease Liabilities	8,32.14	4,93.85
Non-current Lease Liabilities	25,50.17	8,00.15
<b>Total Lease Liabilities</b>	<b>33,82.31</b>	12,94.00
(b) Amount recognized in the Statement of Profit and Loss	March 31, 2023	March 31, 2022
Depreciation for the year	7,77.62	6,95.54
Interest cost accrued during the year	2,15.34	1,37.97
Expenses related to short term leases/low value assets	8,01.37	10,51.87
<b>Total</b>	<b>17,94.33</b>	18,85.38
(c) Total Cash outflows from leases during the year	16,50.27	18,63.24

### 46 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The CODM, being the Managing Director assesses the financial performance and position of the Company and makes strategic decisions.

#### (a) Description of segments and principal activities

The Group is organised into the following business segments, namely :

- (a) Abrasives
- (b) Ceramics & Plastics
- (c) Digital Services
- (d) Others

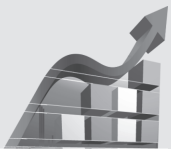
Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

#### (b) Segments results

- (a) Abrasives
- (b) Ceramics & Plastics
- (c) Digital Services
- (d) Others

Reconciliation of Segments results to Profit before Income Tax is as follows:

	March 31, 2023	March 31, 2022
<b>Total segment result</b>	<b>460,95.00</b>	375,45.24
Finance costs	(7,80.08)	(4,12.02)
Interest income from investments	9,57.02	7,99.83
Unallocated other Income	23,17.65	16,55.53
<b>Profit before income tax</b>	<b>485,89.59</b>	395,88.58



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (c) Segment revenue

Sales between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the statement of profit or loss.

	March 31, 2023			March 31, 2022		
	Total segment revenue	Inter-segment revenue	Revenue from external customers	Total segment revenue	Inter-segment revenue	Revenue from external customers
(a) Abrasives	1,275,05.67	-	1,275,05.67	1,135,61.45	-	1,135,61.45
(b) Ceramics & Plastics	1,058,38.49	23,26.98	1,035,11.51	718,65.94	17,42.04	701,23.90
(c) Digital Services	165,85.57	-	1,65,85.57	136,16.58	-	136,16.58
(d) Others	65,31.49	-	65,31.49	39,73.95	-	39,73.95
<b>Total segment revenue</b>	<b>2,564,61.22</b>	<b>23,26.98</b>	<b>2,541,34.24</b>	<b>2,030,17.92</b>	<b>17,42.04</b>	<b>2,012,75.88</b>

There is no single customer or a group with more than 10% share in revenue.

### (d) Segment assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

	March 31, 2023	March 31, 2022
(a) Abrasives	701,53.69	713,21.66
(b) Ceramics & Plastics	694,31.15	457,07.84
(c) Digital Services	79,21.50	42,40.23
(d) Others	35,23.00	19,66.09
<b>Total segment assets</b>	<b>1,510,29.34</b>	<b>1,232,35.82</b>
<u>Unallocated:</u>		
Investments and bank balances	816,41.29	834,21.81
Others	85,07.96	52,74.58
<b>Total assets as per the balance sheet</b>	<b>2,411,78.59</b>	<b>2,119,32.21</b>

Investments held by the Group are not considered to be segment assets, but are managed by the treasury function.

### (e) Segment liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

	March 31, 2023	March 31, 2022
(a) Abrasives	197,24.06	238,56.51
(b) Ceramics & Plastics	257,47.50	186,85.36
(c) Digital Services	64,96.24	21,30.81
(d) Others	22,30.00	13,59.00
<b>Total segment liabilities</b>	<b>541,97.80</b>	<b>460,31.68</b>
<u>Unallocated:</u>		
Deferred tax liabilities	15,74.25	15,50.47
Current tax liabilities	25,10.50	21,98.37
Others	12,07.65	41,49.45
<b>Total liabilities as per the balance sheet</b>	<b>594,90.20</b>	<b>539,29.97</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (f) Information about Geographical Segments

(i) The Distribution of the Group 's sales by geographical market is as under:

#### Net Sales & Service Income

India

Outside India

March 31, 2023

2,088,14.28

453,19.95

2,541,34.24

March 31, 2022

1,674,36.76

338,39.12

2,012,75.88

(ii) Total of non-current asset other than financial instruments, investment and deferred tax assets, broken down by location of the asset, is shown below:

#### Non-Current Asset

India

Outside India

March 31, 2023

733,64.28

22,06.87

755,71.15

March 31, 2022

470,04.28

19,26.74

489,31.02

## 47 SHARE BASED PAYMENTS

### (a) Performance Share Plan

Certain employees of the Parent Company in India are allotted Performance shares of the Ultimate Holding Company. These plans are subject to eligibility criteria based on the employee's period of service (service conditions) with the Group as well as performance criteria (performance conditions). The Ultimate Holding Company does not charge any cost for this benefit, the cost of this benefit has been arrived at using Black and Scholes method.

