

# 60 YEARS OF EXCELLENCE

**GABRIEL**  
**60** YEARS  
S I N C E 1 9 6 1

## ACROSS THE PAGES

### 01-27

#### COMPANY OVERVIEW

02	Highlights of the Year
04	About the Company
06	Letter from the Executive Chairperson
08	MD's Message
10	60 Years of Heritage
12	60 Years of Value Creation
14	60 Years of R&D and Innovation
16	60 Years of Exceeding Customer Expectations
18	60 Years of Brand Building
20	60 Years of a Culture called People
22	60 Years of Sustainable Business
24	Board of Directors
26	Awards and Accolades
27	Corporate Information

### 28-92

#### STATUTORY REPORTS

28	Management Discussion & Analysis
39	Directors Report
66	Corporate Governance Report
82	Business Responsibility Report

### 93-157

#### FINANCIAL STATEMENTS

93	Standalone
158	Notice

#### INVESTOR INFORMATION

Market Capitalisation as on March 31, 2021

**₹ 1,482.41 Cr.**

CIN

**L34101PN1961PLC015735**

BSE Code

**505714**

NSE Symbol

**GABRIEL**

Dividend Declared

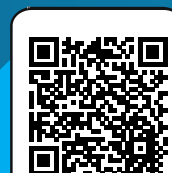
**Per share ₹ 0.90**

AGM Date


**August 04, 2021**

AGM Mode/Venue

**E-AGM  
(Video conferencing)**



SCAN TO  
DOWNLOAD

An electronic version of this Report is available online at: 

<https://www.anandgroupindia.com/gabrielindia/investors/annual-reports/>

**Disclaimer:** This document contains statements about expected future events and financials of Gabriel India Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

# 60 YEARS

## OF EXCELLENCE

The theme is a celebration of the 60 glorious years of the Company. It highlights the achievements and milestones that have helped Gabriel India to excel in the industry. It signifies the initiatives undertaken towards building a sustainable business with the strong support of its robust R&D and innovation, technology focus and product portfolio. The theme also celebrates the Company's people, who have walked along the Company's side untiringly. Forming a part of the larger vision, the Company plans to continue building its brand image for the time to come by expanding its customer base. Thus, presenting a picture of its vision for the future.

**6 DECADES** of exceptional brand recall

**60 YEARS** of excellent offerings

**720 MONTHS** of extensive R&D

**3,120 WEEKS** of an exemplary team

**21,840 DAYS** of encouraging sustainability

This journey has been exhilarating to say the least and we are deeply proud of where we are today. As we traversed through time upholding our founding vision, we have achieved several wonderful milestones that have shaped our history. We have sincerely and committedly contributed to the dynamic automobile industry, while continuously creating a path for future.

Every decade has seen us emerge stronger with each cycle of change, challenge and opportunities. We have consistently strived to bring more value for all our stakeholders.

Gabriel India made it to the top of the list of Fortune India - *The Next 500 - India's Top Midsize Corporations for 2021*. It is a testimony that the Company that was founded in 1961 still stands on a strong foundation of values and sustainable business practices.

Today, we are thankful for the last 60 years of excellence and ready for the next stage of growth and success. We rededicate ourselves to the mission that we started with and promise to collaborate and integrate for a better tomorrow.



# HIGHLIGHTS OF THE YEAR

Ramped up production of 2-Wheelers at the new Sanand plant; and new order wins from existing customers

Rigorously continued CORE-90, a systematic initiative for identifying and implementing cost reduction ideas across the value chain

Secured new market entry – Russia in Passenger Vehicles (PVs) business unit

Sanand facility received 'Green Factory Building Certification – Silver', from Indian Green Building Council

Engaged with multiple new entrants in Electric Vehicles (EVs) space

Gabriel India won several awards from key customers like HMSI, Honda, VECV and Toyota

Secured new market entry – Europe in Commercial Vehicles (CVs) business unit

Commenced new businesses with existing customers in CVs business unit

Aftermarket business unit introduced brake pads for 4-Wheeler segment with 276 SKUs

Registered growth of 15% in the export division of Aftermarket business unit

Stringent COVID-19 protocols successfully implemented, resulting in overall employee well-being and a safe workplace



₹ 1,134 Cr.

2-WHEELERS AND  
3-WHEELERS REVENUE  
CONTRIBUTION

₹ 347 Cr.

PASSENGER CARS REVENUE  
CONTRIBUTION

₹ 162 Cr.

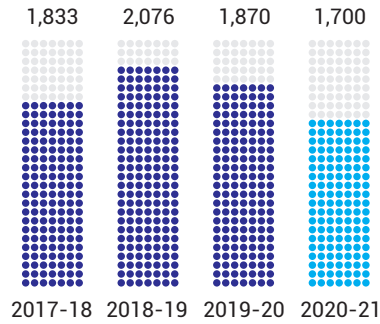
COMMERCIAL VEHICLES  
& RAILWAYS REVENUE  
CONTRIBUTION

₹ 257 Cr.

AFTERMARKET REVENUE  
CONTRIBUTION

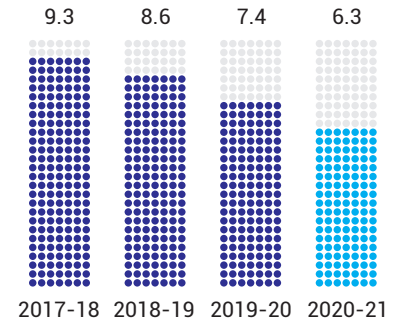
### REVENUE FROM OPERATIONS

in Cr.



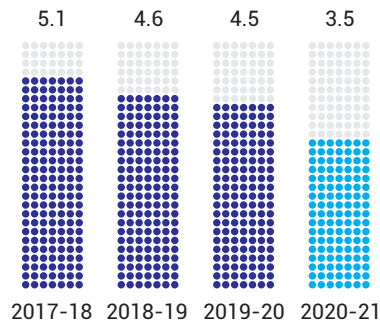
### EBITDA\*

%



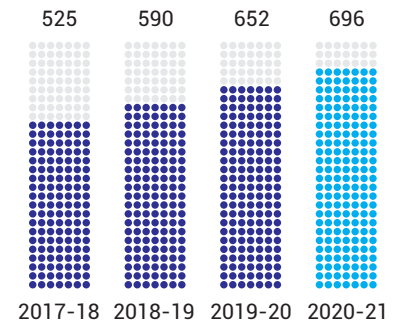
### NET PROFIT (PAT\*\*)

%



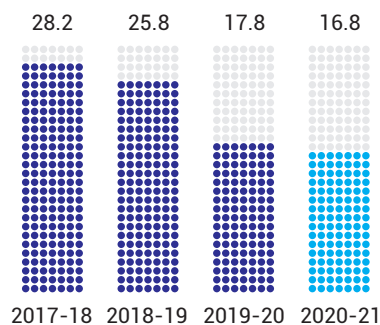
### NET WORTH

in Cr.



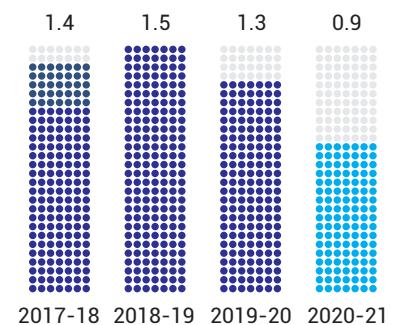
### ROCE\*\*\*

%



### DIVIDEND

₹ Per share



\* Earnings Before Interest, Tax, Depreciation and Amortisation (Excluding Other Income)

\*\* Profit after Tax

\*\*\* Return on Capital Employed

## GABRIEL INDIA LIMITED

A NAME SYNONYMOUS WITH SHOCK  
ABSORBERS FOR 60 YEARS

ESTABLISHED IN 1961, GABRIEL INDIA LIMITED ('GABRIEL INDIA' OR 'THE COMPANY' OR 'WE'), HAS SUCCESSFULLY COMPLETED 6 DECADES OF IMPACTFUL PRESENCE ACROSS EVERY AUTOMOTIVE SEGMENT. EVOLVING FROM A SINGLE-PRODUCT COMPANY TO DELIVERING PRODUCTS THAT ARE IN-LINE WITH THE CHANGING TRENDS, THE COMPANY'S 60 YEARS' JOURNEY IS A STORY OF PASSION, PURPOSE AND PROFESSIONALISM.



## THE JOURNEY

Gabriel India is the flagship company of the ANAND Group. From being a single-product company in 1961, we have undergone transformation to become the most-trusted ride control products brand in India.

We have established a significant presence across all automotive customer segments: the OEMs, replacement market and exports. Our strong technical capabilities and ties have enabled us to manufacture products in the most sustainable way.

Our modern design and advanced engineering capabilities have helped our customers meet the evolving technological needs of the automotive industry. Allowing them to create lighter, more fuel-efficient, long-lasting vehicles that ensure passenger comfort and safety.

Focused on reducing the overall carbon footprint, we have adopted sustainable processes and systems. We also aim to reduce power consumption with alternative power supplies generated through wind and solar power installations.

500+

PRODUCT MODELS SERVED

50+

OEM CUSTOMERS SERVED

660+

AFTERMARKET DEALERS

12,000

RETAILERS

35

COUNTRY PRESENCE

3,966

WORKFORCE



### Vision

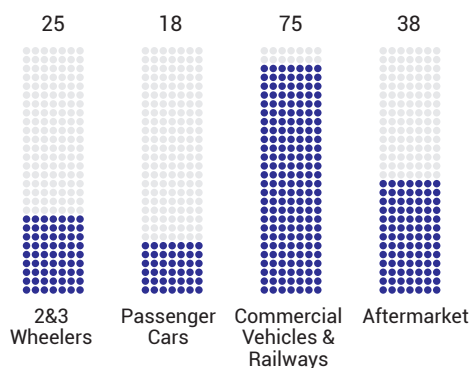
To be among the top 5 shock absorber manufacturers in the world



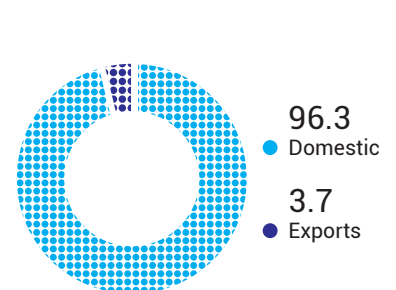
### Values

Gabriel India is defined by a value system engrained in the ANAND Way, which guides its work ethics. These core values help us make our decisions in every sphere of our work and also help us shoulder the social responsibilities. These foundational beliefs and philosophies always have, and will continue to define the way we do business.

### SEGMENT-WISE MARKET SHARE



### GEOGRAPHY-WISE MARKET SHARE



# LETTER FROM THE EXECUTIVE CHAIRPERSON

**Dear Shareholders,**

This year has seen exceptional challenges, with COVID-19 significantly impacting the daily lives of people all around the world. The individual and collective responses of citizens, communities and businesses have been remarkable in the face of such adversity. I hope you, your family and friends are safe and are maintaining all the necessary COVID related protocols.

An unforeseen crisis of this magnitude is a true test of the character of an organisation. Our response to the pandemic has been truly inspirational and testament to the strength of our purpose, values and culture. We responded at an early stage across our facilities and implemented several effective counter-measures. Our top priority was, and still is, to protect the health and safety of our people. Our team showed tremendous resilience and continued to support and deliver. Their adaptability was tested, as work practices changed almost overnight. They rose to the occasion and stayed true to our roots, and committed to serving all our stakeholders. Today, when I look back at the past year, I am happy to say that our team has successfully navigated the headwinds across all verticals and ensured business continuity. This has helped us earn recognition from our customers and the industry governing bodies.



THE COVID-19 PANDEMIC, WHICH WE ALL HAVE BEEN BATTLING FOR MORE THAN A YEAR NOW, HAS BROUGHT OUT THE SPIRIT OF RESILIENCE, ADAPTABILITY AND TOGETHERNESS IN EACH OF US AT GABRIEL INDIA. AS THE OLD ADAGE GOES "WHEN THE GOING GETS TOUGH, THE TOUGH GET GOING"



## 60 YEARS – A JOURNEY DOTTED WITH MILESTONES!

I am proud to state that Gabriel India and the ANAND Group are celebrating their Diamond Jubilee year. The illustrious journey over the past 60 years has been a continuous learning & truly exciting. We have come a long way in our journey from starting with a single plant in 1961 to evolving into a globally renowned brand in the shock absorbers space with multiple state-of-the-art plants across the country. Our constant strides and determination of building a robust and sustainable organisation over the years have been largely supported by people, our strong R&D, innovation culture and technological prowess leading to constantly relevant product portfolio.

The 60 glorious years of achievements and milestones of the Gabriel brand signify the various initiatives undertaken towards building a sustainable business with the strong support of robust R&D and innovation, technology focus, an ever growing list of esteemed customers and highly motivated employees.

## RESEARCH & DEVELOPMENT

Over the years our constant R&D efforts have allowed us to offer new technology and solutions to the customers aligned with the industry trends. Besides, we have also been fruitfully engaging with our partners to offer new technologies and solutions to our customers. As a part of our next phase of growth, and building upon the strong imperative to move to EVs, we are strategically focusing on strengthening our basket of offerings in the rapidly evolving EV space locally and globally.

## BRAND RECALL

Over the past 6 decades, Gabriel India has achieved a strong brand recall, thanks to the attention to product detail right from design, development, testing, vehicle tuning, and validation. In addition, our continuous focus on quality and consistency in meeting customer requirement has allowed us to carve a niche for ourselves and has helped us in building a strong brand connect among our stakeholder fraternity. I feel honoured to state that Gabriel India has made it to the top of the list of **Fortune India – The Next 500** companies for the year 2021 in the mid-size category. This is the testimony to our endeavours towards building a strong brand and driving sustainable business practices.

## CUSTOMER CONNECT

Customer value creation has always been the top most priority at Gabriel India. Our deep insights of product design and technological prowess have enabled us to manufacture pioneering

products for decades, catering to the ever evolving needs of our customers. We are truly proud to have some of the longest running associations with the Original Equipment Manufacturers in India. Going forward, Exports will be the focus area for Gabriel India. We have already started making inroads globally, by creating a presence in the ASEAN region and entering into key markets of North America and Europe. Gabriel India is also well equipped to provide solutions for the Electric Vehicle Industry and is getting firmly entrenched with many of its prominent players in India.

## PEOPLE POWER

Our continued success is due to the hard work and commitment of all our employees. Our people culture is strong, and I would argue that it's our most valuable asset. We have consistently attracted the best talents and nurtured them to evolve with the growth of the organisation. It is reflected in our recognition in various prestigious forums in India. Today, we have grown from strength to strength with a large suite of ride control products and have created a significant presence across every automotive segment.

## SUSTAINABILITY

The emphasis today is on the environment. Gabriel India aims to establish itself as one of India's most environmentally sustainable auto component manufacturers. We have invested in cutting-edge technology solutions and new manufacturing processes, to consciously evaluate and minimise the ecological impact of our operations on the environment. Aligned with this vision, I am happy to state that our Sanand facility has received the 'Green Factory Building Certification – Silver' certificate, from the Indian Green Building Council (IGBC), a first in the Group. This strengthens our endeavours towards becoming an ESG (Environmental Social and Governance) compliant company and establishing ourselves in making mobility as environment friendly as possible.

## ACKNOWLEDGEMENTS

Without the support of all our valued stakeholders, our 60-year journey would never have been so successful. In addition, the wealth of experience and strategic guidance by our Board members have helped Gabriel India achieve its goals, while ensuring robust governance. We will continue to work together in our endeavours to create superior value for all stakeholders and make the journey of the next 60 years even more exciting!

My best wishes for a more buoyant future,

**Anjali Singh**

**Executive Chairperson,  
Gabriel India Limited**

## MD'S MESSAGE

**CUSTOMERS AND PEOPLE ARE THE TWO CORNERSTONES OF EVERYTHING WE DO AT GABRIEL INDIA. THIS HAS HELPED US TO BE THE FRONTRUNNERS IN THE SUSPENSION DOMAIN WHILE CONTINUOUSLY IMPROVING IN TECHNOLOGY, PROCESSES, AND GOVERNANCE SYSTEMS. WE HAVE GROWN FROM STRENGTH TO STRENGTH OVER THE PAST 6 DECADES TO BECOME A SPECIALIST IN THE AREA OF RIDE CONTROL ACROSS ALL SEGMENTS AND BECOMING SYNONYMOUS WITH SHOCK ABSORBERS IN INDIA.**

### Dear Shareholders,

I welcome you to the 'Diamond Jubilee Year' of your company, Gabriel India, the brainchild of Mr. Deep Anand, ANAND Founder and Chairman Emeritus. It is because of his foresight and vision that we are celebrating this significant milestone today. I would also like to credit all the past leadership of Gabriel India for their immense contributions at different junctures of this journey.

In the year gone by, the pandemic has severely impacted the society and the world economy, and completely changed our way of life. At a time when the global business environment continues to evolve at a slower pace, we at Gabriel India came out stronger despite the first quarter of 2020-21 being washed out due to the unprecedented national lockdown. Our first and foremost priority was ensuring the safety and health of all our employees and their families. The exemplary efforts of the entire team have been something we have drawn inspiration from. Your company is constantly assessing the impact of the new normal and is prepared to respond effectively with evolving supply chains and distribution models to ensure all customer demands are met flawlessly.

With the gradual unlocking, the country witnessed a steep V-shape recovery from the second quarter of 2020-21 onwards on the back of positive sentiments and improvement in consumption. The Government's 'Atmanirbhar Bharat' campaign to make India a self-reliant country, further boosted the prospects of the businesses. In addition, several fiscal and monetary measures further supported



this economic recovery. Your company quickly reached the historical monthly volumes in July 2020 and delivered robust performances across BUs supported by domestic customers.

### OUR PERFORMANCE

Thanks to the resilience of the organisation, the impact of this disruption was limited only to the first quarter. Thereafter we were able to recover some of the lost ground owing to strong economic recovery for almost all the business units and recorded revenue of ₹ 1,700 Cr. in 2020-21 which inspite of losing 1/4th of the year was only 9% less than 2019-20. The strong recovery was largely due to pent-up demand buoyed by the festive season as well as several other factors like recovery in the infrastructure segment that helped boost up the demand for Medium and Heavy Commercial Vehicles, liquidity in the rural and semi-urban markets and most importantly, the rise in preference for personal mobility in urban centres.

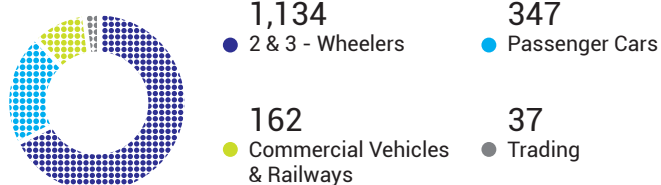
We reported EBIDTA margins of 6.3% for the full year, however our EBITDA for Q4 was 8.5% owing to our internal initiative focused on cost reduction across every aspect of business. All through this

unprecedented pandemic year your company never lost its sight on cash, hence resulting in a healthy 70.10% growth in cash flow from operations.

Our performance was applauded by esteemed customers through various awards: Toyota Zero KM PPM Award, VECV – Special Award and TVS – Best Supplier Award to name a few during the year.

## OUR SEGMENT-WISE REVENUE

₹ Cr.



Being the pioneers of ride comfort in India, we sustained our leadership position even during this tough time. Our competent R&D team inspite of all odds due to lockdown and working from home, put in extra efforts to consistently develop robust products to meet the evolving needs of our esteemed customers. Today, we have built a great brand in the shock absorbers space and evolved from a technology 'acquirer' to a technology 'developer'.

During the year, we successfully commenced deliveries to two major OEM export customers from renowned vehicle manufacturers in Europe. In the domestic market as well, we continued to win new programmes from existing as well as new customers. We incurred a capex of ₹ 47 Cr. mainly in the areas of technology, automation, safety and growth.

## PRIORITISING EFFICIENCY AND PRODUCTIVITY

Building efficiency and enhancing productivity has been a continuous process at Gabriel India. Our CORE-90 COst-REduction programme emphasises on sustainable cost reduction of key cost components. It helped us minimise our losses in the lockdown months and helped in improving margins thereafter. In keeping with the 'Atmanirbhar' philosophy we embarked upon an aggressive localisation strategy which will help us in optimising our supply chain and improve our flexibility.

In our quest to continuously adopt innovative processes, we commenced automation and Industry 4.0 initiative on a large scale. These programmes are in step with the future and will greatly help to drive improvements in quality and productivity. During the year we won various quality awards from ACMA/CII and from various regional Quality Circle competitions. Embarking on productivity improvements, we adopted Human efficiency improvement techniques across all plants. In the new normal we leveraged digital technologies to conduct mass skill development sessions during the lockdown period.

## SUSTAINABILITY

Today, there is a visible effort towards a low/zero carbon society which represents a seismic shift for the industry. At Gabriel India, we have embraced sustainability as one of our core values and adapted renewable energy usage through wind and solar power across our manufacturing locations. In addition, we continuously drive the principle of "eliminate, reduce & reuse" in order to minimise the impact to the environment.

Our newest plant at Sanand has been certified with the IGBC Green Factory Building 'Silver' rating by CII during the year.

## GOING FORWARD

The overall outlook for the industry remains cautiously optimistic owing to the uncertainty of the recurrence and impact of the next waves of the pandemic. However, with the strong vaccination drive nationwide as well as within your company and increasing awareness about the COVID-appropriate behaviour, we remain confident about the safety of our employees.

On the business front, the need for private vehicles coupled with multiple launches of a wide range of new vehicle models will drive good domestic demand for our products. Exports have started showing the fruits of labour and our strategic goal to increase its pie in overall Gabriel India sales. It has registered a growth of 160% in Q4 of 20-21 wrt Q4 of 19-20 and we are confident of the trend continuing.

There is a lot of excitement in the auto industry about the adoption of Electric Vehicles. The recent incentives announced by the Govt. are sure to accelerate this journey. While our product is agnostic to the type of motive power of the vehicle, however it is important that we are well engaged with all major EV manufacturers. I am happy to share that we are well entrenched in this regard particularly in the 2W & 3W EV domain where the adoption is projected to be fastest.

I sincerely thank the Chairperson and Board Members for their astute guidance and encouragement during these tough times. Credit must also go to all past leadership for laying down systems and practices that have prepared us to deal with any crises at any point of time. Additionally, I take this opportunity to thank our dear shareholders for their continuous support. Lastly, I would like to specially thank all the employees for their exemplary efforts during the year to ensure business continuity despite seemingly impossible situations.

We stand committed to delivering sustainable growth and creating value for all our stakeholders.

Stay safe, Stay healthy, Take care!!

Thanking You All,

**Manoj Kolhatkar**  
**Managing Director,**  
**Gabriel India Limited**

# 60 YEARS OF HERITAGE

1961



Establishment of the Company at Mulund, Maharashtra with supplies to Mahindra & Mahindra

1978



Becomes a listed company with its Public Issue

1985-86



Established in-house special purpose machine design centre and product design capability

1991-1993



- Nashik and Dewas plants started
- Technology Assistant Agreement (TAA) signed with SOQI, Japan
- Supplies started to TVS Motors

1961-1970

1971-1980

1981-1990

1991-2000

1965



Supplies started to OEMs TELCO, Bajaj, Ashok Leyland

1980



Supplies started to Swaraj Mazda and Eicher Motors

1987-88



Engine bearing plant set up in Parwanoo and also Gurgaon plant started

1995-1998



- Acquired Stallion Shox, took over Surajpur plant
- Chakan and Hosur plant started
- Technology Assistant Agreement (TAA) signed with KYB Corp.
- Business started with Hyundai, Ford and Tata Motors

## 2001-2004



- State-of-the-art R&D centre at Chakan inaugurated
- Exports to Yamaha (Japan)
- Business awarded from Honda Motorcycles and Scooters, General Motors, Toyota Kirloskar Motor

2001-2010

## 2007-2010



- Parwanoo, Khandsa and Sanand plants started
- Golden Peacock Award won for Innovation
- Became first company in India to install 'Dynachrome Plating System'
- Business awarded from Suzuki Motorcycles, Honda Cars and Volkswagen India

## 2011-2013



- Achieved record sales of ₹1,000 Cr.
- Recognised by GPTW as one of top 3 auto component companies in India
- Expanded presence in China with inauguration of China office

2011-2021

## 2014-2021



- Signed a Technology License Agreement with KONI BV
- Becomes a technology provider to Gabriel De Colombia and Gabriel South Africa
- Sanand plant received the 'Green Factory Building Certification – Silver' certificate, from the Indian Green Building Council (IGBC), a first in the Group

## MILESTONE YEARS

### 2014



Mrs. Anjali Singh appointed as the Chairperson of Gabriel India, Board of Directors

### 2015



Late Dr. APJ Abdul Kalam inaugurated the 3rd Innovation Concourse

### 2018



Gabriel India achieves record sales of ₹ 2,000 Cr.

### 2020



Gabriel India tops the Fortune India – 'The Next 500' list in the mid-size category for 2021

# 60 YEARS OF VALUE CREATION



₹ **1,679** Cr.  
COMPANY TURNOVER  
IN 2020-21

₹ **108** Cr.  
EBITDA

₹ **60** Cr.  
PAT

₹ **0.90** per share  
DIVIDEND

**7**  
MANUFACTURING  
FACILITIES

**4**  
SATELLITE  
FACILITIES

**2**  
SHOCK ABSORBERS  
PER SECOND

₹ **29** Cr.  
INVESTMENTS  
IN R&D

**75+**  
PATENTS  
HELD

**500+**  
INNOVATORS

₹ **2** Cr.  
CSR SPEND

**50+**  
OEM  
CUSTOMERS

**245+**  
RAW MATERIAL  
VENDORS

**660+**  
DEALER  
NETWORK  
IN INDIA

**42+**  
DEALER  
NETWORK  
EXPORTS

**3,966**  
EMPLOYEES

**18%**  
OVERALL  
GENDER  
DIVERSITY

**78%+**  
TRAINING  
COVERAGE

**16%**  
POWER GENERATION FROM  
RENEWABLE SOURCES

**4,499** MT  
REDUCTION IN  
CARBON FOOTPRINT  
SINCE 2011-12

**1.1** MW  
INSTALLED SOLAR  
ENERGY CAPACITY

# **60** YEARS OF R&D AND INNOVATION

CONSISTENTLY UPGRADING PRODUCTS AND PROCESSES THROUGH RESEARCH & DEVELOPMENT.

EVOLUTION FROM TECHNOLOGY BUYER TO TECHNOLOGY PROVIDER.





Over the past 60 years, Gabriel India has developed a robust research and development programme. We have transformed ourselves from being a single-product manufacturer to a ride-control specialist. We have evolved as a complete solution provider in ride performance with a strong and competent R&D team and state-of-the-art facilities. We have invested in facility upgrades, competency building, process automation and improved engineering to meet future customer expectations.

Our sustained investments of ₹ 29 Cr. in 20-21 in the three DSIR certified R&D Centres at Chakan, Hosur and Nashik have resulted in increasing our global outreach. Our investments in technology over the years has focused on increasing customer satisfaction and improving product performance using efficient and robust processes. This helped Gabriel India win new businesses from Indian and global vehicle manufacturers in a competitive market environment.

Over the years, we have invested in a robust testing infrastructure to provide value-added services (noise measurement, road load data acquisition, ride tuning, value engineering and product localisation) and have strengthened collaborative engagement with customers by developing vehicle-specific ride control products.

Gabriel India has always reinforced its reputation as a research-driven, customer-centric and innovation-seeking company. The Company grew the number of filing of patents from 7 to 75 between 2014 and 2021 through an intensive adoption of (sharing) best-in-class practices. The Company also grew the number of innovators from scratch to around 500+ during the last 7 years, in what is described as a 'snowball effect'.

Gabriel India believes in working with the best in the world technology companies to produce top-quality products for its customers. We have entered into a technical collaboration with Yamaha Motor Hydraulic System Company Limited (formerly SOQI), Japan, to manufacture state-of-the-art front forks and 2-Wheelers shock absorbers. In the area of Passenger Car Shock Absorbers, we have collaborated with KYB Corporation (Japan), KYBSE (Spain) and KONI B.V. (the Netherlands) for accessing technical support, across vehicle models and platforms. We progressed to becoming technologically self-sufficient by absorption (assimilation) of product & process technology during the collaboration period and also by in-house research & innovation. Following years of dependence, we have now signed a Technology Assistance Agreement (TAA) to provide product and process technology to Torre Parts & Components (South Africa) and Gabriel De Colombia.

Our recent launches for DAF Netherlands, VW Russia in addition to multiple new launches with domestic customers, are testimony to the same. The Company was recently ranked as a grade-A supplier by a prominent global customer as a part of its VDA 6.3 process audit related to quality and delivery dependability. The Company developed technology products in-house like Floating Piston Gas Shox; Inverted Front Fork; Emulsion Type Gas Shox; Hydraulic Cushioning; Frequency Selective Dampers are examples of technology that have excited customers to select Gabriel India as a solution provider of choice. Technology investments will continue to secure entry into new markets and sustain leadership in established markets. We are working with many EV customers, for development of modern suspension products suiting to EV norms.

With a clear R&D roadmap in place, our focus on digitisation, virtual product design and verification is ensuring first-time-right launch of products and improving overall system efficiency.



# 60 YEARS OF EXCEEDING CUSTOMER EXPECTATIONS

DELIVERING QUALITY AT ALL STAGES TO ACHIEVE PRODUCT EXCELLENCE.  
EXCEEDING CUSTOMER EXPECTATIONS IS A WAY OF LIFE AT GABRIEL INDIA.



What started off with just one customer in 1961 is today a company that has presence among 50+ customers, which includes all the major Original Equipment Manufacturers (OEMs) in India. Gabriel India has the distinction of having the widest range of product portfolios with around 500+ products, catering to customers right from 2-Wheelers to Railways. Gabriel India is also proud to have some of the longest-running associations with customers across various segments, further reiterating its commitment towards customer value creation. The credibility of Gabriel India's product portfolio is cemented by the fact that various MNC OEMs in India recommend and supply Gabriel India products to their counterparts across the globe.

Our deep insights of product design along with technological prowess have enabled us to manufacture pioneering products for a diverse automotive segment. It developed the first ingenious Adjustable Electronic-Hydraulic Shock Absorber for a leading SUV vehicle in the Aftermarket. Its Linke Hofmann Busch (LHB) product for high-speed railway coaches was the first instance of an Indian company's damper products being approved by Indian Railways. It was in the forefront to introduce McPherson struts that later became a standard in Passenger Cars. It also developed several high-performance products like the Mono-Tube Inverted Gas Canister Shoxs, Front Forks for high performance motorcycles, Floating Piston Shock Absorbers and Twin-Tube Mono Shock Absorbers and many more.

Over the decades, Gabriel India has always adopted the dual strategy to focus on both customer retention and new customer acquisition, locally and across the globe. In this regards, it continues to be the major supplier for many new launches over the years across all vehicle segments. Gabriel India has also been at the forefront of providing solutions for the Electric Vehicle Industry in the 2 & 3 - Wheelers segment and is getting firmly entrenched with many of the prominent EV players.

To showcase its latest product offerings, Gabriel India has been conducting technology days regularly on the customers' premises, including overseas locations such as Thailand and Japan.

Continuing its plan to expand globally, Gabriel India has started exports to the Netherlands, Russia, Australia, Latin America, Thailand, North America, Japan and many other countries, and is continuously building on a strong foundation of world-class Quality and state-of-the-art Technology.



GABRIEL

# 60 YEARS OF BRAND BUILDING

LEADERSHIP THROUGH STRONGER BRAND RECALL.

IN INDIA, SHOCK ABSORBER IS SYNONYMOUS WITH THE BRAND 'GABRIEL'.



Gabriel India has created a strong brand image in the automotive component space by creating a niche for itself. Over the years, we have offered newer technologies to customers, while jointly developing products with them. Over the last 6 decades, we have maintained our leadership position through a great team and brand. This reflects our efforts towards sustenance in every direction.

Our value system and strong brand value are imbibed in every practice that leads to sustainability - Customer Relations, Technology and R&D, Market and Aftermarket, Employees. We are committed to brand building and creating a strong brand recall. Thus, we have focused on enhancing the design, development, testing, vehicle tuning, and validation capabilities. To continue building our legacy in the future, we are consistently investing in enhancing our capabilities through technology. Additionally, our continuous focus on quality, zero defect and good services continue to help us gain the trust of our esteemed customers, making us the most preferred supplier.

Gabriel Brand has the unique distinction of being present across all continents of the world. Gabriel India has been strategically associating with popular racing events like the Suzuki Gixxer Cup and Volkswagen Polo and Vento Cup, further strengthening the customer connect and also Gabriel Brand.

With the motto of "Catch them young", Gabriel India has been able to establish a fan following among students across prestigious colleges in India through its campus brand building activities.

The brand presence and recall in India is so strong that various celebrities refer to the Gabriel brand name and associate it with resilience and strength.

Gabriel India also has a very prominent brand presence across the Indian Aftermarket with a 660 strong dealer network across India with 12,000 retail outlets, supported by a highly trained Gabriel India sales force. They have introduced unique programmes called Elite Retailer Programme (ERP), Elite Workshop Programme (EWP) and Mechanic Loyalty & Training Programme (MLTP) to promote their exclusive retailers, workshop and mechanic partners. Elite Retailer Programme and Elite Workshop Programme currently have 1,000+ retailers and workshops under its umbrella across India.



# 60 YEARS OF A CULTURE CALLED PEOPLE

EMPLOYEE-CENTRIC PRACTICES MAKING IT A GREAT PLACE TO WORK.

EMPLOYEE PHILOSOPHY: WORK HARD, HAVE FUN, MAKE HISTORY.



At Gabriel India, employee development has always been the top-most priority. Employees are always encouraged to learn and evolve continually both on the job and through various training interventions.

Over the last 6 decades, Gabriel India has been successful in implementing best practices across in Talent Management viz Talent Acquisition, Talent Development & Nurturing and Talent Retention. The Company has always maintained a healthy mix of home grown and lateral hired talent. Various technical and behavioural trainings to support career growth of employees across all streams and levels are conducted every year, both for technical and behavioural skill and personality upgrade.

The Company focused on transforming employees into business leaders. It nurtured achievers into prospective leaders through conducting regular training, coaching and mentoring programmes with the help of ANAND U, the corporate university of the ANAND Group, and movement across different roles. It implements leadership development and mentorship programmes aimed at grooming leaders. It also provides trainings in Lean, Kaizen and Six Sigma. The Company has always provided a working environment with flexibility for each employee to think creatively and work towards enhancing their performance, in turn contributing to the overall growth.

Gabriel India follows the industry benchmark 'Operating Engineers (OE)' model of the ANAND Group, pioneered in the 1990s, for its shopfloor. Over the years, many OEs have been groomed through various learning and development initiatives, resulting in several of them assuming managerial responsibilities.