#### Summary of Share options granted under plan :

Opening balance

Granted during the year

Exercised during the year

Forfeited during the year

Closing balance

March 31, 2023

Number of options

29,605

6,425

(8,664)

(1,016)

26,350

March 31, 2022

Number of options

34,370

5,575

(8,027)

(2,313)

29,605

### (b) Expense arising from share based payment transaction

Performance Share Plan

March 31, 2023

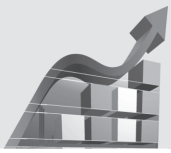
1,38.73

1,38.73

March 31, 2022

1,56.70

1,56.70



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 48 RELATED PARTY TRANSACTIONS (AS PER IND AS 24 RELATED PARTY DISCLOSURES)

#### Relationships:

##### (i) HOLDING COMPANY :

Compagnie De Saint-Gobain, France

##### (ii) FELLOW SUBSIDIARIES

Certaineed Corporation, USA  
Saint-Gobain Services Construction Products Gmbh, Germany  
L.M.Van Moppes Diamond Tools India Pvt. Ltd., India  
Saint-Gobain Abrasives Brownsville  
Pt. Saint-Gobain Abrasives Diamas, Indonesia  
Saint-Gobain Performance Plastics Corporation, USA  
Saint-Gobain Ceramics & Plastics, Inc, USA  
Saint-Gobain Abrasives (Suzhou) Co., Ltd, China

Saint-Gobain Abrasives BV, Netherlands  
Saint-Gobain Abrasives Gmbh, Germany  
Saint-Gobain Achats, France  
Saint-Gobain Adfors, France  
Saint-Gobain Building Distribution-UK (till 12<sup>th</sup> December, 2022)  
SG Ceramic Materials AS, Norway  
Saint-Gobain Corporation, France  
Saint-Gobain Dsi Groupe, France  
Saint-Gobain Glass, France  
Saint-Gobain India Private Limited, India  
Saint-Gobain Innovative Materials Belgium, Belgium  
Saint-Gobain Solar Gard, LLC, USA  
Saint-Gobain Norpro, USA  
Saint-Gobain International Digital-It Services, France  
Saint-Gobain Glass Deutschland Gmbh, Germany  
Saint-Gobain (sea) Pte. Ltd., Philippines

Saint-Gobain Abrasifs, UAE  
Saint-Gobain Abrasifs S.A. (Maroc), Morocco  
Saint-Gobain Abrasifs, France  
Saint-Gobain Abrasives Limited, New Zealand

Saint-Gobain Abrasives (Pty.) Ltd., South Africa  
Saint-Gobain Abrasives (Thailand) Ltd., Thailand  
Saint-Gobain Abrasives Ltd, UK  
Saint-Gobain Abrasives Limited, England  
ST-Gobain Abrasives Pty. Ltd., Australia  
Saint-Gobain Abrasives S.A., Luxembourg  
Saint-Gobain Abrasives (Shanghai) Co Ltd, China

Saint Gobain America, S.A. De C.V., Mexico  
Saint-Gobain Building Distribution Deutschland Gmbh, Germany  
Saint-Gobain Ceramic Materials (Zhengzhou) Co. Ltd, China  
Saint-Gobain Colombia SAS, Colombia  
Saint-Gobain Diamantwerkzeuge Gmbh, Germany  
Saint-Gobain Distribution Bâtiment France S.A.S., France  
Saint-Gobain Distribution Denmark, Denmark  
Saint-Gobain Do Brasil Produtos Industriais E Para Construção Ltda, Brazil  
Saint-Gobain Glass Egypte S.A.E., Egypt  
Saint-Gobain HPM Polska sp.z o.o, Poland  
Saint-Gobain Industrial Ceramics Pty Ltd, Australia  
SG Industrial Ceramics Ltd, UK  
Saint-Gobain Industriekeramik Rodental Gmbh, Germany

Saint-Gobain K.K., Japan  
Saint-Gobain Materiales Ceramicos, Venezuela  
Saint-Gobain Materiaux Ceramiques, France  
Saint-Gobain Nordic A/S, Denmark  
Saint-Gobain Pipes, France  
Saint-Gobain Performance Plastics (Shanghai) Co Ltd, China  
Saint-Gobain Sekurit India Ltd, India  
Saint-Gobain Sekurit (Thailand) Co Lt, Thailand  
H.K.O. Isolier-Und Textiltechnik Gmbh, Germany  
Saint-Gobain Proppants (Guanghan) Co., Ltd  
Saint-Gobain Inovatif Malzemeler Ve Asindirici Sanayi Ticaret Anonim Sirketi, Turkey  
Saint-Gobain Technical Fabrics, S.A. De, Mexico  
Saint-Gobain Vietnam Ltd., Vietnam  
Savoie Refractaires, France  
Societe Europeenne Des Produits Refractaires - S.E.P.R., France  
Saint-Gobain Consulting Information and Organisation, France  
Saint-Gobain Distribuição Brasil Ltda, Brazil  
Saint-Gobain Info Sys Gmbh, Germany  
Saint-Gobain Isover, France  
Saint-Gobain Materiaux Ceramiques, Belgium  
Saint-Gobain Performance Plastics Corby, UK  
Saint-Gobain Performance Plastics Korea Co Ltd, Korea

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Saint-Gobain Abrasives, Inc., USA	Saint-Gobain Performance Plastics Pampus Gmbh, Germany
Saint-Gobain Abrasivi SPA, Italy	Saint-Gobain Performance Plastics Ireland, Ireland
Saint-Gobain Abrasivos LDA. - (Portugal), Portugal	Saint-Gobain Performance Plastics Rencol Limited, UK
Saint-Gobain Abrasivos S.A.(ESPAÑA), Spain	Saint-Gobain Technology Services, France
Saint-Gobain Advanced Ceramics(Shanghai) Co Ltd, China	Thai Gypsum Products PCI, Thailand
Saint-Gobain Gyproc Emirates Industries LLC, UAE	Saint-Gobain Centre De Recherche Et D'Etudes Europeen, France
Saint-Gobain Adfors Cz S.R.O., Czech Republic	Saint-Gobain Abrasivos Limitada, Chile
Saint-Gobain Solar Gard Australia Pty. Ltd.	Saint-Gobain Distribution The Netherlands BV, Netherlands
Saint-Gobain Advanced Materials (Taiwan) Co Ltd	Saint-Gobain Adfors America, Inc, USA
Saint-Gobain Rigips Alci Sanayi Ve Ticaret Anonim Sirketi, Turkey	Saint-Gobain Adfors Austria Gmbh, Austria
Sanitas Troesch Ag, Switzerland	Toyoda Van Moppes Ltd
Saint-Gobain Performance Plastics Mg Silikon Gmbh, Germany	Saint-Gobain Performance Plastics L+S Gmbh, Germany
Compania Industrial El Volcan S.A	Hangzhou Join Leader New Materials Co, Ltd
Xuancheng Huiken Import and Export Co. Ltd	Brodrene Dahl As Norway
Joinleader (HK) New Materials Co.Limited	Saint-Gobain Performance Plastics España S.A.
Saint-Gobain Construction Products South Africa (Pty) Ltd	Industrias Del Cuarzo S.A.
Saint-Gobain Glass Qingdao Co., Ltd.	Saint-Gobain Ceramics INC
Saint-Gobain Gyproc Middle East FZE	Saint Gobain PCR
Saint-Gobain Hycomp LLC	Saint Gobain Abrasives, Dubai
Saint-Gobain Performance Plastics Tygaflor Ltd	Saint Gobain Abrasives, Reynosa
Saint-Gobain Placo	Saint-Gobain Semiconductor Components
Saint-Gobain Performance Plastics France	Saint-Gobain Adfors España S.A
Saint-Gobain Niagra Falls, USA	Saint-Gobain Malaysia SDN BHD
Saint-Gobain Construction Products Rus LLC	Saint-Gobain Industries India Pvt Ltd.
Saint-Gobain Glass UK Limited	Saint-Gobain Advanced Ceramics,LLC
Saint-Gobain Distribucion Construccion S.L.	
Saint-Gobain Life Sciences - Beaver	
Saint-Gobain Glass (United Kingdom)	
SG Abrasivi DC Vercelli	
Saint-Gobain Performance Plastics Portag	
Saint-Gobain Abrasifs(Deplanque)	

### (iii) OTHER RELATED PARTIES:

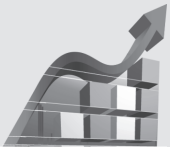
Grindwell Norton Ltd Employees Group Gratuity Life Assurance Scheme  
 Grindwell Norton Ltd Employees Superannuation Scheme  
 Saint Gobain India Foundation

### (iv) JOINT VENTURE:

SG Shinagawa Refractories India Private Limited

### (v) ASSOCIATE:

Cleanwin Energy Three LLP



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (vi) KEY MANAGEMENT PERSONNEL

Mr. Keki Elavia, Independent Director  
 Dr. Archana Hingorani, Independent Director  
 Mr. Anand Mahajan, Non-Executive Director (upto July 29, 2022)  
 Mr. Subodh Nadkarni, Independent Director  
 Mr. B. Santhanam, Managing Director  
 Mr. Sreedhar Natarajan, Non-Executive Director  
 Mr. Laurent Tellier, Non-Executive Director (upto February 13, 2023)  
 Mr. David Eric Molho, Non-Executive Director  
 Mr. Aakil Mahajan, Non-Executive Director (w.e.f July 30, 2022)

### (vii) (a) Parent entities

The Group is controlled by following entity:

Name of entity	Type	Place of business	Ownership interest held by the Group	
			March 31, 2023	March 31, 2022
Compagnie de Saint-Gobain	Ultimate Holding Co*	Tour Saint-Gobain - 12 place de l'Iris, 92096 La Défense Cedex, France	51.60%	51.60%
* The Ultimate Holding Company ("Saint-Gobain") holds shares in the Company through the following subsidiaries				
Saint-Gobain Abrasives Inc	Fellow Subsidiary	1 New Bond Street, P.O Box 15008 Worcester MA 01615 USA	26.77%	26.77%
Societe de Participations Financieres et Industrielles	Fellow Subsidiary	Tour Saint-Gobain - 12 place de l'Iris, 92096 La Défense Cedex, France	24.56%	24.56%
Saint-Gobain India Pvt Ltd	Fellow Subsidiary	Sigapi Aachi Building, Floor No 7, 18/3 Rukmani Lakshmi pathi Road, Egmore Chennai TN India 600008	0.27%	0.27%