Our employees are involved in benchmarking standards for every technology, process and product, in turn strengthening the quality delivered. The employees are dedicated to offer superior products and value-added engineering services by working closely with OEMs starting at the vehicle development stage, resulting in higher product acceptability and faster product development. This commitment of our employees has helped enhance Gabriel India's market position.

The passion and energy of our youthful employees has seen a reciprocal boost in our dynamic performance. The result of this has been our recognition in establishing ourselves as among 'India's Best Companies to Work For' by the 'Great Place to Work®' (GPTW) Institute for 5 successive years. Gabriel India promotes gender diversity by actively recruiting women employees across levels, including shopfloor. This is further substantiated by the fact that it has been awarded "best place to work for women" by GPTW itself.



# **60** YEARS OF SUSTAINABLE BUSINESS

MAINTAINING A FINE BALANCE BETWEEN SUSTAINABILITY AND DEVELOPMENT.  
PRESERVE THE ENVIRONMENT, CARE FOR SOCIETY AND GROW OUR BUSINESS.





We aim to establish ourselves as one of India's environmentally sustainable auto component manufacturers. At Gabriel India, we consciously evaluate every initiative from an environmental perspective. Every single Gabriel India employee seeks to make a difference through personal and professional engagement. The lower the carbon footprint, the higher their sense of achievement. The cleaner the world, the greater their satisfaction.

In our goal to minimise its impact, we constantly strive to adopt green technologies. By utilising operational and technological controls, we aim to reduce air, water and land pollution. To this end, we have commissioned a Zero Liquid Discharge effluent treatment facility at our Hosur plant. We aim to reduce and minimise our carbon footprints through a clear focus on efficiency, resource conservation and sourcing maximum renewable energy.

The last decade saw Gabriel India embark on a mission to be more environmentally responsible. At the same time, customer demands increased for both highly functional and environmentally sustainable products. In this transforming environment, Gabriel India moderated its carbon footprint as well. The shock absorber that Gabriel India developed for a marquee customer was 1 kg lighter, which helped save more than 1,000 MT of steel, since the time the product was developed. The Company moderated energy consumption per unit of shock absorbers manufactured and reduced the carbon footprint by an average of 4% by quantum over the last decade, despite increased production. The Company moderated CO<sub>2</sub> emissions by around 700 MT in the last 5 years, which is the equivalent of liberating 1,104 acres of plantation where 0.07 million fully grown mango trees could be raised. The Company invested in solar roofs across its manufacturing facilities with a capacity of 1.1 MW. The renewable energy investment addressed 16% of the Company's energy needs, reducing electricity usage from the grid. The Company's solar panel investments are expected to reduce carbon emissions substantially over the next 15 years.

Our commitment towards sustainability was further validated with Gabriel India's Sanand plant receiving the 'Green Factory Building Certification-Silver' certificate from the Indian Green Building Council (IGBC). It is a moment of pride for not only Gabriel India but also for the ANAND Group, as it is the first ever for the Group.



# BOARD OF DIRECTORS

1	2	
3	4	5
6	7	8



1

**Anjali Singh**

Executive Chairperson, Gabriel India

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

2

**Manoj Kolhatkar**

Managing Director, Gabriel India

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

3

**Atul Jaggi**

Deputy Managing Director, Gabriel India

- Joined ANAND Group as a graduate engineer trainee in 1999
- Over 22 years of experience in core functions like Maintenance, Supplier Development, Corporate Quality, Manufacturing Excellence
- Successfully managed the 2 & 3 - Wheelers and Commercial Vehicles business units

4

**Jagdish Kumar**

Group President &amp; Group CFO, ANAND Group

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

5

**Aditya Viji**

Non-Executive Independent Director

- Operating Partner, Kedaara Capital Advisors LLP, a private equity firm focused on India
- CEO of Fortis Healthcare Limited from 2011 to 2014
- Spent over 25 years in the Automotive and Defence industries, including 18 years with General Motors, Europe

6

**Pradeep Banerjee**

Non-Executive Independent Director

- Associated with Unilever since 1980, has worked across geographies (London, Singapore, India) and functions (Marketing, R&D and Manufacturing, Procurement and Supply Chain). From April 2010 till December 2019, he was the Executive Director on the Board of HUL and Vice President for Supply Chain for Unilever in South Asia
- Currently, he is a Senior Advisor to BCG, on the Boards of some listed and unlisted companies and is advising four interesting Tech Startups in the areas of AI, Blockchain, Logistics and Waste Management

7

**Matangi Gowrishankar**

Non-Executive Independent Director

- Senior leadership roles in India & overseas: Standard Chartered Bank, Reebok, GE, Cummins and British Petroleum, UK
- A qualified Executive Coach and specialist in Diversity, Equity & Inclusion.
- Deep experience in Leadership Development & Organisation Transformation
- Independent Director on the Board of other Indian companies

8

**Pallavi Joshi Bakhru**

Non-Executive Independent Director

- Fellow Member of The Institute of Chartered Accountants of India. Member of Indian Institute of Corporate Affairs
- Head of the private client service offering at Grant Thornton in India and heads the UK Corridor
- Recognised as one of the top 10 Women in Tax in India by the International Tax Review
- Over 30 years of sector experience of natural resources, consumer and retail, aviation, manufacturing and education

# AWARDS AND ACCOLADES



Special Award by Volvo Eicher Commercial Vehicles Limited



ZERO KM PPM and Quality certification by Toyota Kirloskar Motor



Best Supplier of the Year by TVS Motor Company



Best Vendor Support Award by Honda Motorcycle and Scooter India (HMSI)



QC North Zone by Honda



Kaizen Competition Consolation Prize by Wheels India



45<sup>th</sup> International Convention Gabriel India, Pune received Platinum Award by ICQCC Dhaka



45<sup>th</sup> International Convention Gabriel India, Nashik received Platinum Award by ICQCC Dhaka



Gold in Manufacturing Excellence in Very Large Category by Automotive Components Manufacturers Association (ACMA)



Winner of the Kaizen Competition at National Level by Automotive Components Manufacturers Association (ACMA)



Gold Awards in Low Cost Automation by Confederation of Indian Industry (CII)

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Mrs. Anjali Singh

Executive Chairperson

### Mr. Manoj Kolhatkar

Managing Director

### Mr. Atul Jaggi

Deputy Managing Director  
w.e.f. 26.05.2021

### Mr. Jagdish Kumar

Non-Executive Director

### Mr. Aditya Vij

Non-Executive Independent Director

### Mr. Pradeep Banerjee

Non-Executive Independent Director

### Ms. Matangi Gowrishankar

Non-Executive Independent Director

### Mrs. Pallavi Joshi Bakhru

Non-Executive Independent Director  
w.e.f. 26.05.2021

## REGISTERED OFFICE

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

## CORPORATE IDENTITY NUMBER

L34101PN1961PLC015735

## CHIEF OPERATING OFFICERS

Mr. Amitabh Srivastava  
Mr. R. Vasudevan (w.e.f. 01.09.2020)  
Mr. Puneet Gupta (w.e.f. 01.03.2021)  
Mr. Atul Jaggi (up to 25.05.2021)  
Mr. Sarabjit Kondal (up to 31.08.2020)

## CHIEF FINANCIAL OFFICER

Mr. Rishi Luharuka

## COMPANY SECRETARY

Mr. Nilesh Jain

## BANKERS

HDFC Bank Limited  
Citi Bank  
ICICI Bank Limited  
Kotak Mahindra Bank  
Axis Bank

## STATUTORY AUDITORS

M/s. B.K. Khare & Co. Chartered Accountants,  
Mumbai (up to 03.08.2021)  
Price Waterhouse Chartered Accountants LLP,  
Chartered Accountants, Pune (w.e.f. 04.08.2021)

## MANUFACTURING LOCATIONS

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

NH8, 38<sup>th</sup> Milestone, Behrampura Road,  
Delhi-Jaipur Highway, Village Khandsa,  
Gurugram - 122 001, Haryana

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

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

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

29<sup>th</sup> Milestone, Pune-Nashik Highway, Village  
Kuruli, Taluka Khed, Pune – 410 501, Maharashtra

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

# MANAGEMENT DISCUSSION & ANALYSIS

## About the Company

Gabriel India Limited, the ANAND Group's flagship company, is a leading manufacturer of auto components and one of the most recognised brands in India. Established in 1961, it manufactures a wide range of ride control products, including shock absorbers, struts and front forks. It is also one of the few brands in India that has sizeable presence across diverse business segments (i.e. 2 & 3 - Wheelers, Passenger Cars, Commercial Vehicles, Railways and Aftermarket). It is well known in the industry for long-term relationships with virtually every OEM, attractive Aftermarket portfolio across various product verticals and a growing exports presence across 6 continents. The development of each of the Company's business units has been highlighted in this Management Discussion & Analysis

## Global Economic Overview

The global economy contracted by 3.5% in 2020 compared to a growth of 2.3% in 2019, as result of COVID-19 pandemic-induced lockdowns. With this, the year 2020 saw economies across the globe undergo a significant disruption. Unprecedented shutdown of economic activities, combination of monetary and fiscal policy measures to stabilise economies across the globe, conclusion of the lengthy negotiations between the EU and Britain with Brexit becoming a reality and the much-anticipated vote for new leadership in the US were some of the prominent highlights that drew attention. Various fundamental deficiencies in the global system, weakened business-operating models and challenges shaping the future world also came to the fore. With Governments across the world introducing stimulus packages, economies worldwide made a rebound, after seeing a zero and even negative interest rate environment



earlier in the financial year. In our forward march, global growth is projected at 5.5% in 2021 and 4.2% in 2022 on account of a sustained recovery, as we normalise from the effects of the virus, and benefit from the vaccination drives. New variants of the virus, as well as the second and third waves of the virus, however, still remain a concern.

(Sources: IMF, Times of India, CNBC, Business Today)

## Indian Economic Overview

The Indian economy was recovering from the lows of slowdown right before COVID-19 hit us. The pandemic impacted India's rebound after recording a 4.2% growth in 2019-20, its slowest pace in nearly a decade. In 2020-21 the GDP contracted by 7.3% on account of the 68-day-long stringent lockdown, which the Government imposed on March 25, 2020. To ensure the economy's rebound, the Government introduced stimulus package to boost liquidity and consumer confidence in the market. The easing of lockdown further led to a decent recovery. In December, India's GDP re-entered the progression territory, registering a growth of 0.4%. The Consumer Price Index inflation in India stood at 5.52% in March 2021, and the Wholesale Price Index inflation hit an eight-year high at 7.39% in March 2021.

Several initiatives by the Government of India, such as Atmanirbhar Bharat, Production Linked Incentive schemes and the focus on Ease of Doing Business, are expected to drive economic growth as we move forward. India's

real GDP is projected to grow 11.5% in 2021, which is the highest for any country worldwide, and 6.8% in 2022. India is expected to emerge as the fastest growing economy in the next two years.

(Sources: World Bank, Economic Times, Statista, India Today, IBEF, Deloitte, India Infoline)

## Global Automotive Sector Overview

The automotive sector globally employs 9 million people directly and 45 million people indirectly (in auto components), leading to more than 5% of the global manufacturing employment. In 2020, worldwide motor vehicle production fell sharply, dropping 15.4% from the previous year, because of travel restriction measures and an overall decline in economic activity due to the COVID-19 pandemic. Passenger cars experienced a more significant drop in production than commercial vehicles, with decreases of 16.9% and 11.6%, respectively. This marks the third consecutive year with negative growth in global automotive vehicle production. In contrast, global electric vehicle (EV) sales increased 39% in 2020, to 3.2 million units, boosting the total global EV stock to 11.3 million units.

However, the growth returned in CY2021 as the global demand recovered owing to easing lockdowns and travel restrictions. With global demand starting to recover, the pace of recovery is uneven regionally, with China leading, North America following, and Europe likely lagging behind.

(Source: [knoema.com](http://knoema.com))



## Indian Automotive Sector Overview

The Indian automobile sector is one of India's principal industrial catalysts, providing jobs to more than 35 million people, directly or indirectly, and contributing around 7.1% to India's overall GDP and 49% to manufacturing sector GDP. India became the fourth largest automobile market in the year 2019 surpassing Germany and it is expected to beat the Japanese auto market in the year 2021. It will also make India the world's third largest automobile sector. During the year, the industry faced challenges from COVID-19, lack of consumer spending, more private investments, weak monsoon, and the imposition of BS-VI norms. Moreover, COVID-19 drove an end-to-end transformation. The auto sector gradually started picking up with the unlocking of lockdowns. The festive season discounts and Government support of auto loan interest below 8%, pushed the demand north. The revival of the automobile sector, especially the Passenger Cars, was led by the segment of the used cars.

(Sources: McKinsey, Economic Times, Invest India, Business Today, SIAM, Statista)



## Indian Automotive Components Sector Overview

The Indian auto component industry, being a critical part of the OEM value chain, has grown at a healthy pace over the past few years. The organised segment of this industry includes companies engaged in the manufacture of high-value precision instruments for OEMs and also for the Aftermarket. The unorganised segment comprises low-valued products catering mainly to Aftermarket services. The industry is quite fragmented with most firms being Indian businesses and relatively lower number of foreign firms and JVs operating in the segment.

2020-21 was a year of transition for the Indian auto components industry. The year presented fresh challenges in the form of COVID-19 and the resultant supply side disruptions, loss in production of automobiles, rise in input costs, trade disruptions and other challenges. According to ACMA, the turnover of the auto components industry fell by 34% Y-o-Y to ₹ 1.19 Lacs Cr. (US\$ 15.9 billion) during H1 2020-21. However with the easing of lockdowns and rise in pent up demand, the industry witnessed a strong recovery in the second half of 2020-21. This momentum was interrupted by the second wave of Covid-19 towards the end of the financial year.

Alongside, the industry also witnessed business growth opportunities for the long term. The announcement of an incentive-based vehicle scrappage policy, though voluntary, is expected to lead to a rise in automobile sales in the country, which has a direct benefit for the auto components industry. Additionally, the Government's focus on quick adoption of Electric Vehicles may create significant potential for auto component manufacturers. The PLI scheme would encourage investments in the industry. The shift from BS-IV to BS-VI norms, though an impediment for the industry currently, will place the industry on par with international regulations on safety and emissions in the long term. Lastly, as a resultant, 2021-22 is expected to witness a positive growth of 18% to 20%, after two consecutive fiscals of de-growth.

(Source: ACMA, Care Ratings, <https://www.financialexpress.com/>)





## Business Segments

### #1: 2 & 3 - WHEELERS

67%

TOTAL REVENUE  
CONTRIBUTION



Gabriel India is among the three leading players in the 2-Wheelers segment and the top player in the 3-Wheelers segment, supplying Front Forks and Rear Shock absorbers to most of the premium OEMs. Against a market de-growth of 14.5%, the Gabriel India 2&3 Wheeler division performed decently, recording a de-growth of 8.9% in 2020-21. Gabriel India was also able to successfully ramp up production at the new Sanand plant for supplies to HMSI for the scooters model. Additionally, Gabriel India was able to win new businesses with existing customers

such as TVS, Yamaha, Suzuki, Mahindra, Piaggio as well as new customers such as OLA Electric.

The year saw several new launches with multiple customers and latest technology offerings being made to customers. With an intention to be a part of the Electric Vehicle growth story, Gabriel India is concentrating on developing fresh products and technologies. During the year, the Company engaged with multiple new entrants, especially in the EV domain, such as Ather, Ampere Motors and a few others.

### #2: PASSENGER CARS

21%

TOTAL REVENUE  
CONTRIBUTION



Gabriel India is a key supplier to the newly launched vehicles for several OEMs. It also enjoys a major share of the Aftermarket segment of Passenger Cars. Strong growth led by new launches and sustained increase in export volumes have been the key determinants of the Company's success. Against an industry de-growth of 10%, the Company performed better by recording just 5% de-growth. With this, Gabriel India successfully improved

the market share to 19% from 17% in 2018-19, and continuously improving the Share of Business with key customer Maruti Suzuki India Limited. Expanding its market reach, the Company entered Russia through Volkswagen exports that helped it to negate the domestic industry downtrend.

### #3: COMMERCIAL VEHICLES & RAILWAYS

10%

TOTAL REVENUE  
CONTRIBUTION



Gabriel India is the leader in manufacturing shock absorbers for Commercial Vehicles (CV) in India with a market share of 75%. Against a market de-growth of 18%, the Company limited the de-growth to 15% in the financial year 2020-21. Gabriel India was also able to start new business with DAF-PACCAR/Mahindra & Mahindra Pick-Up new models and Ashok Leyland in light Commercial Vehicles (LCV) for their

highest selling model. Additionally the Company secured business opportunities through existing channel partner in the Aftermarket with Powerdown, Australia.



Gabriel India supplies shock absorbers to the Indian Railways for Linke Hofmann Busch (LHB) coaches. The year was tough for the railways, as it operated just 60% trains due to the pandemic. This translated to 56% downtrend business compared to the previous year. This was passed on to the coach manufacturers as well, as they halved their production capacity. Gabriel India focused on key private players to supply LHB dampers and also added a new private customer

– Steel Craft Engineering, Batala. Further strengthening the orderbook, the Company received RFQ from Bombardier, Siemens and Talgo for supplying railway dampers. It also took initiatives to improve product performance for longer warranty periods. Rail Load Data Acquisition under the guidance of Research Design and Standards Organisation Lucknow, was carried out to improve damper performance.

Note: balance 2% revenue contribution is from traded items

## #4: AFTERMARKET

15%\*

TOTAL REVENUE CONTRIBUTION



In the Aftermarket segment, Gabriel India caters to all – Passenger Cars, Commercial Vehicles and 2 & 3 - Wheelers. The year saw the auto component industry witnessing a de-growth of 15% due to the pandemic. The Company managed to achieve 96% of 2019-20 sales in 10 months in a very challenging environment. In the Aftermarket exports segment, it recorded an impressive growth of 15% over last

year sales. The Company also introduced a new product line of Passenger Car Brake Pads with 272 SKUs, offering a widest range in the Aftermarket through virtual launches. It also introduced Ride Control Products for high-end vehicles such as Audi, Mercedes Benz to name a few.

\* Aftermarket contributes across business lines, including 2 & 3 - Wheelers, Passenger Cars and Commercial Vehicles



## Financial Overview



### Segment-wise revenue (%)

● 2 & 3 - Wheelers	67
● Passenger Cars	21
● Commercial Vehicles & Railways	10
● Trading	02



### Market-wise revenue contribution (%)

● Original Equipment Manufacturers (OEMs)	81
● Exports	04
● Replacement	15

(₹ in Cr.)

Particulars	2020-21	2019-20
Net Sales	1,679.35	1,854.31
EBITDA	107.64	137.80
Profit before Tax (PBT)	77.91	100.27
Profit after Tax (PAT)	60.27	84.71

Particulars	2020-21	2019-20
EBITDA/Turnover (%)	6.33	7.37
EBITDA/Net interest ratio	16.41	38.49
Debt-equity ratio	0.02	0.01
Return on equity (%)	8.66	13.00
Book value per share (₹)	48.47	45.37
Earnings per share (₹)	4.20	5.90
Debtors Turnover (days)	5.79	8.02
Inventory Turnover (days)	8.65	11.98
Interest Coverage Ratio (x)	9.95	26.30
Current Ratio (x)	1.68	1.76
Operating Profit Margin (%)	14.45	15.88
Net Profit Margin (%)	3.59	4.57



## Opportunities and Threats

### Opportunities

#### China+1 strategy

After the supply chain disruption caused by the COVID-19 pandemic, manufacturers worldwide are looking for a base outside China. India's automobile market has a suitable environment with scaling capabilities, which puts it at the cusp of witnessing many more opportunities.

#### Electric vehicles

There has been tremendous growth in Electric Vehicles; additionally the Government's thrust and initiatives on adoption of EVs in India is driving the EV market. The EV market in India is expected to grow at CAGR of 44% between 2020-2027 and is expected to hit the 6.34 million-unit annual sales by 2027. India is expected to be the world's third-largest automotive market in terms of volume by 2026.

#### Car penetration

Car penetration in India, defined as the percentage of population that owns a car, is 2%; rising income levels will lead to exponential growth in discretionary spending; car penetration level is expected to rise and will result in growth in the passenger vehicles industry.

#### Globalisation

The rapidly globalising world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto component manufacturers.

### Threats

#### Weakening economic growth

India has seen a sharp deceleration in GDP growth owing to the liquidity crisis, agrarian community stress, complication in adapting to new policies and the most recent COVID-19 outbreak. If the overall economy continues to face setbacks at the same pace, a pick-up in the auto sector would be delayed.

#### Industry's discretionary nature

Auto industries are discretionary in nature. Amid the slowdown, spending on new vehicles is often curtailed or postponed by users, making the industry cyclical.

#### Increasing vehicle cost

The e-mobility push, BS-VI norms compliance, rising input and insurance costs are together pushing the overall vehicle price. As a result, consumers may take some time to accept the increased pricing.



## Risks and Concerns

A well-defined risk-management framework is integral to our business strategy. Gabriel India has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. The team has a risk policy and processes for risk evaluation and measurement, whereas business units focus on developing and implementing mitigation measures, while taking controlled risks. Specific risk approaches are in place for financial and non-financial businesses. Risk management, internal controls and assurance processes are embedded into all activities of the Company.

## Human Resources

Quality employees can take a company to new heights. Gabriel India is committed to equip its employees with the required skills, enable them to seamlessly evolve with the ongoing technological advancements. In view of this, the Company has maintained a strong employee connect. It has adopted a partnership-oriented approach and employee-friendly systems and policies.

Human Resource (HR) management at Gabriel India goes beyond the set boundaries of compensation, performance reviews and development. We look at the employee's entire work-life cycle, to ensure timely interventions that help build a long-lasting and fruitful career. Gabriel India employees possess in-depth knowledge of the sector and are seasoned resources.

## Employee Composition of the Company

Total number of employees

3,684

MARCH 31, 2020

3,966

MARCH 31, 2021

Average age of employees

29

MARCH 31, 2020

29

MARCH 31, 2021

Average employee experience  
(person years)

8

MARCH 31, 2020

9

MARCH 31, 2021

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

80

MARCH 31, 2020

78

MARCH 31, 2021

Total investment made on training and  
development programme (₹ in Cr.)

2.21

MARCH 31, 2020

0.42

MARCH 31, 2021



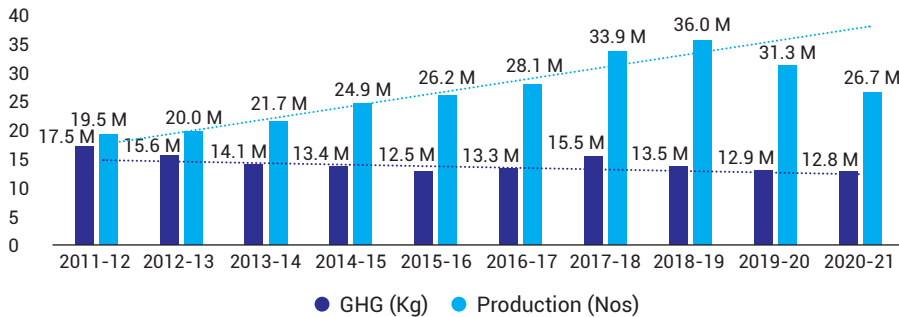
## Environment, Health, Safety

The Company focuses on 'Safety Culture Building' by maintaining the Safety Management System to reduce the risk of untoward incidents and injuries. This system includes safety rules, safety procedures, safety training, hazard identification, correction, incident reporting and investigation, capturing near-miss accidents, safety communications and safety suggestions. Safety Management System contributes not only to improve the workplace safety but also influences the organisation safety culture.

The Company's manufacturing facilities at Hosur, Nashik, Chakan, Dewas, Khandsa and Parwanoo are ISO14001-certified. The facilities comply with all Government regulations. A dedicated Environment, Health and Safety (EHS) officer has been appointed at each of these factories to ensure compliance with the norms related to employee health and safety. The Company's plants, except for the one at Nashik, are ISO18001/45001-certified for employee health and safety. The Company regularly conducts safety-training drills for all operators and employees during their induction. Certification bodies that check compliances carry out the surveillance audits.

### Reduction in Carbon Footprint

Millions



**4,499 MT**

REDUCTION IN CARBON FOOTPRINT SINCE 2011-12

**₹ 16.6 Lacs \***

INVESTMENT IN RENEWABLE ENERGY SOURCING

**1.1 MW**

INSTALLED SOLAR ENERGY CAPACITY

**36 Lacs units**

ANNUALLY CAPTIVE WIND POWER PLANT TO SOURCE RENEWABLE POWER AT HOSUR

**16 %**

POWER GENERATION FROM RENEWABLE SOURCES

\*Majority of renewable energy projects are on lease or on BOOT basis.



## Internal Control Systems and their Adequacy

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

## Outlook

Going forward, we shall continue our cost-cutting measures and focus on growing free cash flow per share in the long term. The Company will continue to relentlessly pursue R&D and innovation, product quality, and customer

satisfaction, while aiming to create shareholder value. With the ease of lockdowns and change in strategies, the Company will continue to invest in expanding capacity and enhancing its return on capital employed. The Company will work towards debt reduction, along with the growing exports and Aftermarket division. We believe we have a long growth runway, and it is still day one.

## Cautionary statement

Statements in the Management Discussion and Analysis Report describing your Company's projections, estimates and expectations may be interpreted as "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to its operations include economic conditions affecting demand/supply, price conditions in the domestic and international markets in which it operates, changes in Government regulations, tax laws and other statutes. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.



## DIRECTORS REPORT

### To, The Members,

Your Directors present the 59th Annual Report on the business and operations of Gabriel India Limited ('the Company'), along with the Audited Financial Statements for the financial year ended March 31, 2021.

### FINANCIAL RESULTS

(₹ in million)

Particulars	Financial Year 2020-21	Financial Year 2019-20
Net Sales	16,793.52	18,543.14
Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA)	1,076.43	1,377.98
Finance Cost	65.58	35.80
Depreciation and amortisation expenses	423.86	436.47
Profit/(Loss) Before Tax (PBT)	779.07	1,002.70
Provision for Taxation:		
- Current	148.91	270.77
- Deferred Tax	27.43	(115.15)
Total Profit after Taxes (PAT)	602.73	847.08
Profit/(Loss) Account Balance at the beginning of the year	5,707.65	5,112.39
Profit available for appropriations	6,311.84	5,950.10
Appropriations:		
Dividend on Equity Shares	150.83	201.10
Tax on Dividend	-	41.35
Transferred to General Reserves	-	-
Profit/(Loss) Account balance at the end of the year	6,161.01	5,707.65

### COVID-19

Company's operations and financial results for the year ended March 31, 2021 have been adversely impacted by

the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India due to which the operations were suspended for part of the year and gradually resumed with requisite precautions. The results for the year are, therefore, not comparable with those for the previous year.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Property, plant and equipment, Investments, Inventories, Receivables and Other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.

### PERFORMANCE HIGHLIGHTS

Your Company recorded net sales of ₹ 16,793.52 million in financial year 2020-21 as compared to ₹ 18,543.14 million in financial year 2019-20, a de-growth of 9.4%. It reported a 21.9% de-growth in EBITDA to ₹ 1,076.43 million, largely based on volume de-growth across all Business Units viz. 2&3 - Wheelers, Passenger Cars, Commercial Vehicles and Aftermarket due to COVID-19 pandemic. The Company's PBT stood at ₹ 779.07 million, decrease of 22.3% over financial year 2019-20, largely because of volume drop in segments, as above. Profit after tax of the Company was pegged at ₹ 602.73 million compared to ₹ 847.08 million in financial year 2019-20. The EPS dropped to ₹ 4.20 per share in financial year 2020-21 from ₹ 5.90 per share in financial year 2019-20.

### BUSINESS OUTLOOK

In the financial year 2021-22, due to severe second wave of COVID-19 and the damage it made on human lives and Indian economy, we foresee subdued performance of automobile industry and in turn auto component industry. Restrictions posed by different State Governments during March - May 2021 would impact the industrial activity and buyer's sentiments.

## Directors Report (Contd.)

However, as we could work on cost reduction initiatives in financial year 2020-21 and posted a significantly better performance on top line and bottom line, we would continue the same this year. We have embarked a major initiative for localisation using two-pronged approach. One by in-house capacity expansion and second with key suppliers. We expect reduction in overall imports in the financial year 2021-22, thereby reducing costs.

Other key focus areas remain – productivity, talent retention and skilling. We are also aggressively looking at M & A in similar area of operations. With the completion of new Technology Center at Chakan, Pune for Passenger car and Commercial vehicles product development, we foresee faster product and technology upgradation.

### OPERATIONS

We saw a major improvement in blue collar productivity using Human Efficiency Enhancement technique at major plants during last two years. We will continue our efforts in the same direction this year as well to reach benchmark productivity levels. This would be supplemented by focused automations to enhance productivity and quality. We could use 100% capacity at our new Sanand facility in peak months in Q2-Q3 financial year 2020-21.

Our modern state of art Technology Center at Chakan, Pune will enhance our R & D capabilities. We also are working on in-house expansion of aluminium die casting facility at Chakan, Pune to reduce dependence on imports.

### CREDIT RATING

CRISIL Limited ("CRISIL") has reviewed credit rating of your Company for its bank facilities and reaffirmed the Company's rating as CRISIL AA/Stable for Long Term facilities and FAA+/Stable for Fixed Deposits.

### DIVIDEND

Your Directors declared an interim dividend of Re. 0.20 per equity share of Re. 1 each (previous year Re. 0.45 per equity share of Re. 1 each). This dividend amounted to ₹ 28.73 million (Previous year ₹ 64.64 million). This was distributed to shareholders, whose names appeared on the Register of Members as on November 23, 2020.

Your Directors further recommended for the approval of shareholders a final dividend of Re. 0.70 per equity share of Re. 1 each (previous year Re. 0.85 per equity share of Re. 1

each). This proposed dividend will amount to ₹ 100.55 million (previous year ₹ 122.10 million). Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members hence the Dividend Payout will be exclusive of dividend distribution tax. The dividend, subject to its declaration, will be distributed to shareholders whose names appear on the Register of Members on July 28, 2021.

Company also has its Dividend distribution policy which has been approved by the Board of Directors. The said policy is uploaded on the website of the Company at below link:

<https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/>

### TRANSFER TO RESERVES

The closing balance of the retained earnings of the Company for the financial year 2020-21, after all appropriations and adjustments was ₹ 6,161.01 million.

### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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

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

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

Sr. No.	Particulars	Amount of Dividend (₹)	No. of Shares
1	Final Dividend 2012-13	11,36,733	91,696
2	Interim Dividend 2013-14	9,19,459	50,361

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

## Directors Report (Contd.)

Sr. No.	Month in which amount was transferred	Amount of unclaimed matured deposit (₹)	Amount of unclaimed interest (₹)
1	April-20	19,408	-
2	May-20	45,000	-
3	July-20	-	14,075
4	October-20	-	22,203
5	January-21	-	58,472
6	March-21	-	39,732

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

Sr. No.	Particulars	Amount of Dividend (₹)	No. of Shares
1	Final Dividend 2019-20	8,29,780.75	91,696
2	Interim Dividend 2020-21	2,10,692.16	50,361

## SHARE CAPITAL

The paid-up Equity Share Capital as on March 31, 2021 was ₹ 143.64 million. During the year under review, the Company did not issue any shares and did not grant stock options or sweat equity shares to employees. The details of the shareholding of the Directors as on March 31, 2021 are as mentioned below:

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

## DEPOSITS

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

applicable tenure. The details pertaining to deposits is as under:

Sr. No.	Details	Amount (₹ in million)
i	Public deposits accepted during the year	NIL
ii	Deposits that remained unpaid or unclaimed as at the end of the year	0.11
iii	Whether there has been any default in repayment of deposits or payment of Interest thereon: <ul style="list-style-type: none"> <li>a. at the beginning of the year.</li> <li>b. maximum during the year</li> <li>c. at the end of the year</li> </ul>	NIL NIL NIL
iv	Details of deposits which are not in compliance with the requirements of Chapter V of the Act	NIL

## MEETINGS OF THE BOARD

The Board of the Company comprised six Directors as on March 31, 2021. The Board comprised Mrs. Anjali Singh, Mr. Manoj Kolhatkar, Mr. Jagdish Kumar, Mr. Aditya Vij, Mr. Pradeep Banerjee and Ms. Matangi Gowrishankar.

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

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	May 19, 2020	6	6
2	August 07, 2020	6	6
3	November 12, 2020	6	6
4	February 08, 2021	6	6

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

## Directors Report (Contd.)

### COMMITTEES

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

### MANAGEMENT

#### A. Directors

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

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

No change in the Directors held during the year. The Board of Directors welcomed Mr. Atul Jaggi and Mrs. Pallavi Joshi Bakhru on Board of the Company with effect from May 26, 2021. Brief rationale of their appointments is mentioned in the Notice of the Annual General Meeting.

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

#### B. Declaration of independence and statement on compliance of Code of Conduct

The Non-Executive Independent Directors enlisted below have :

1. Provided a declaration under Section 149 (7) of the Companies Act, 2013 that they meet the criteria

of independence. The declarations from the said Directors is attached as **Annexure- A** to this Report.

2. Complied with the Code for Independent Directors prescribed in Schedule IV to the Act.
3. Complied with the Code of Conduct for Board of Directors, Members of Senior Management and Insiders.

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

#### C. Formal Evaluation

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

#### D. Audit Committee

The Audit Committee was constituted as per the provisions of the Companies Act, 2013 and Regulation 18 of SEBI (LODR), 2015. The Composition of the Audit Committee as on March 31, 2021 was as below:

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

## Directors Report (Contd.)

### E. Key Managerial Personnel

There has been no change in the Key Managerial Person of the Company during the financial year 2020-21. A proposal to appoint Mr. Atul Jaggi as Deputy Managing Director has been placed before the shareholders in the ensuing Annual General Meeting for approval.

### COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

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

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

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

### VIGIL MECHANISM

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

### INTERNAL CONTROLS AND SYSTEMS

The Company has established adequate internal control systems and vigilance systems commensurate with the size of the business, nature of the business and risk management which are continuously evaluated by professional internal and statutory auditors of repute. The Company continues to improve the present internal control systems by implementation of appropriate policy and processes evaluated based on the Enterprise Risk Management, Internal Financial Controls and Internal Audits. Adequate

benchmarking is done to upgrade the same from time to time and such update is based on the changes in the risk factors, probability and impact to the organisation. The Company has in place an adequate system to ensure effectiveness, efficacy of operations, compliance with applicable legislation, safeguarding of assets, adherence to management policies and promotion of ethical conduct.