### (b) Joint Venture

Name of entity	Type	Place of business	Ownership interest held by the Group	
			March 31, 2023	March 31, 2022
SG Shinagawa Refractories India Private Limited	Joint Venture	No-1609, 16th Floor, Shapath-V,, Opp Karnawati Club, Sarkhej Gandhinagar,	49.00%	49.00%

### (c) Associate

Name of entity	Type	Place of business	Ownership interest held by the Group	
			March 31, 2023	March 31, 2022
Cleanwin Energy Three LLP	Associate	1, Floor-G, plot no 68, shirin manzil, Nathalal parikh marg, colaba, Mumbai -400005	27.27%	27.27%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (d) Key Management Personnel Compensation

	March 31, 2023	March 31, 2022
Short-term employee benefits <sup>^</sup>	5,70.70	5,11.90
Post-employment benefits*	10.89	22.76
Sitting Fees	20.20	19.30
Commission	1,00.00	1,00.00

\*Includes estimated amount of gratuity considering amount funded with LIC and does not include provision for leave encashment as separate actuarial valuation is not available.

<sup>^</sup>it includes the remuneration of Mr. B. Sathanam, Managing Director, effective from April 1,2020 and Mr. Krishna Prasad, Alternate Director Effective from May 20, 2020. Upto January 01, 2022, whole time director w.e.f February 03, 2022.

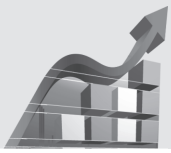
### (e) Transactions with related parties

The following transactions were carried out with the related parties in the ordinary course of business alongwith year-end balances as follows :

Sr. No.	Particulars	Holding Company		Fellow Subsidiaries		Other Related Parties		Joint Venture		Associate	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Sales	-	-	172,99.54	170,79.65	-	-	21,93.29	5,72.39	-	-
2	Agency Commission received	-	-	1,79.09	2,45.53	-	-	1,06.56	26.84	-	-
3	Service Income	1,95.91	1,90.67	169,83.94	134,51.05	-	-	-	5.00	-	-
4	Other Income	-	-	9,26.30	8,12.51	-	-	-	-	-	-
5	Dividend Income	-	-	6,27.02	2,85.01	-	-	-	-	-	-
6	Expenses incurred on behalf of group companies	-	2.69	28,01.07	33,98.92	-	-	56.35	29.05	-	-
7	Expenses charged by other companies	44.96	8.69	40,22.21	32,04.93	-	-	-	-	-	-
8	Purchase of Goods	-	-	250,52.21	245,90.00	-	-	-	-	34.69	-
9	Royalty Paid	-	-	41,78.15	34,95.17	-	-	-	-	-	-
10	Dividend Paid	-	-	68,55.36	54,27.16	-	-	-	-	-	-
11	Donation Paid	-	-	5,77.32	4,47.53	-	-	-	-	-	-
12	Contribution to Post employment benefit plans	-	-	-	-	3,48.96	15,73.30	-	-	-	-
13	Trade Receivables*	35.85	16.14	59,88.85	68,39.49	-	-	5,68.99	1,16.62	-	-
14	Other Receivables*	-	-	2,01.11	5,25.15	-	-	-	-	-	-
15	Advances to Suppliers*	-	-	28.54	1,13.66	-	-	-	-	-	-
16	Trade Payables*	7.00	-	70,28.74	104,39.35	-	-	-	-	26.69	-
17	Advance from Customers*	-	-	7,79.86	6,04.47	-	-	-	-	-	-

\* Closing Balance

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(f) Rent paid to key management personnel ₹ 3.00 lakhs (March 31, 2022 - ₹ 2.76 lakhs).

**(g) Terms and conditions**

- (i) Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.
- (ii) The terms and conditions of the loans to Key Managerial Personnel were as per the policy of the Parent Company.
- (iii) All other transactions were made on normal commercial terms and conditions and at market rates. The average interest rate on the other loans during the year was 10% (March 31, 2022 – 10%).
- (iv) All outstanding balances are unsecured and are repayable in cash.

**(h) Related parties with whom significant transactions were undertaken and included in figures reported in Note No. 48 (viii) (e) is as under**

Sr. No.	Nature of Transactions	Name of the Company	March 31, 2023	March 31, 2022
1	<b>Sale of Goods</b>	Saint-Gobain Gyproc Middle East Fze	<b>46,35.21</b>	14,52.07
		Saint-Gobain Performance Plastics France	<b>35,84.24</b>	10,80.20
		Saint-Gobain Performance Plastics Corporation	<b>4,37.53</b>	47,17.08
		Saint-Gobain Performance Plastics (Shanghai) Co. Ltd.	<b>98.67</b>	20,35.89
2	<b>Service Income</b>	Saint-Gobain International Digital-It Services	<b>92,38.79</b>	61,80.84
		Saint Gobain Dsi Groupe, France	<b>23,58.70</b>	30,35.44
3	<b>Purchase of Goods</b>	Saint-Gobain Performance Plastics Corporation	<b>41,04.37</b>	28,11.78
		Saint-Gobain Ceramic Materials Bhutan Private Limited	<b>32,07.25</b>	26,21.66
		Saint-Gobain Performance Plastics France	<b>14,83.66</b>	35,54.76
		Saint-Gobain Do Brasil Produtos Industriais E Para Construção Ltda, Brazil	<b>11,22.32</b>	31,71.12
4	<b>Royalty Paid</b>	Saint-Gobain Abrasives Inc., USA	<b>28,52.83</b>	24,60.04
5	<b>Expenses incurred on behalf of group companies</b>	Saint-Gobain India Private Limited, India	<b>25,33.28</b>	32,69.17
6	<b>Dividend Paid</b>	Saint-Gobain Abrasives Inc., USA	<b>35,56.26</b>	28,15.37
		Societe de Participations Financieres et Industrielles	<b>32,63.10</b>	25,83.29