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

### BUSINESS RISK MANAGEMENT

Like any other industry, the Company faces several business risks. The Company's business is exposed to internal and external risks which are identified and revisited every year. For proper risk management, the Company has Risk Management Policy and a well-defined Risk framework comprising of Risk Governance, Risk Enabled Strategic Processes, Risk Enabled Operational Processes, Coordinated Risk Assurance and Technology Enablement. The Audit Committee ensures quarterly monitoring of various components of the risk framework in compliance to Risk Management Policy. A Risk Management Committee formed under the Chairmanship of the Chief Financial Officer (CFO) meets every quarter to review progress of actions planned and an update of the same is presented in the Audit Committee and to the Board members. The Company has taken necessary actions for Risk mitigation in the financial year 2020-21.

The key risks of the organisation are as under. The Company has plans to mitigate the same.

### Industry Risk

The Company has customer relationships with a large number of OEMs in all business segments – Passenger

## Directors Report (Contd.)

Cars, Commercial Vehicles, Two Wheelers and Railways which has substantially mitigated industry risk. Additionally, the Company is continuously widening its Exports and Aftermarket presence.

### **Competition Risk**

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

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

The Company has drawn a technology road map and has taken up various projects under Automation initiative to manage and mitigate technology risk arising due to dated software, lack of automation and high dependency of manual efforts.

For improvement of Quality initiatives such as COPQ 2.0, AHQ have been implemented to aid in managing and mitigating risk of sub-standard product quality that may result in reduction of export volumes / increasing warranty costs.

The Company has developed plan with quarterly targets focusing on developing new products to ensure increase foothold in the market in line with long term strategic plans.

### **Procurement Risk**

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

The Company continue to use e-Sourcing to get additional cost reductions from existing / new vendors on regular basis. Annual Cost reduction workshops are continuing to give new avenues to control the Raw Material costs. Import localisation has helped the Company to reduce strain on margins due to competitive pricing.

### **Export Risk**

The Company commissioned a full-fledged Two Wheelers R&D Centre at Hosur in December 2013 and strengthened its R&D capabilities in its Passenger Cars and Commercial Vehicles and Railways Business Unit at Pune. A modern R & D Technology Center for Passenger Cars and Commercial Vehicles product development is in progress at Chakan, Pune.

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

### **Compliance Risk**

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

### **Contingency Risk**

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

During COVID-19 pandemic, the Company was able to successfully channelise internally with the limited resources available.

## Directors Report (Contd.)

### FRAUDS REPORTED BY AUDITOR

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

### EXPLANATION IN RESPOSE TO THE AUDITORS' QUALIFICATION

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

### CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

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

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

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

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

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

### COMPLIANCE WITH SECRETARIAL STANDARDS

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

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

### CORPORATE GOVERNANCE REPORT

A separate section on Corporate Governance is included in the Annual Report and the certificate from the Company's

Auditors, confirming the compliance of conditions of Corporate Governance, as stipulated under SEBI (LODR), 2015 is annexed thereto.

### MANAGEMENT DISCUSSION ANALYSIS

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

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 amended vide Ministry of Corporate affairs Notification dated January 22, 2021, the Company has amended the Corporate Social Responsibility Policy. The same is hosted on the website of the Company. The Company has a CSR Committee to monitor adherence to Corporate Social Responsibility Policy and to track transactions related to Ongoing / Non-ongoing projects etc. Certification by Chief Financial Officer on disbursement and utilization of Corporate Social Responsibility funds is attached as **Annexure B** to this Report. Further, a detailed report on the CSR activities inter- alia disclosing the composition of CSR Committee and CSR activities is attached as **Annexure B - I and B - II** to this Report.

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

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

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

### PREVENTION OF SEXUAL HARASSMENT POLICY

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

## Directors Report (Contd.)

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

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

### AUDITORS

#### Statutory Auditors

In 54th Annual General Meeting held on July 29, 2016, M/s. B. K. Khare and Co., Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of 5 years. M/s B K Khare & Co, Chartered accountant will act as statutory Auditor of the Company till the conclusion of the 59th Annual General Meeting of the Company.

Board of Directors of the Company in their meeting held on May 26, 2021 has appointed Price Waterhouse Chartered Accountants LLP ('PWC') as the Statutory Auditors of the Company subject to the approval of the shareholders of the Company in the 59th Annual General Meeting of the Company. PWC will act as the Statutory Auditors from the conclusion of 59th Annual General Meeting till 64th Annual General Meeting of the Company.

#### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed KPRC & Associates, a firm of Company Secretaries in practice, to undertake the Secretarial Audit. The self-explanatory Report of the Secretarial Audit is attached as **Annexure D** to this Report.

#### Cost Auditors

As per Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Dhananjay V Joshi and Associates, Cost Accountants, Pune as Cost Auditors (Registration No. 00030) of the Company for financial year 2020-21 and financial year 2021-22 to conduct cost audits for relevant products prescribed under the Companies (Cost Records and Audit)

Rules, 2014 for the financial year ending March 31, 2021 and March 31, 2022 respectively. The Board on recommendations of the Audit Committee have approved the remuneration payable to the Cost Auditor, subject to ratification of their remuneration by the Members at the forthcoming AGM. Please refer to item no.9 and 10 of the Notice. M/s. Dhananjay V Joshi and Associates, have, under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for appointment. The cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1) of Act.

### EXTRACT OF ANNUAL RETURN

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

### PARTICULARS OF EMPLOYEES

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as **Annexures E** and **F** to this Report.

In furtherance to above, Mrs. Anjali Singh, Whole-time Director of the Company has received remuneration from Asia Investments Private Limited, holding company, during financial year 2020-21.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgments



## Directors Report (Contd.)

and estimates that are reasonable and prudent, to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2021 and of the Profit of the Company for that period.

3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing / detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.
5. The Directors have laid down internal financial controls followed by the Company and that such financial controls are adequate and operating effectively.

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

### ACKNOWLEDGEMENTS

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

For and on behalf of the Board

**Manoj Kolhatkar**

Managing Director

(DIN: 03553983)

Place: Pune

Date: May 26, 2021

**ANNEXURE****ANNEXURE A****DECLARATION OF INDEPENDENCE**

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

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

- (a) We are or were not promoter of the Company or its holding, subsidiary or associate company or member of the promoter group of the Company; nor are we related to promoter or directors in the Company, its holding, subsidiary or associate company;
- (b) We do not have or had any pecuniary relationship, other than remuneration as director, with the Company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;
- (c) None of our relatives :
  - i. is holding any security of or interest in the Company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year
  - ii. is indebted to the Company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed, during the two immediately preceding financial years or during the current financial year
  - iii. has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed, during the two immediately preceding financial years or during the current financial year; or
  - iv. has or had any other pecuniary transaction or relationship with the Company, or its subsidiary, or its holding or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income singly or in combination with the transactions referred to above in sub-clause (i), (ii) or (iii); or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year.
- (d) We ourselves nor any of our relatives :
  - i. hold or has held the position of key managerial personnel or is or has been an employee of the Company or its holding, or subsidiary or associate company in any of the three financial years immediately preceding the financial year in which we are proposed to be appointed;
  - ii. are or has been an employee or proprietor or partner, in any of the three financial years immediately preceding the financial year in which we are proposed to be appointed, of –
    - (A) A firm of auditors or company secretaries in practice or cost auditors of the Company or its holding or subsidiary or associate company; or
    - (B) Any legal or consulting firm that has or had any transaction with the Company, or its holding or subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - iii. hold together two per cent or more of the total voting power of the Company;
  - iv. are Chief Executive or Director, by whatever name called, of any non-profit organisation that receives twenty five percent or more of its receipt from the Company, any of its promoters or directors or its holding or subsidiary or associate company or that holds two percent or more of total voting power of the Company;

## Directors Report (Contd.)

- v. are material supplier, service provider or customer or a lessor or lessee of the Company.
- (e) We are not less than 21 years of age.
- (f) We possess appropriate skills, experience and knowledge in one or more discipline(s) related to the Company's business.
- (g) We meet the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 of SEBI (LODR), 2015 and that we are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact our ability to discharge duties with an objective independent judgment and without any external influence.
- (h) We are registered with Indian Institute of Corporate Affairs for inclusion of our name in the data bank of Independent Directors and confirm to renew the same within prescribed period from the date of expiry of said registration.

**Aditya Vij**

DIN: 03200194

**Matangi Gowrishankar**

DIN: 01518137

Place: Pune

Date: May 26, 2021

**Pradeep Banerjee**

DIN: 02985965

**Pallavi Joshi Bakhru**

DIN: 01526618

## Directors Report (Contd.)

**ANNEXURE B****CERTIFICATION BY CFO ON DISBURSEMENT AND UTILISATION OF  
CORPORATE SOCIAL RESPONSIBILITY FUNDS****To the Board of Directors  
Gabriel India Limited**

I, Rishi Luharuka, Chief Financial Officer of Gabriel India Limited ('the Company') certify that the funds disbursed by the Company during the financial year 2020-21 have been utilised for the purposes and in the manner as approved by the Board of Directors in terms of Corporate Social Responsibility ('CSR') Policy of the Company.

The CSR activities and manner of utilisation of funds for said activities during financial year 2020-21 are disclosed as Annexure B – I and II respectively and forms part of the Annual Report.

An amount of ₹ 4.70 million allocated for Ongoing projects was unspent during the financial year 2020-21 and has been transferred to 'Unspent CSR Account – Gabriel India Limited' during the month of April 2021.

Place: Pune  
Date: May 26, 2021

**Rishi Luharuka**  
Chief Financial Officer

## Directors Report (Contd.)

### ANNEXURE 'B – I' ANNUAL REPORT ON CSR ACTIVITIES

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

#### 1. BRIEF OUTLINE ON THE COMPANY'S CSR POLICY

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

During the year under review your Company has amended the CSR Policy inter-alia to incorporate following major aspects :

- 1) New important definitions.
- 2) Adding in 'Aim and Objective' of the Policy and about guiding principles for selection, implementation, and monitoring of the activities.
- 3) Formulation of the Annual Action plan.
- 4) Treatment of unspent amount allocated for Ongoing / Non-ongoing projects.
- 5) Limits for the administrative overheads.
- 6) Set-off of the amount spent more than CSR obligations.

- 7) Additional responsibilities of Board of Directors.
- 8) Annual Certification by CFO of the Company on funds disbursement and utilisation.
- 9) The impact assessment report.

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

1. Anand Parwanoo School Slum Abhiyan
2. Anand Sports Complex and Municipal Park
3. Anand Nasik Village Income School Abhiyan
4. Anand Jawai Sujan School Abhiyan
5. Anand Dewas Sarva Shiksha Abhiyan
6. Promoting Vocational Skills among underprivileged youth especially girls
7. Anand Hosur Sarva Shiksha Abhiyan
8. Contribution to Deep C Anand Education Trust
9. Donation to The People Society of Hosur

#### 2. COMPOSITION

The CSR Committee consists of the following members as on March 31, 2021 :

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

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

#### 3. MEETINGS

Four CSR committee meetings were held during the financial year 2020-21, details of which are as under:

## Directors Report (Contd.)

Dates	Members Strength	Members Present
May 19, 2020	3	3
August 07, 2020	3	3
November 12, 2020	3	3
February 08, 2021	3	3

#### 4. WEB-LINK

Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

The Link to the website is: <https://www.anandgroupindia.com/wp-content/uploads/2018/01/Corporate-Social-Responsibility-Policy-2021.pdf>

#### 7. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS

Financial Year	2019-2020	2018-2019	2017-2018	Amount (₹ in million)
				Average net profit for last 3 financial years
<b>Net Profit</b>	1,029.88	1,401.41	1,388.92	1,273.40

#### 8. PRESCRIBED CSR EXPENDITURE

S.No.	Description	Amount (₹ in million)
a.	Two percent of average net profit of the Company as per Section 135(5) of the Act	25.46
b.	Surplus arising out of the CSR projects or Programmes or activities of the previous financial years	0.00
c.	Amount required to be set off for the financial year, if any	0.00
	<b>Total CSR obligation for the financial year (a+b-c)</b>	<b>25.46</b>

#### 9. DETAILS OF CSR AMOUNT SPENT / UNSPENT DURING THE FINANCIAL YEAR

(a) CSR amount spent or unspent for the financial year 2020-21 :

Total amount spent for the financial year (₹ in million)	Amount Unspent (₹ in million)				
	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
20.76	4.70	29.04.2021	Nil	Nil	Nil

#### 5. IMPACT ASSESSMENT

Not applicable to the Company as the obligation on the contribution to CSR activities is less than ₹ 10 crore.

#### 6. EXCESS CSR AMOUNT OF PREVIOUS YEARS AVAILABLE FOR SET-OFF

Sr No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2017-18	-	-
2.	2018-19	-	-
3.	2019-20	-	-
	<b>Total</b>	<b>NIL</b>	<b>NIL</b>

## Directors Report (Contd.)

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Items from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project State / District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/no)	Mode of Implementation-Through implementing Agency Name / CSR Registration Number
-----NIL-----										

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year : Rs. 20.76 million (Refer Annexure B - II)

- (d) Amount spent in Administrative Overheads : NIL
- (e) Amount spent on Impact Assessment, if applicable : Not Applicable
- (f) Total amount spent for financial year (b+c+d+e) : ₹ 20.76 million
- (g) Excess amount for set-off, if any : NIL

#### 10. DETAILS OF CSR AMOUNT SPENT / UNSPENT FOR PRECEDING FINANCIAL YEARS

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

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
----- NIL -----							

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Project ID	Name of Project	Financial Year in which project was commenced	Project Duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project - Completed / Ongoing
----- NIL -----								

#### 11. CREATION OR ACQUISITION OF CAPITAL ASSET

The details relating to the asset created or acquired through CSR spent in the financial year : **Not applicable during financial year 2020-21**

## Directors Report (Contd.)

### 12. REASON, IF ANY FOR THE AMOUNT UNSPENT

Refer Annexure B - II

### 13. RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE

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

**Manoj Kolhatkar**  
Managing Director  
(DIN: 03553983)

Place: Pune  
Date: May 26, 2021

By the order of Board  
**Anjali Singh**  
Chairperson of Board and CSR Committee  
(DIN: 02082840)



## Directors Report (Contd.)

**ANNEXURE 'B – II'**  
**ANNUAL REPORT ON CSR ACTIVITIES**

Details of CSR amount spent against **other than ongoing projects** for the financial year 2020-21

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area where the Company operates (Yes/No)	Location of the project		Amount spent for the project (₹ in million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	ANAND Parwanoo School Slum Abhiyan (APSSA)	Community Conservation	Yes	Himachal Pradesh	Parwanoo	1.96	No	SNS Foundation	N.A. for financial year 2020-21
2.	Facelift of ANAND Municipal Park and Sports Complex & VAN Vatika ANAND	Community Conservation	Yes	Himachal Pradesh	Parwanoo	1.46	No	SNS Foundation	N.A. for financial year 2020-21
3.	Promoting Vocational Skills among underprivileged youth especially girls	Skill Development	Yes	Himachal Pradesh	Parwanoo	0.41	No	SNS Foundation	N.A. for financial year 2020-21
4.	Improving access to drinking water at upcoming model village of Rohile (30-40 kms from Nashik city) – laying of pipeline from a water well near Kashyappi river (6 kms from Rohile) connected to the village water storage tank	Community Conservation	Yes	Maharashtra	Nashik	2.85	No	SNS Foundation	N.A. for financial year 2020-21
5.	AJSSA - ANAND Jawai Sujan School Abhiyan	Education	No	Meghalaya	Jawai	2.50	No	SNS Foundation	N.A. for financial year 2020-21
6.	ANAND Dewas Sarva Shiksha Abhiyan (ADSSA)	Education	Yes	Madhya Pradesh	Dewas	3.05	No	SNS Foundation	N.A. for financial year 2020-21

## Directors Report (Contd.)

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area where the Company operates (Yes/No)	Location of the project		Amount spent for the project (₹ in million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
7.	Promoting vocational skills among underprivileged youth especially girls	Skill Development	Yes	Madhya Pradesh	Dewas	0.14	No	SNS Foundation	N.A. for financial year 2020-21
8.	Promoting vocational skills among underprivileged youth especially girls	Skill Development	Yes	Haryana	Gurgoan	5.34	No	SNS Foundation	N.A. for financial year 2020-21
9.	ANAND Hosur Sarva Shiksha Abhiyan (AHSSA)	Education	Yes	Tamil Nadu	Hosur	2.55	No	SNS Foundation	N.A. for financial year 2020-21
10.	Donation to the People Society of Hosur	COVID-19	Yes	Tamil Nadu	Hosur	0.50	No	SNS Foundation	N.A. for financial year 2020-21
					<b>Total</b>	<b>20.76</b>			

## Directors Report (Contd.)

### ANNEXURE 'C' CONSERVATION OF ENERGY AND GREEN TECHNOLOGY

Information as per Section 134 (m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2021

#### 1. CONSERVATION OF ENERGY AND GREEN TECHNOLOGY/ INITIATIVES

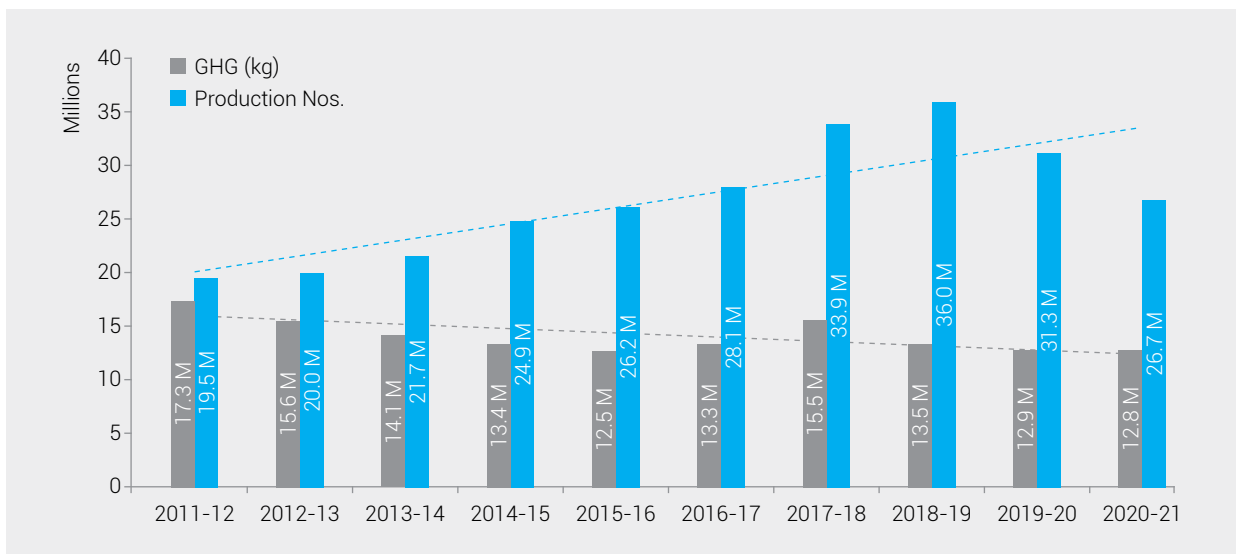
Your Company has been continuously working towards energy conservation green initiatives with innovative solutions. This year the Company has worked mainly in following areas:

1. Energy consumption per unit shock absorber increased from 0.59 per energy unit in FY 2019-20 to 0.68 per energy unit in FY 2020-21 due to addition of Sanand plant.
2. Using / improving energy efficiency using LED lighting technology at its plants, saving energy and reducing carbon foot print.