### 49 Interest in other entities

**(a) Subsidiaries**

The details of Company's Subsidiaries as at March 31, 2023 is set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also the principal place of business.

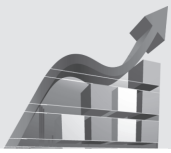
## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Name of the Entity	Place of Business / Country of Incorporation	Ownership interest held by the Company		Ownership interest held by the Non-Controlling Interests		Principal Activities
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
Saint-Gobain Ceramic Materials Bhutan Pvt Ltd.	Bhutan	70%	70%	30%	30%	Manufacturing of Silicon Carbide
PRS Permacel Private Limited	India	100%	-	-	-	Manufacturing of Self Adhesive Tapes and Lable

- (b) Summarised financial information in respect of each of the Group's subsidiaries is set out below. The information below represents amounts before intragroup eliminations.

	Saint-Gobain Ceramic Materials Bhutan Pvt. Ltd.		PRS Permacel Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Summarised Balance Sheet</b>				
Current Assets	30,13.86	31,16.37	66,17.72	-
Current Liabilities	18,03.47	14,99.05	41,71.86	-
Net Current Assets	12,10.39	16,17.32	24,26.76	-
Non-current assets	26,23.59	23,72.49	92,12.81	-
Non-current liabilities	1,13.34	1,35.56	26,35.60	-
Net Non-current Assets	25,10.25	22,36.94	65,77.21	-
Net Assets	37,20.64	38,54.26	90,03.97	-
Accumulated NCI	11,07.51	11,56.54	-	-
<b>Summarised Statement of Profit and Loss</b>				
Revenue from operation	49,64.81	33,53.18	158,81.30	-
Other income	6.19	6.03	5,49.57	-
Profit/(Loss) for the year	(1,27.23)	(1,89.59)	15,21.92	-
Total comprehensive loss for the year	(1,27.23)	(1,89.59)	15,21.92	-
Profit/(Loss) allocated to NCI	(38.17)	(56.88)	-	-
<b>Summarised cash flows</b>				
Cash flows from operating activities	(1,48.36)	1,02.21	7,74.75	-
Cash flows from investing activities	(6,79.54)	1,62.23	(2,59.09)	-
Cash flows from financing activities	(46.15)	(35.30)	(3,82.91)	-
Net increase / (decrease) in cash and cash equivalents	(8,74.05)	2,29.14	1,32.75	-



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (c) Joint Venture

The details of Company's Joint Venture as at March 31, 2023 is set out below.

Name of entity	Place of Business / Country of Incorporation	Ownership interest held by the Company	Accounting Method	Principal Activities	Carrying Amount	
					March 31, 2023	March 31, 2022
SG Shinagawa Refractories India Private Limited	India	49%	Equity Method	Deals in all kinds of refractory and resistance products	8,36.35	10,22.60

Set out below is summarised Company's share in the Joint Venture (not considered significant)

	March 31, 2023	March 31, 2022
(a) profit or loss from continuing operations	(1,86.25)	(98.49)
(b) post-tax profit or loss from discontinued operations	-	-
(c) other comprehensive income	-	-
(d) total comprehensive income	(1,86.25)	(98.49)

### (d) Associate

The details of Company's Associate as at March 31, 2023 is set out below.

Name of entity	Place of Business / Country of Incorporation	Ownership interest held by the Company	Accounting Method	Principal Activities	Carrying Amount	
					March 31, 2023	March 31, 2022
Cleanwin Energy Three LLP	India	27.27%	Equity Method	Deals in all kinds of refractory and resistance products	15.00	15.00

Set out below is summarised Company's share in the Associate (not considered significant).