In financial year 2020-21, the contribution of renewable electrical energy was 16% in plant operations. To increase the share, rooftop solar is planned at Plants situated at Dewas, Chakan R&D and Sanand.

3. Energy Efficiency : Reduction in energy losses through technology application like variable speed drives, optimisation of process parameters affecting energy consumption, idling timers.
4. Renewable Energy : 1.1 MW of rooftop solar and Group Captive Wind Energy during the year.

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



## Directors Report (Contd.)

### 2. RESEARCH AND DEVELOPMENT (R&D)

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

- a. Development of shock absorbers for new generation of commercial vehicles.
- b. Introduction of FSD (frequency selective damping) valves for passenger cars.
- c. Joint development with global OEM platforms for shock absorbers.
- d. CO2 footprint reduction by product light-weighting.
- e. Import substitution.
- f. VA-VE activities to increase value and reduce cost of products.
- g. Advanced suspension technologies for enhanced user experience.
- h. Evaluation of vehicle and shock absorber interfaces using RLDA measurement facility.
- i. Virtual simulations using FEA for assessment of product safety.

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

- a. Product technology improvements
- b. Customer satisfaction
- c. Cost reductions
- d. Eco friendly products
- e. Re-use of existing parts

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

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

#### (3) Plan of action:

New technology center is nearing completion and testing facilities have been installed. The center will improve customer service for new product design & development and increase testing and evaluation capability for products. The center will help improve customer confidence in Gabriel's ability to provide a better product development experience to meet future needs of the market and will help in :

- a. Customer specific current and future needs.
- b. Development of product features to ensure customer satisfaction.
- c. Design optimisations to reduce consumption of natural resources.
- d. Closer interface with multinational OEMs to increase global presence.
- e. Railways product development.

#### Expenditure on R & D :

		(₹ in million)
Capital	:	109.72
Recurring	:	182.40
<b>Total</b>	<b>:</b>	<b>292.12</b>
Total R&D Expenditure	:	1.74%
		(Percentage of Net Sales)

#### Technology Absorption, Adaptation and Innovation

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

1. A) Technology from Kayaba Industry Co. Limited, Japan was used for manufacture of Shock Absorbers, McPherson Struts and Front Forks mainly for Japanese OEMs in India.
- B) KYB Suspensions, Europe, SA a wholly owned subsidiary of Kayaba Industry Co. Limited, Japan provided technology for new generation vehicles of European origin.

## Directors Report (Contd.)

- C) Technical Assistance with Yamaha Motor Hydraulic System Company Limited, Japan (formerly SOQI) for technology of front fork and two-wheeler shock absorbers.
- D) Technical Assistance with KONI B. V., Netherlands for technology of shock absorber for future commercial vehicles (trucks & buses).
2. Benefits derived as a result of the above efforts are acquiring new business, product development, import substitution, product improvement and cost reduction.
3. Particulars of imported technology in the last five years : Technology development and assimilation is an ongoing process. In order to meet the ever increasing demand of customers and continuously changing global standards, access to proven foreign technology is available.
4. R&D facilities for ride control products for

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

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

### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange earned and used:	
Earnings	: ₹ 615.84 million (Previous Year ₹ 394.01 million)
Outgoing	: ₹ 1,761.60 million (Previous Year ₹ 1,859.64 million)

Place: Pune

Date: May 26, 2021

For and on behalf of the Board

**Manoj Kolhatkar**

Managing Director

(DIN: 03553983)

## Directors Report (Contd.)

**ANNEXURE D  
FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021****[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,

**Gabriel India Limited****(CIN: L34101PN1961PLC015735)**

**Regd. Office:** 29th Milestone Pune - Nashik Highway,  
Village Kuruli, Taluka Khed, Pune - 410501,  
Maharashtra India.

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

**MANAGEMENT'S RESPONSIBILITY FOR SECRETARIAL COMPLIANCES**

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

**AUDITOR'S RESPONSIBILITY**

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

**OPINION**

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" as made available to us and also the information provided by "the Company", its officers, agents and authorized

representatives during the conduct of Secretarial Audit for the financial year ended on March 31, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **-Not Applicable for the period under review as no events occurred for the compliances.**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- v. The following Regulations and Guidelines prescribed under the securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - No events had happened under this, however, complied to the **extent of shareholding disclosure requirements as applicable.**
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable for the period under review.**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable for the period under review.**

## Directors Report (Contd.)

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable for the period under review.**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable for the period under review;**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable for the period under review.**
- i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 - **Not Applicable for the period under review.**

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

- Secretarial Standards 1, 2 and 3 as issued and notified by The Institute of Company Secretaries of India.
- The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Based on our verification of the company's relevant books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided to us by the Company, its officers, agents and authorized representatives during the conduct of our physical and online secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021, complied with the above listed statutory provisions; to the extent in the manner and subject to the reporting herein.

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

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no appointment of directors, independent directors, executive directors, Non-executive directors

during the year under review, however Ms. Matangi Gowrishankar (DIN: 01518137), who was appointed as an additional director w.e.f February 14, 2020 was regularized in the Annual General meeting and was appointed as non-executive independent director of the company not liable to retire by rotation for a term up to five consecutive years i.e. from Feb 14, 2020 to Feb 13, 2025 by way of filing Form MGT-14.

2. Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. After going through IEPF data and required compliances, certain discrepancies were observed which we were informed that those were technical errors and the officers of the Company has taken effective steps to comply the same.
4. All the decisions of the Board and its Committee were carried out with requisite majority.

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

- A. Adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- B. Systems and processes are in place and the Company has implemented compliance tool for better and more efficient compliances for the laws hereinafter as listed, which are applicable to the Company;
  - a. The Environment (Protection) Act, 1986.
  - b. The Water (Prevention and Control of Pollution) Act, 1974.
  - c. The Hazardous Wastes (Management, Handling and Trans - boundary Movement) Rules, 2008.

## Directors Report (Contd.)

- d. The Air (Prevention and Control of Pollution) Act, 1981.
- e. The Factories Act, 1948.
- f. The Industrial Dispute Act, 1947.
- g. The Payment of Wages Act, 1936.
- h. The Minimum Wages Act, 1948.
- i. The Employees' State Insurance Act, 1948.
- j. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- k. The Payment of Bonus Act, 1965.
- l. The Payment of Gratuity Act, 1972.
- m. The Contract Labor (Regulation and Abolition) Act, 1970.
- n. The Maternity Benefit Act, 1961.
- o. The Child Labor (Prohibition and Regulation) Act, 1986.
- p. The Industrial Employment (Standing Order) Act, 1946.
- q. The Employee Compensation Act, 1923.
- r. The Apprentices Act, 1961.
- s. The Equal Remuneration Act, 1976.
- t. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956.

- u. The Company has as on the date of this certificate complied with the Due Diligence report for the half year ended March 2020 and September 2020 as required to be prepared pursuant to RBI Circular - RBI/2008-2009/183/DBOD. No. BP.BC.46/08.12.001/2008-09 dated September 19, 2008.

*As informed to us and as per the data of reports of Compliance tool, we report that there are no Legal Dispute/s, corporate and Industrial issues/ cases going on against the Company, other than of normal routine nature, which we were informed that the company is contesting legally. Further, the Company had received one notice from ROC in the matter of Significant Beneficial Owner to which the company has suitably replied.*

**For KPRC & Associates**

Company Secretaries

**CS Pawan G. Chandak**

Partner

M. No. F-6429

CP. No. 6687

UDIN: F006429C000370441

Date: May 25, 2021

Place: Pune



**ANNEXURE - E**  
**INFORMATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED**

Sr. No.	Name	Designation	Age (in years)	Remuneration received (₹)	Nature of employment, whether contractual or otherwise	Qualification	Experience (No. of Years including previous employment)	Date of commencement of employment in the Company	The last employment held before joining the Company	Percentage of equity shares held in the Company along with spouse and dependent children
1	Anjali Singh	Executive Chairperson	39	2,80,17,499	Permanent	Bachelor's and Master's degree from the prestigious Central Martin's School of Art and Design in London	16	May 15, 2017	Asia Investments Private Limited	0.45%
2	Manoj Kolhatkar	Managing Director	52	3,36,31,855	Permanent	B.E. (Mechanical), DBM	31	May 02, 2011	Tata Yazaki Limited	0.003%
3	Atul Jaggi*	Deputy Managing Director	44	1,00,57,204	Permanent	BE and MS (Quality Management)	21	June 16, 1999	Stallion Shox Limited (amalgamated to Gabriel India Limited)	Nil
4	Rishi Luharuka	Chief Financial Officer & Vice President, Information Technology	41	1,00,73,846	Permanent	Chartered Accountant and Chartered Financial Analyst (CFA)	19	September 02, 2019	Sandvik Asia Private Limited	Nil
5	Amitabh Srivastava	Chief Operating Officer - Aftermarket Business Unit and Railways Business Unit	53	1,11,84,920	Permanent	B.E. (Mechanical), OALMP (Oxford University)	26	April 01, 2007	Victor Gaskets India Limited	Nil

Sr. No.	Name	Designation	Age (in years)	Remuneration received (₹)	Nature of employment, whether contractual or otherwise	Qualification	Experience (No. of Years including previous employment)	Date of commencement of employment in the Company	The last employment held before joining the Company	Percentage of equity shares held in the Company along with spouse and dependent children
6	Prashant Shah	Vice President - Sourcing & Supply Chain Management	55	64,26,367	Permanent	B.E. (Production)	32	November 16, 2012	Magneti Marelli Shock Absorbers Private Limited	Nil
7	Manoj Sharma	Chief Human Resource Officer	48	76,07,199	Permanent	Masters in Personnel Management	25	April 01, 2016	Anand Automotive Private Limited	Nil
8	R G Abhange\$	Chief Technical Officer	58	1,74,17,540	Permanent	B.E. (Mechanical) from Govt. College of Engineering, Fellow of Institution of Engineers India & certified chartered engineer	35	March 13, 2004	Motor Industries Co. Limited - Bosh Group	Nil
9	CR Vijayakumar	Head - Central Quality	57	74,72,554	Permanent	B.E (Mechanical) Diploma in Management	35	July 12, 2001	GLS Consultancy	Nil
10	Divakar Bhat	Head - R&D Two Wheeler Business Unit	58	76,95,811	Permanent	B.E (Mechanical), M.Tech	35	December 13, 1998	Endurance Technologies Limited	Nil

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

2 None of the aforesaid employees at Sr. No. 4 to 10 above are relative of any director or manager of the Company.

\* Mr. Atul Jaggi was COO (TW and CVBU) during financial year 2020-21. He was appointed as Deputy Managing Director w.e.f May 26, 2021

\$ Mr. R G Abhange was Chief Technical Officer of the Company upto March 1, 2021 and hence was paid remuneration from April 1, 2020 to March 1, 2021 only.

## Directors Report (Contd.)

## ANNEXURE 'F'

**DETAILS PERTAINING TO REMUNERATION FOR THE FINANCIAL YEAR 2020-21 PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED**

<b>Sr. No.</b>	<b>Details of disclosure</b>	<b>Remark</b>
a	Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year. (The remuneration of the Managing Director has been considered for the calculation)	1:58
b	Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year :	No change in the remuneration
	A. Mrs. Anjali Singh - Executive Chairperson	
	B. Mr. Manoj Kolhatkar - Managing Director	
	C. Mr. Rishi Luharuka - Chief Financial Officer	
	D. Mr. Nilesh Jain - Company Secretary	
c	Percentage increase in median remuneration of employees in the financial year	NA
d	Number of permanent employees on the roll of the Company	2,329
e	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof pointing out any exceptional circumstances for the increase in the managerial remuneration.	NA for the year as no increase in the salaries of employees
f	Affirmation that the remuneration paid is as per the remuneration policy of the Company	Yes

# CORPORATE GOVERNANCE REPORT

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

Code on Corporate Governance is defined as a set of systems, processes and principles, which ensure that a Company is governed in the best interest of all stakeholders. Corporate Governance is about promoting corporate fairness, transparency and accountability. In other words, 'Good Corporate Governance' is simply 'Good and Transparent Business'. The Company's philosophy of Corporate Governance aims at establishing and practicing a system of good Corporate Governance which will assist the management in managing the Company's business in an efficient and transparent manner in all facets of its operations.

In India, the question of Corporate Governance has emerged mainly in the wake of economic liberalisation and de-regularisation of industry and business. The objective of any Corporate Governance system is to simultaneously improve corporate performance and accountability. These, in turn, help to attract financial and human resources on the best possible terms and prevent corporate failures.

The objective of Good Corporate Governance is to ensure the Board's commitment towards transparent management to maximise long-term value for the Company's stakeholders namely :-

Shareholders	as providers of risk capital, to provide them a reasonable return and enhance shareholder value
Customers	to provide adequate customer service and quality products focusing the activities on customer expectations and meeting them
Environment	to adhere to the environment standards to make the product and process, environment friendly
Employees	to promote development and well-being and to enhance innovation and teamwork

Society	to maintain Company's economic viability as producer of goods and services
Other stakeholders	fulfilling the obligations towards other stakeholders namely government, suppliers, creditors, etc.

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

## 2. BOARD OF DIRECTORS

### Composition

The strength of the Board of Directors as on March 31, 2021 was of 6 Directors. The Board comprises of two Executive Directors designated as Managing Director and Whole Time Director. The rest are Non-Executive Directors in which three are Independent Directors. The Board meets the requirement of not less than half of the Board being Independent Directors, the Chairperson (woman director) being executive promoter director.

Four Board meetings were held during the financial year 2020-21, details of which are as under:

Date of Meetings	Board Strength	No. of Directors present
May 19, 2020	6	6
August 07, 2020	6	6
November 12, 2020	6	6
February 08, 2021	6	6

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

## CORPORATE GOVERNANCE REPORT (Contd.)

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

Name of the Director	DIN	Details		Attendance Particulars		No. of other Directorships and Committee Memberships / Chairmanships held in Public Limited Companies			Other listed entity in which the directors have directorships	
		Category	Shares held as on March 31, 2021	Board Meeting	Last AGM	Directorships	Committee Memberships#	Committee Chairmanships#	Name of the listed Entity	Category
Mrs. Anjali Singh	02082840	Promoter and E.C	6,41,942	4	Yes	Nil	Nil	Nil	-	-
Mr. Manoj Kolhatkar	03553983	E.D.	4,000	4	Yes	Nil	Nil	Nil	-	-
Mr. Aditya Vij	03200194	I.N.E.D.	0	4	Yes	1	Nil	Nil	-	-
Mr. Jagdish Kumar	00318558	N.E.D.	0	4	Yes	Nil	Nil	Nil	-	-
Mr. Pradeep Banerjee	02985965	I.N.E.D	0	4	Yes	3	3	Nil	Whirlpool of India Limited	Independent Director
									Chambal Fertilisers and Chemicals Limited	Independent Director
									Jubilant Ingrevia Limited	Independent Director
Ms. Matangi Gowrishankar	01518137	I.N.E.D	0	4	Yes	4	5	1	Cyient Limited	Independent Director
									Greenlam Industries Limited	Independent Director

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

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

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

## CORPORATE GOVERNANCE REPORT (Contd.)

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

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

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

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

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

### 3. CODE OF CONDUCT

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

The said Code of Conduct has been posted on the website of the Company and is available on the web link <https://www.anandgroupindia.com/gabrielindia/investors/corporate-governance/>

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

### 4. AUDIT COMMITTEE

Audit Committee met four times during the financial year 2020-21 on May 19, 2020, August 07, 2020, November 12, 2020 and February 08, 2021. The time gap between two Audit Committees was less than one hundred and twenty days.