	March 31, 2023	March 31, 2022
(a) profit or loss from continuing operations	-	-
(b) post-tax profit or loss from discontinued operations	-	-
(c) other comprehensive income	-	-
(d) total comprehensive income	-	-

### 50 Business Combination - PRS Permacel Private Limited

During the current year, the Company has acquired 100% equity shares of PRS Permacel Private Limited (PRS). Consequently, PRS has become a wholly owned subsidiary of the Company effective May 27, 2022. Further, the Board of Directors of the Company at their meeting held on July 29, 2022, approved the Scheme of Amalgamation of PRS with the Company, the appointed date being May 27, 2022. The said Scheme has been filed with the National Company Law Tribunal on August 24, 2022, and is awaiting necessary approvals, as required.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

(i) **Purchase consideration:**

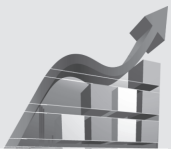
Particulars	Amounts
Consideration paid	121,11.89
<b>Total consideration</b>	<b>121,11.89</b>

(ii) **Net identifiable assets acquired:**

Assets taken over	Amount of fair value recognised on acquisition
<b>Non-current assets</b>	
Property, plant and equipment	31,23.35
Right-of-use asset	18,08.00
Capital work-in-progress	12.92
Other intangible assets	40,16.00
Financial assets	2,16.52
Other non-current assets	74.46
<b>Current assets</b>	
Inventories	21,84.81
Financial assets	27,54.39
Cash and cash equivalents	1.27
Other financial assets	2,27.84
<b>Non-current liabilities</b>	
Borrowings	(15,84.88)
Deferred tax liabilities (Net)	(1,81.19)
<b>Current liabilities</b>	
Borrowings	(11,28.24)
Trade payables	(29,60.87)
Current tax liabilities (Net)	(73.59)
Other current liabilities	(10,08.76)
<b>Net identifiable assets acquired</b>	<b>74,82.03</b>

iii. **Calculation of goodwill:**

Particulars	Amounts
Consideration paid	121,11.89
Less: Net identifiable assets acquired	(74,82.03)
<b>Goodwill</b>	<b>46,29.86</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 51 Additional Information required by Schedule III

Particulars	March 31, 2023								March 31, 2022							
	Net Assets i.e. total assets minus total liabilities		Share in Profit		Share in other Comprehensive Income		Share in Total Comprehensive Income		Net Assets i.e. total assets minus total liabilities		Share in Profit		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	% of Consolidated Net assets	Amount	% of Share in Profit	Amount	% of Other Comprehensive Income	Amount	% of Total Comprehensive Income	Amount	% of Consolidated Net assets	Amount	% of Share in Profit	Amount	% of Other Comprehensive Income	Amount	% of Total Comprehensive Income	Amount
<b>I. Parent</b>																
Grindwell Norton Ltd	98.47%	1,789,13.67	97.00%	350,69.21	100.94%	6,87.96	97.08%	357,57.17	98.93%	1,563,04.17	100.99%	297,99.95	100.00%	11,60.38	100.95%	309,60.33
<b>II. Subsidiaries</b>																
Saint-Gobain Ceramic Materials Bhutan Pvt. Ltd.	1.44%	26,13.13	-0.25%	(89.06)	-0.94%	(6.38)	-0.26%	(95.44)	1.71%	26,97.72	-0.37%	(1,32.71)	-	-	-0.45%	(1,32.71)
Non Controlling Interest	0.61%	11,07.51	-0.11%	(38.17)	-	-	-0.10%	(38.17)	0.73%	11,56.54	-0.19%	(56.88)	-	-	-0.19%	(56.88)
PRS Permacel Private Limited	4.96%	90,03.95	4.21%	15,21.92	-	-	4.13%	15,21.92								
<b>III. Joint ventures (Investment as per equity method)</b>																
SG Shinagawa Refractories India Private Limited	0.46%	8,36.35	-0.53%	(1,86.25)	-	-	-0.51%	(1,86.25)	0.65%	10,22.60	-0.34%	(98.49)	-	-	-0.32%	(98.49)
Inter-company Elimination & Consolidation Adjustments	-5.94%	(107,86.22)	-0.33%	(1,25.41)	-	-	-0.34%	(1,25.41)	-2.02%	(31,78.79)	-0.01%	(4.21)	-	-	-0.01%	(4.21)
<b>IV. Associates</b>																
Cleanwin Energy Three LLP *	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>1,816,88.39</b>	<b>100.00%</b>	<b>361,52.24</b>	<b>100.00%</b>	<b>6,81.58</b>	<b>100.00%</b>	<b>368,33.82</b>	<b>100.00%</b>	<b>1,580,02.24</b>	<b>100.00%</b>	<b>295,07.66</b>	<b>100.00%</b>	<b>11,60.38</b>	<b>100.00%</b>	<b>306,68.04</b>

\*The Group is not entitled in share of profit/(loss).

**52** The Subsidiary of the Company- Saint-Gobain Ceramic Materials Bhutan Pvt. Ltd., has undistributed earnings of ₹ 8,21.22 lakhs ( March 31, 2022 - ₹ 9,54.84 lakhs), which if paid out as dividend would be taxable in the hands of the recipient. An assessable temporary difference exists but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from the subsidiary. The subsidiary is not expected to distribute these profits in the foreseeable future.