The composition of Audit Committee as on March 31, 2021 and attendance at its meetings is given hereunder:

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

As on March 31, 2021 the Audit Committee has three members. Two-third of the members are Independent Directors. The members of the Audit Committee are eminent professionals and financially literate.

Due to the COVID-19 Pandemic, the Audit Committee meetings were held at the Registered Office through Video Conferencing and were attended by the Internal Auditors, Chief Financial Officer and representative of the Statutory Auditors from their respective locations. The Company Secretary acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee is an Independent Director and was present at the last Annual General Meeting of the Company.

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

- (1) Review the recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- (2) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- (3) Examination of the financial statement and the Auditor's Report thereon.

## CORPORATE GOVERNANCE REPORT (Contd.)

- (4) Approval or any subsequent modification of transaction of the Company with related parties.
- (5) Security of inter- corporate loan and investments.
- (6) Valuation of undertakings or assets of the Company, wherever it is necessary.
- (7) Evaluation of inter financial controls and risk management systems.
- (8) Monitoring the end use of funds raised through public offer and related matters.

### 5. NOMINATION AND REMUNERATION COMMITTEE:

The Committee met three times during the financial year 2020-21 on, August 07, 2020, November 12, 2020 and February 08, 2021.

The composition of the Nomination and Remuneration Committee as on March 31, 2021 is as follows:

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

As on March 31, 2021 the said committee has three members. All members of the committee are non-executive directors and at least fifty percent of the directors are independent directors. The Chairman of the Committee is a Non-Executive Independent Director.

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

#### Performance Evaluation criteria:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own, of its committee and the Directors individually. A structured questionnaire was prepared and issued as suggested by The Institute of Company Secretaries of India (ICSI) and after taking into consideration inputs received from the Directors, covering various aspects of the Board's and its committee's functioning such as adequacy of the composition of the Board and its

Committees, Board culture, execution and performance of specific duties, obligations and governance.

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

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

- Ability to contribute to and monitor Company's corporate governance practices.
- Active participation in strategic planning.
- Commitment to the fulfillment of a Director's obligations and fiduciary responsibilities, this includes participation in Board and committee meetings.

### 6. REMUNERATION OF DIRECTORS

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

Details of the commission and sitting fees paid to Non-Executive Directors during the financial year 2020-21 are given below:-

Name of Directors	Commission for the financial year ended March 31, 2020, paid during the year under review	Sitting Fees
Mr. Pradipta Sen	1.60	NA
Mr. Aditya Vij	1.60	0.08
Mr. Pradeep Banerjee	1.60	0.08
Ms. Matangi Gowrishankar	0.40	0.045
Mr. Jagdish Kumar	NA	NA

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

## CORPORATE GOVERNANCE REPORT (Contd.)

### **(B) Criteria of making payments to Non-Executive Directors**

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

### **(C) Remuneration Policy:**

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

The objective of the Policy is:

- (i) To guide the Board in relation to appointment of Directors, KMP and members of Senior Management.
- (ii) To formulate criteria for determining qualifications, positive attributes and independence of a Director, recommend to the Board a policy, relating to the remuneration of the Directors, KMP and employees in the Senior Management.
- (iii) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board to see that relationship of remuneration to performance is clear and meets appropriate benchmarks.
- (iv) To recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management, the level and composition of remuneration being reasonable and sufficient to attract, retain and motivate Directors, KMP

and Senior Management required to run the Company successfully.

- (v) To formulate criteria for evaluation of Independent Directors and the Board.
- (vi) To devise a Policy on Board diversity.

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

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

- a) The remuneration/ commission etc. to be paid to Managing Director / Whole-time Director etc. shall be governed as per provisions of the Companies Act, 2013 and Rules made there under or any other enactment for the time being in force and the approvals obtained from the members of the Company, if required.
- b) The total remuneration payable to Managing Director shall not exceed the limits prescribed under Section 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder. The remuneration shall consist of fixed pay and Management Incentive Bonus pay and in accordance with the Company's Policy and HR Manuals and to be given or increased within the above said limits annually or at such intervals as may be considered appropriate.

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

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



## CORPORATE GOVERNANCE REPORT (Contd.)

as decided by the Board of Directors and subject to approval of the shareholders if required within an aggregate limit of 1% of the Net profit of the Company for a particular financial year.

- c) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and Rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- d) An Independent Director shall not be eligible to get stock options and also shall not be eligible to participate in any share based payment schemes of the Company.

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

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the

Companies Act, 2013 and in accordance with the Company's Policy and HR Manuals.

- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to Pension Fund, Pension Schemes, etc. as decided from time to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

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

## CORPORATE GOVERNANCE REPORT (Contd.)

### (D) Disclosures with respect to remuneration

Name of the Director / KMP	Category / Designation	All elements of remuneration package i.e. salary, benefits, bonuses, pension, etc. (₹ in million)	Fixed component and performance linked incentives along with the performance criteria (₹ in million)	Service contracts period, notice severance fees	Stock option with details, if any and issued at discount as well as the period over which accrued and over which exercisable
Mrs. Anjali Singh	Executive Chairperson (Whole-time Director)	28.02	-	-	-
Mr. Manoj Kolhatkar	Managing Director	33.63	-	-	-

Salary includes Basic, HRA, Conveyance, Special Allowances, other allowances and Perquisites.

The Company does not have stock option scheme for grant of stock options either to the Executive Directors or employees.

### 7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee met four times during the financial year 2020-21 on May 19, 2020, August 07, 2020, November 12, 2020 and February 08, 2021.

The Chairman of the Stakeholders' Relationship Committee is a non-executive director. The composition of Stakeholders' Relationship Committee as on March 31, 2021 and attendance at its meeting is given hereunder:

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

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

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

Number of complaints/ requests received during the financial year	178
Number of complaints/ requests resolved to the satisfaction of complainant	178
Number of complaints/ requests not resolved to the satisfaction of complainant	Nil
Number of complaints/ requests pending	Nil

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

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

### 8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee (CSR Committee) of the Board met four times during the financial year 2020-21 on May 19, 2020, August 07, 2020, November 12, 2020 and February 08, 2021.

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

In terms of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy)

## CORPORATE GOVERNANCE REPORT (Contd.)

Rules, 2014 amended vide Ministry of Corporate affairs Notification dated January 22, 2021, the Company has amended the Corporate Social Responsibility Policy. The same is hosted on the website of the Company. The composition of CSR Committee as on March 31, 2021 is given hereunder:

Name	Chairman / Member	No. of meeting(s) attended
Mrs. Anjali Singh	Chairperson	4
Mr. Manoj Kolhatkar	Member	4
Ms. Matangi Gowrishankar	Member	4

Terms of reference of CSR Committee are:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and the Annual Action plan.
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

### 9. INDEPENDENT DIRECTOR'S MEETING

During the year under review, the Independent Directors met on February 08, 2021, inter alia, to discuss:

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

### 10. GENERAL BODY MEETINGS

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

Financial Year	Date	Time	Location
2019-20	August 07, 2020	02.30 pm	Through Video Conferencing
2018-19	August 13, 2019	02.30 pm	29th Milestone, Pune-Nashik Highway, Village Kuruli, Tal. Khed, Pune – 410501
2017-18	August 08, 2018	2.30 p.m	29th Milestone, Pune-Nashik Highway, Village Kuruli, Tal. Khed, Pune – 410501

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

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

- At the Annual General Meeting held on August 07, 2020:
  - Appointment of Ms. Matangi Gowrishankar as Non-Executive Independent Director.
- At the Annual General Meeting held on August 13, 2019:
  - Re-appointment of Mr. Pradipta Sen as Non-Executive Independent Director for the second term of three years from September 18, 2019 to September 17, 2022.
  - Re-appointment of Mr. Aditya Vij as an Non-Executive Independent Director for the second term of three years from March 31, 2020 to March 30, 2023

## CORPORATE GOVERNANCE REPORT (Contd.)

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

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

### c) Postal Ballot :

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

## 11. MEANS OF COMMUNICATION

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

## 12. SHAREHOLDER INFORMATION

- AGM date, time and venue : August 04, 2021 at 2.30 p.m. through Video Conferencing / Other Audio Visual Means (VC)
- Financial Year : April 01, 2020 to March 31, 2021
- Date of Book Closure : July 29, 2021 to August 04, 2021 (both days inclusive)
- Dividend payment date : On or before September 03, 2021
- Listing on Stock Exchange and Stock Code

- BSE Limited  
25th Floor, P. J. Towers, Dalal Street, Mumbai – 400 001  
Stock code: 505714
- The National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051  
Stock code: GABRIEL

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

The ISIN Number of the Company is INE524A01029

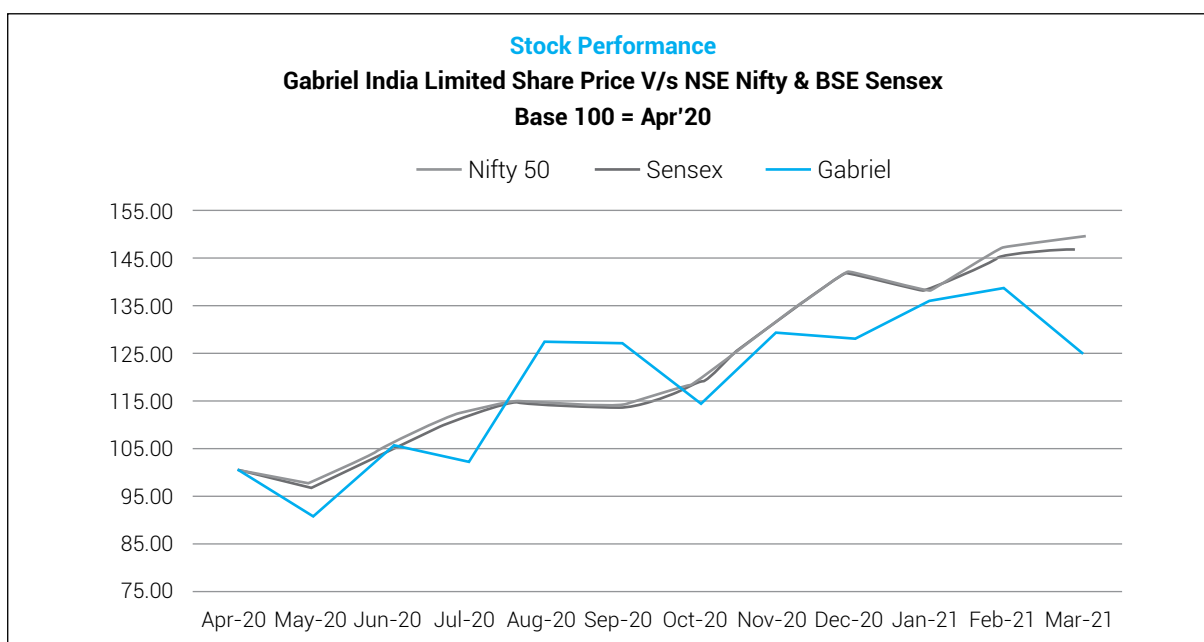
- Market Price Data: High, Low during each month in last financial year

## CORPORATE GOVERNANCE REPORT (Contd.)

High/Low of market price of the Company's shares traded on the BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai during the financial year 2020-21 is furnished below.

Financial Year 2020-21	BSE Limited			The National Stock Exchange of India Limited		
	High	Low	Closing	High	Low	Closing
Apr-20	87.90	50.75	82.50	86.95	50.00	82.50
May-20	82.30	69.00	74.45	81.60	68.50	74.60
June-20	108.95	74.60	86.50	108.95	75.00	86.55
Jul-20	97.00	80.80	84.10	97.10	81.20	85.25
Aug-20	126.80	81.75	104.90	127.00	83.70	104.40
Sep-20	114.80	97.40	104.70	114.80	97.05	105.15
Oct-20	108.60	90.75	94.50	108.80	90.55	94.20
Nov-20	112.55	92.05	106.85	112.75	92.10	106.75
Dec-20	121.75	95.10	105.55	122.00	95.00	105.60
Jan-21	131.90	105.80	112.45	131.40	104.70	112.40
Feb-21	122.20	109.60	114.70	122.50	109.30	114.60
Mar -21	135.00	103.00	103.20	134.95	98.00	103.15

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



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

## CORPORATE GOVERNANCE REPORT (Contd.)

### x. Distribution of Shareholding as on March 31, 2021 :

No. of shares	No. of share-holders	% share-holders	Total no. of shares held	% holding
Upto 5000	70,818	98.93	2,43,04,308	16.92
5001 to 10000	440	0.61	32,40,102	2.26
10001 to 100000	284	0.40	67,24,871	4.68
100001 and above	45	0.06	10,93,74,659	76.14
<b>Total</b>	<b>71,587</b>	<b>100.00</b>	<b>14,36,43,940</b>	<b>100.00</b>

### Shareholding pattern as on March 31, 2021 :

Sr. No.	Description	No. of shares	% of shareholding
1	Indian Promoters	7,90,04,167	55.00
2	Banks & Financial Institutions	22,50,827	1.57
3	Mutual Funds & Trusts	82,66,825	5.76
4	FII's & NRIs	85,53,734	5.95
5	Domestic Companies	28,05,836	1.95
6	Resident Individuals	4,09,98,042	28.54
7	Others	17,64,509	1.23
	<b>Total</b>	<b>143,643,940</b>	<b>100.00</b>

### xi. Dematerialisation of Shares and Liquidity

The Company's shares are available for trading in the depository system of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on March 31, 2021, the total shares dematerialised were 14,20,46,558 in both depositories accounting for 98.89% of the share capital of the Company.

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

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

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

### xiv. Plant Locations:

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

### xv. Address for Correspondence

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

Gabriel India Limited

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

### xvi. Credit Rating

CRISIL Limited ("CRISIL") has reviewed credit rating of the Company for its bank facilities and reaffirmed the Company's rating as CRISIL AA/ Stable for Long Term facilities and FAA+/Stable for Fixed Deposits.

## 13. DISCLOSURES

### (i) Related Party Transaction

None of the transactions with any of the related parties were in conflict with the interests of the Company at large during the financial year 2020-21.

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

### (ii) Strictures and Penalties

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

## CORPORATE GOVERNANCE REPORT (Contd.)

**(iii) Whistle Blower Policy or Vigil Mechanism**

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

The Company has established the necessary mechanism in line with SEBI (LODR) Regulations, 2015 for the employees to report concerns about unethical behavior at Ethics Helpline Number (Toll free).

No person has been denied access to the Audit Committee.

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

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

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

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

**(vi) Secretarial Audit**

Pursuant to Section 204 of the Companies Act, 2013 the Company has appointed M/s. KPRC & Associates, Pune, Company Secretaries in Practice to conduct an independent Secretarial Audit of the Company for the financial year 2020-21. The detailed Secretarial Audit Report forms part of the Board of Director's Report.

**(vii) Risk Management and Risk Management Committee**

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

CORPORATE GOVERNANCE REPORT (Contd.)

with the Risk Management Committee towards mitigation of the risks.

The objective of the Policy are given below :

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

**(viii) Preferential allotment or qualified institutions placement**

Company has not raised any fund from preferential allotment or qualified institutions placement during the financial year 2020-21.

**(ix) Certificate from a Company Secretary in practice**

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

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

During the financial year 2020-21, there was no instance where the board had not accepted any recommendation of any committee of the Board which is mandatorily required.

**(xi) The Company has paid total fees of ₹ 10.85 MINR for all services to the statutory auditor.**

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

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

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

**14. CEO/CFO CERTIFICATION**

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

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

For and on behalf of the Board

Place: Pune  
Date: May 26, 2021

**Manoj Kolhatkar**  
Managing Director  
**(DIN : 03553983)**



## CORPORATE GOVERNANCE REPORT (Contd.)

### Appendix I

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

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

- i. All the Directors and Senior Management Personnel have received, read and understood the Code of Conduct for Board Members and Senior Management of the Company;
- ii. All the Directors/Senior Management Personnel are bound by the said Code to the extent applicable to their functions as a member of the Board of Directors / Senior Management of the Company respectively;
- iii. Since the date of appointment as a Directors/Senior Management Personnel of the Company, all the Directors/Senior Management Personnel, have affirmed compliance with the provisions of the Code of conduct which were adopted by the Company;
- iv. Directors and Senior Management Personnel were not a party to any non-compliance with the said Code.

Place: Pune

Date: May 26, 2021

**Manoj Kolhatkar**  
**Managing Director**

## CORPORATE GOVERNANCE REPORT (Contd.)

### Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance

To the Members of **Gabriel India Limited**

1. We have examined the compliance of conditions of Corporate Governance by Gabriel India Limited, ("the Company") for the year ended March 31, 2021, as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and paragraphs C and D of Schedule V of the Securities and Exchange Boards of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

#### Management Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. The responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

#### Auditors Responsibility

3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements of the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('the ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for special purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standards on Quality Control for Firms that perform audit and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

#### Opinion

1. Based on our examination of the relevant records and according to the information and explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021.
2. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**Padmini Khare Kaicker**  
Partner  
Membership Number 044784  
UDIN : 20040404AAAAEI4768

Place: Pune  
Date: May 26, 2021

## CORPORATE GOVERNANCE REPORT (Contd.)

### CEO/CFO Certification

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

- (A) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2021 and that to the best of our knowledge and belief :
  - (i) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (B) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violation of the Company's Code of Conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee that:
  - (i) There has not been any significant changes in internal control over financial reporting during the year ended March 31, 2021;
  - (ii) There has not been any significant changes in accounting policies during the year ended March 31, 2021 requiring disclosure in the notes to the financial statements; and
  - (iii) We have not come across any instance of significant fraud where there was involvement of the management or an employee having a significant role in internal control system with respect to financial reporting during the year ended March 31, 2021.