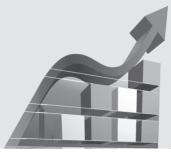
## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

*(All amounts in ₹ lakhs, unless otherwise stated)*

- 53** Figures for the previous year have been re-grouped / reclassified wherever necessary, to confirm to current year's classification. The details for regrouping are as follows:

Sr. No.	Regrouped to	Regrouped from	Amount	Reasons
1	Income tax asset (Net)	Current Tax Liabilities (Net)	7,89.34	Regrouping of provision for taxation (net of advance tax), as required by Ind AS 12
2	Other non-current assets -Balance with Government Authorities	Current liabilities-Provision	(49.26)	For appropriate disclosures
3	Other current assets -Advance to suppliers	Current liabilities-Provision	(1,55.84)	For appropriate disclosures

- 54** (a) There are no subsequent events that would require adjustments or disclosure in the financial statements as on the balance sheet date.
- (b) The other matters as required under paragraph "L - Additional Regulatory Information" under Part I of Division II of Schedule III of the Companies Act, 2013 and Paragraph 7(l) and 7 (n) of Part II of Division II of Schedule III to Companies Act 2013, as relevant to Consolidated financial statements are either not applicable or there are no reportable matters.
- (c) Previous year's figures have been audited by firm of Chartered Accountants other than Kalyaniwalla & Mistry LLP, Chartered Accountants.



## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>485,89.59</b>	395,88.58
<b>Adjustments for;</b>		
Depreciation and amortisation expense	60,14.56	53,46.71
Loss/(Profit) on assets discarded/sold (net)	3,48.79	(3,12.86)
Gain on redemption of mutual funds	(19,21.98)	(16,10.09)
Unrealised (gain)/loss on foreign exchange	(58.35)	47.63
Dividend income	(6,27.42)	(2,85.28)
Interest Income	(9,19.97)	(7,52.36)
Finance Costs	7,80.08	4,12.02
Share based Payments	1,38.73	1,56.70
Changes in fair value on financial instruments	(1,51.91)	2,46.32
Share of (Profit)/Loss of Joint Ventures	1,86.25	98.49
<b>Operating cash flows before working capital changes</b>	<b>523,78.37</b>	429,35.86
<b>Adjustments for;</b>		
(Increase)/Decrease in trade receivables	(43,58.14)	(35,68.98)
(Increase)/Decrease in inventories	(16,33.23)	(125,07.08)
(Increase)/Decrease in loans	(2,83.49)	(3,47.44)
(Increase)/Decrease in other financial asset	1,01.81	(87.56)
(Increase)/Decrease in other non-current asset	48.11	23.44
(Increase)/Decrease in other current asset	19,12.40	(13,83.17)
Increase/(Decrease) in trade payables	(28,11.34)	16,10.41
Increase/(Decrease) in provisions	5,08.61	2,10.49
Increase/(Decrease) in other non-current liabilities	(14.03)	(13.54)
Increase/(Decrease) in other current liabilities	10,74.43	11,63.52
Increase/(Decrease) in other financial liabilities	9,61.14	5,94.01
<b>Cash generated from operations</b>	<b>478,84.64</b>	286,29.96
Income taxes paid (net of refunds)	(123,15.10)	(99,71.84)
<b>Net cash inflow from operating activities</b>	<b>355,69.54</b>	186,58.12
<b>Cash flows from investing activities</b>		
Payment for acquisition of subsidiary, net of cash acquired	(121,11.89)	-
Payments towards purchase of property, plant and equipment and intangible assets	(163,74.28)	(125,59.06)
Proceeds from maturity of NHA bond	-	74.17
Sale/(Purchase) of mutual fund (net)	(84,23.61)	211,17.56
Proceeds from sale of property, plant and equipment	80.18	5,69.22
Purchase of non-current investment	-	(15.00)
Investment in Bank Deposit with maturity of more than 3 months (net)	-	(154,25.99)
Proceeds from maturity of Bank Deposit with maturity of more than 3 months	130,55.95	-

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	<b>March 31, 2023</b>	March 31, 2022
Dividend received	<b>6,27.42</b>	2,85.28
Interest received	<b>8,56.87</b>	5,94.30
<b>Net cash (outflow) from investing activities</b>	<b>(222,89.36)</b>	(53,59.52)
<b>Cash flows from financing activities</b>		
Interest paid on other than lease liabilities	<b>(5,62.40)</b>	(4,12.02)
Proceeds from borrowings	<b>11,80.73</b>	2,15.34
Repayment of borrowings	<b>(5,00.89)</b>	-
Dividend paid	<b>(132,86.40)</b>	(105,18.40)
Principal payment of lease liabilities	<b>(6,31.21)</b>	(6,73.40)
Interest paid on lease liabilities	<b>(2,17.68)</b>	
<b>Net cash (outflow) from financing activities</b>	<b>(140,17.85)</b>	(113,88.48)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(7,37.67)</b>	19,10.12
Add : Cash and cash equivalents at the beginning of the financial year (Refer note 14)	<b>38,40.07</b>	19,29.95
Add : Bank overdraft at the end of the year	<b>8,58.96</b>	-
<b>Cash and cash equivalents at end of the year as reported in balance sheet (Refer note 14)</b>	<b>39,61.36</b>	38,40.07

Above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS-7-Statement of Cash Flows notified under Section 133 of the Companies Act 2013.

As per our Report of even date

For Kalyaniwalla & Mistry LLP  
Chartered Accountants  
Firm Registration No. 104607W/W100166

Darius Z. Fraser  
Partner  
Membership No. 42454  
Mumbai : May 6, 2023

For and on behalf of Board of Directors of  
Grindwell Norton Limited

Keki M. Elavia Chairman DIN 00003940

B. Santhanam Managing Director DIN 00494806

Deepak Chindarkar Chief Financial Officer

K. Visweswaran Company Secretary

Mumbai : May 6, 2023





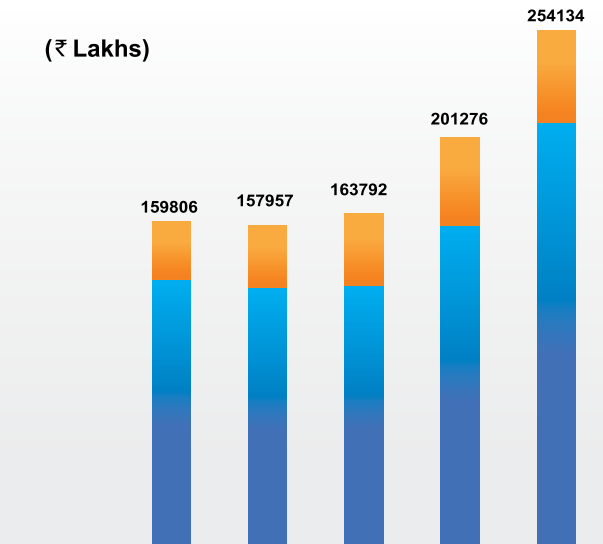




# FINANCIAL PERFORMANCE

## Revenue from Operations

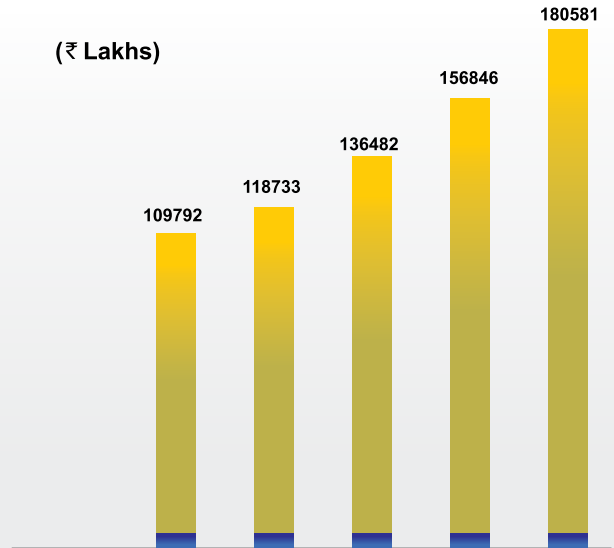
(₹ Lakhs)



Year	2018-19	2019-20	2020-21	2021-22	2022-23
Export	28512	30948	35343	43435	45319
Domestic	131294	127009	128449	157841	208815

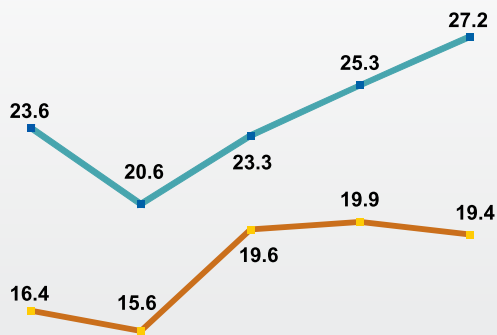
## Net Worth

(₹ Lakhs)



Year	2018-19	2019-20	2020-21	2021-22	2022-23
Equity	5536	5536	5536	5536	5536
Reserves*	104256	113197	130946	151310	175045

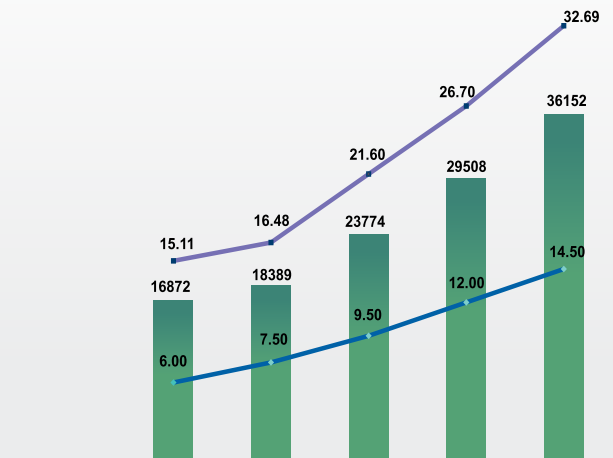
## Profit Margin (%), ROCE (%) & Asset Turnover



Year	2018-19	2019-20	2020-21	2021-22	2022-23
Asset Turnover	1.44	1.32	1.19	1.27	1.40

Profit Margin ROCE

## Profit After Tax, Earning Per Share (₹) & Dividend Per Share (₹)#



Year	2018-19	2019-20	2020-21	2021-22	2022-23
Profit After Tax (₹ Lakhs)	16872	18389	23774	29508	36152
Earning Per Share (₹)	15.11	16.48	21.60	26.70	32.69
Dividend Per Share (₹)	6.00	7.50	9.50	12.00	14.50

# Based on the enhanced capital & Sub-divided Face Value of ₹ 5 each

\* Excluding Revaluation Reserve