Place: Pune  
Date: May 26, 2021

Manoj Kolhatkar  
Managing Director

Rishi Luharuka  
Chief Financial Officer

# BUSINESS RESPONSIBILITY REPORT

## INTRODUCTION

In conformance to the requirements of the clause (f) of sub-regulation (2) of regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Business Responsibility Report of Gabriel India Limited for financial year 2020-21 is aligned with the nine principles of the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVG-SEE) notified by the Ministry of Corporate Affairs, Government of India.

## PRINCIPLES

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

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

**Principle 3: Businesses should promote the wellbeing of all employees**

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

**Principle 5: Businesses should respect and promote human rights**

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

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

**Principle 8: Businesses should support inclusive growth and equitable development**

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

## Links to Policies

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

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

## Business Responsibility Report (Contd.)

### BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2) (f)]

#### Annexure I

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	:	L34101PN1961PLC015735
2.	Name of the Company	:	GABRIEL INDIA LIMITED
3.	Registered address	:	29th Milestone, Pune-Nashik Highway, Village Kuruli, Taluka Khed, Pune – 410501.
4.	Website	:	<a href="https://www.anandgroupindia.com/gabrielindia/">https://www.anandgroupindia.com/gabrielindia/</a>
5.	E-mail id	:	secretarial@gabriel.co.in
6.	Financial Year reported	:	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)		
	Sector	:	Manufacture of Shock absorbers, Struts and Front forks
	NIC Code	:	3748
	[As per National Industrial Classification Code 2008 – Ministry of Statistics and Programme Implementation		
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	:	<ul style="list-style-type: none"> <li>• Shock absorbers</li> <li>• Struts</li> <li>• Front forks</li> </ul>
9.	Total number of locations where business activity is undertaken by the Company		
	(a) Number of International Locations	:	Nil
	(b) Number of National Locations	:	Nine locations viz. Parwanoo, Khandsa, Manesar, Dewas, Sanand, Nashik, Chakan (Pune), Aurangabad, Hosur
10.	Markets served by the Company - Local/ State/ National/ International	:	National and International (Exports)

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) : 143.64 million
2. Total Turnover (INR) : 16,793.52 million
3. Total profit after taxes (INR) : ₹ 779.07 million
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax : 2%
5. List of activities in which expenditure in 4 above has been incurred : Please refer Annexure 'B – II' of the Directors' Report.

#### SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? : No
2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) : Not applicable

## Business Responsibility Report (Contd.)

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]:

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

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

There are three basic principles of VSME:

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

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

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

As of today 69% of Supplier partners have been covered under VSME initiative.

### SECTION D: BR INFORMATION

#### 1. Details of Director/ Directors responsible for BR

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

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

- (b) Details of the BR head

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

## Business Responsibility Report (Contd.)

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

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

No.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
		Ethics, Transparency and Accountability	Sustainability	Sexual Harassment Policy	Stakeholder Relationship	Human Rights	Environment	Public Policy	Corporate Social Responsibility	Customer Relations
1	Do you have a policy/ policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any National / International standards? If yes, specify? (50 Words) The policies conform to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000, UNGC guidelines and ILO principles and meet the regulatory requirements such as SEBI Listing Regulations.	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Mandatory polices i.e. Corporate Social Responsibility Policy, Whistle Blower Policy, Code of Conduct have been approved and adopted by the Board and other polices are internal polices approved and adopted by the management								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Please refer to the section on 'Links to Policies' forming part of this Business Responsibility Report								
7	Has the policy been formally Communicated to all relevant internal and external stakeholders?	The policies have been communicated to internal and external stakeholders i.e. shareholders, employees and other ground staffs, as the case may be. Anand Code of Conduct and other policies are communicated to suppliers, vendors and dealers based on their relevance.								
8	Does the Company have in-house Structure to implement the policy/ policies.	The Company has in-house structure to implement the policies								

Business Responsibility Report (Contd.)

No.	Questions	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
		Ethics, Transparency and Accountability	Sustainability	Sexual Harassment Policy	Stakeholder Relationship	Human Rights	Environment	Public Policy	Corporate Social Responsibility	Customer Relations
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The whistle blower mechanism provides employees to report any concerns or grievances pertaining to any potential or actual violation of Code of Conduct, which covers all principles of Business Responsibility Report. Any grievances and feedback related to the policies can be sent to <a href="mailto:secretarial@gabriel.co.in">secretarial@gabriel.co.in</a> .								
10	Has the Company carried out Independent audit/ evaluation of the working of this policy by an internal or external agency?	The implementation of Code of Conduct and other policies are reviewed through functional heads and its status are submitted to the Board on regular intervals. The Quality, Safety & Health and Environmental policies are subject to internal and external audits as part of certification process.								

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

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

**3. Governance related to BR**

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company [within 3 months, 3-6 months, Annually, More than 1 year]
- The CEO and senior management review the BR performance of the Company through their monthly review meetings. The action points that emerge from the discussions at these meetings are reviewed in subsequent meetings to ensure their closure.



## Business Responsibility Report (Contd.)

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

- The BR Report is available as part of the Annual Report. The BR report is published annually.

<https://www.anandgroupindia.com/gabrielindia/investors/annual-reports/>

### SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

No.

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

For more details, refer to the Corporate Governance Report part of Annual Report 2020-21.

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

Our stakeholders include investors, customers, employees, statutory authority and vendors.

Status of complaints for financial year 2020-21

Number of complaints received during the financial year	178
Number of complaints satisfactorily resolved during the financial year	178
Number of complaints pending	Nil

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

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- Shock absorbers for new generation of commercial vehicles
- CO2 footprint reduction by product light-weighting
- Virtual simulations using FEA for assessment of product safety

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- Reduction during sourcing/ production/ distribution was achieved since the previous year throughout the value chain?

(1) The Company has focused a lot on reducing carbon footprint in manufacturing area. This was achieved by way of :

- Reduced material consumption in components such as use of hollow strut rods.
- Conversion from electrically operated equipment to Gas fired equipment.

(2) Energy conservation, energy efficiency and renewable energy projects are reducing the GHG emissions.

- Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Please refer details in Annexure 'C' - Conservation of Energy Consumption of Annual Report.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

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

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

## Business Responsibility Report (Contd.)

The Company has enabled consolidation of transportation requirements of various internal business divisions and achieving economies of scale. By following this process, the Company is not only able to reduce the transportation cost but also carbon footprint paving the way for a greener tomorrow.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

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

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

### **VSME:**

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

There are three basic principles of VSME:

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

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

### **Supplier Capability Up-gradation:**

The Company drives multiple initiatives across Supplier Base to enhance the capability of suppliers in terms of quality, delivery, technology, EHS, etc. aspects. Every year the Company identify a list of 18-20 suppliers who are critical to the Company's business and need up-gradation in terms of quality (including local vendors). These suppliers are identified for each Company's plant based on last year performance levels like rejections, incidents at Company's plant, audit rating, customer complaints, vendor rating and future potential constraints to meet Company's requirements. In financial year 2020-21, out of the nineteen suppliers identified for up-gradation, eleven suppliers improved their capability.

### **Management by Fact (MBF):**

Supplying products with zero defect to customers is one of the key enablers of the Company to achieve customer satisfaction. Overall quality of shock absorbers of the Company also depends on the parts received by its supplier partners. Therefore, receiving zero defect parts from the suppliers is a key focus area. To attain the zero defect at supplier's end, the Company has initiated MBF approach which is a problem-solving methodology with focus on elimination of defect. Till financial year ended March 31, 2021 twenty-two projects were taken out of which nineteen were closed and remaining three were in effectiveness monitoring stage.

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

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

## Business Responsibility Report (Contd.)

### Principle 3: Businesses should promote the wellbeing of all employees

1.	Please indicate the total number of employees	:	3,966
2.	Please indicate the total number of employees hired on temporary/ contractual/ casual basis	:	1,637
3.	Please indicate the number of permanent women employees	:	425
4.	Please indicate the number of permanent employees with disabilities	:	10
5.	Do you have an employee association that is recognised by management?	:	Yes, the Company has employee's association at its Plants located at Nashik and Dewas
6.	What percentage of your permanent employees is members of this recognised employee association ?	:	10%

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year :

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

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

(a)	Permanent Employees	:	>90%
(b)	Permanent Women Employees	:	>95%
(c)	Casual/Temporary/ Contractual Employees	:	>90%
(d)	Employees with Disabilities	:	100%

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

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

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

1. Employees and their families
2. Local community and society
3. Environment and regulatory authorities
4. Customers and their families
5. Shareholders and investors
6. Dealers, suppliers and other business partners

## Business Responsibility Report (Contd.)

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

The Company has identified the following vulnerable sections:

1. Local community
2. Economically disadvantaged sections of the society
3. Employees and their families

In addition to the pandemic due to COVID-19, the Company has taken various initiatives for the wellbeing of employees and the public at large by adopting Work from home concept, office working at 50% capacity, providing free face masks and sanitizers, social distancing in buses and canteen, COVID-19 awareness, daily monitoring of health status of all employees, additional COVID health insurance, awareness sessions, monitoring of precautions and effectiveness by top management.

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

For the local community at the respective plant locations, the Company has taken initiatives for improvement of quality of education, village sanitation, rural development, etc. through various Corporate Social Responsibility activities.

For economically disadvantaged sections of the society, the Company is promoting vocational skills, slum development, human and veterinary health, skill development programmes for women under various Corporate Social Responsibility activities.

Company through its Implementing agency, SNS Foundation has been undertaking skill development activities for women. In response to COVID-19 pandemic, SNS Foundation tailoring alumni's undertook cloth masks stitching activity. The masks stitched by them, across all locations crossed landmark of One Lac. Out of this, 40% masks were for Company's workforce.

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

### **Principle 5 : Businesses should respect and promote human rights**

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

Company does not have a separate human rights policy. Aspects of human rights such as child labour, forced labour, occupational safety, prevention of sexual harassment, non-discrimination, health and safety of the employees, associates, customers and societies are covered by its various internal human resource policies.

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

During financial year the Company had received 178 stakeholder complaints and all of them were satisfactorily resolved

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

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

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

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

Yes, the Company has taken initiatives and innovative technologies are used to reduce the impact on the

## Business Responsibility Report (Contd.)

environment. The Company has achieved year on year reduction in consumption of electric power viz. :

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

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

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

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

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

No

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

Yes, during the financial year 2020-21, the Company has used and improve energy efficiency by installation of LED lighting technology at its plants, saving energy and reducing carbon footprint. In financial year 2020-21, the contribution of renewable energy was 15% in plant operations. To increase the share, rooftop solar is planned at manufacturing locations. Reduction in energy losses is through technology application like variable speed drives, optimization of process parameters affecting energy consumption and idling timers. During the financial year 2020-21, 1.1 MW of energy is renewed by installation of rooftop solar and group captive wind energy.

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

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

Yes, the emissions/ waste generated by the Company were within the permissible limits and are being monitored. The Company conducts regular audits at the locations where the wastes are disposed to ensure it is treated and disposed in a scientific manner with minimum impact on the environment. Zero liquid discharge facilities are framed in the manufacturing locations.

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

Nil

### **Principle 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a responsible manner.**

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

Yes, as an industry influencer, we are part of global and local associations. We forge strategic partnerships with industry bodies and consortiums. The Company is a member of Automotive Component Manufacturers Association of India.

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

Yes, Economic Reforms.

### **Principle 8 : Businesses should support inclusive growth and equitable development**

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

## Business Responsibility Report (Contd.)

The Company's corporate social responsibility promotes growth of not only communities where the Company operates, but also encompasses the overall development of societies and human capabilities. From uplifting the poorest sections of the society through the SNS Foundation, the Company promote improvement of quality of education, village sanitation, rural development, vocational skills, slum development, human and veterinary health, skill development programmes for women. The Company continue to strive towards growth and community development. The Company has a three members corporate social responsibility ('CSR') committee of the Board. The Company's CSR Policy has been approved by the CSR committee and the Board. The CSR programmes are clearly mentioned in the CSR policy.

For more details refer Annexure 'B – I' and 'B – II' of the Boards' Report forming part of the Annual Report.

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

The Company undertakes its CSR activities through its Implementing agency SNS Foundation.

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

In terms of the provisions of Companies Act, 2013 the impact assessment is not applicable to the Company.

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

Details of the projects and the contribution made by the Company for the development of community are given in Annexure 'B – I' and 'B – II' of the Boards' Report forming part of the Annual Report.

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

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

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

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

Nil

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

No

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

Nil

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

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

# INDEPENDENT AUDITORS' REPORT

## To the Members of Gabriel India Limited

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying Financial Statements of Gabriel India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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 Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

#### Revenue Recognition

Key Audit Matter	<p>Revenue recognition</p> <p>Revenue is measured at the fair value of the consideration received or receivable as reduced by estimated customer returns, rebates, discounts and other similar allowances.</p> <p>Accumulated experience is used to estimate and provide for the discounts and returns, the volume discounts are assessed based on anticipated sales. Further, timing of revenue recognition is dependent on the shipping terms agreed with customers in relation to passing of risk and rewards of ownership.</p> <p>The application of the new revenue accounting standard (Ind AS 115) involves significant judgements/material estimates relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p>
------------------	---

INDEPENDENT AUDITORS' REPORT (Contd.)

<p>Principal Audit Procedures</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Understanding the policies and procedures applied to revenue recognition, as well as compliance therewith, including an analysis of the effectiveness of controls related to revenue recognition processes.</li> <li>• Analysing and discussing with management significant contracts including contractual terms and conditions related to discounts, incentives, and rebates.</li> <li>• Selected a sample of continuing and new contracts and performed the following procedures:             <ul style="list-style-type: none"> <li>(a) Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>(b) Compared such performance obligations with that identified and recorded by the Company.</li> </ul> </li> <li>• Reviewed contracts terms to determine the transaction price including any variable consideration to determine the appropriate transaction price for computing revenue and to test the basis of estimation of the variable consideration.</li> <li>• Performing operations cut-off procedures for a sample of revenue transactions at year end in order to conclude on whether they were recognized at the moment the related goods or services actually took place.</li> <li>• Analysing other adjustments and credit notes issued after the reporting date.</li> </ul> <p>Performing analytical procedures on entries in the ledger related to revenue.</p>
<p>Key Audit Matter</p>	<p>Recording of price variation in respect of customer and vendor agreements requires evaluation of contractual terms and estimation of amounts to be recognised as revenue and cost of purchases.</p> <p>Contracts with customers and vendors contain clauses that require variation in prices of materials to be passed on to the customer and vendors. Further, price variations may be subject to negotiations with customers and vendors.</p> <p>Management is required to analyse terms of contracts and assess the quantum and likelihood of such price variations to be passed on to customers or claimed by vendors.</p>
<p>Principal Audit Procedures</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Understanding the policies and procedures applied to recognition of revenue and purchase costs due to price variations including an analysis of the effectiveness of controls related to revenue recognition processes.</li> <li>• Read agreements with customers and vendors to evaluate the terms relating to price variation.</li> <li>• Tested the computation of provision for price variation recorded by the Company as at the end of the financial year for completeness.</li> </ul>



## INDEPENDENT AUDITORS' REPORT (Contd.)

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Financial Statements and our auditors' report thereon.

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

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

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

### RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue

as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

## INDEPENDENT AUDITORS' REPORT (Contd.)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' 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 auditors' 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 a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss 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 Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken

## INDEPENDENT AUDITORS' REPORT (Contd.)

- on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 11 of Annexure A to the Independent Auditors' Report.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 Financial Statements.
- (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**Padmini Khare Kaicker**  
Partner  
Membership No. 044784  
UDIN: 21044784AAAABC4720

Mumbai, May 26, 2021

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Financial Statements of Gabriel India Limited for the year ended March 31, 2021]

1. (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment property.  
  
(b) The Company has a regular programme for physical verification of its property, plant and equipment by which the property, plant and equipment and investment property are verified by the management according to a phased programme designed to cover all the items over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment property. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and investment property and no material discrepancies were noticed on such verification.  
  
(c) According to the information and explanations given to us, the title deeds of the immovable properties are held in the name of the Company.
2. According to the information and explanations given to us, the inventory comprising of raw materials, work-in-progress, finished goods and stores and spare parts has been physically verified at reasonable intervals by the management during the year. In our opinion, coverage and procedure of such verification is appropriate and no material discrepancies for each class of inventory were noticed on such verification between the physical inventory and the book records.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the reporting under Clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order is not applicable to the Company.
4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
6. The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act for the products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.  
  
According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

undisputed statutory dues in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the 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 and on the basis of our examination of records of the Company, there are no statutory dues in respect of Duty of Customs as at March 31, 2021, which have not been deposited with the appropriate authorities on account of any dispute. The statutory dues in respect of Goods and Services Tax, Income-tax, Sales tax, Service tax, Duty of Excise and Value Added Tax as at March 31, 2021, which have not been deposited with the appropriate authorities on account of a dispute, are as under:

Name of Statute	Nature of dues	₹ in million	Period to which amount relates	Forum where pending
Central Excise Act 1944	Excise Duty	1.35	FY 2011-14	Appellate Authority Upto Commissioner's/Revisionary Authorities level
		4.65	FY 2015-17	Appellate Authority Upto Commissioner's/Revisionary Authorities level
		43.37	FY 2003-07	Appellate Authority- Tribunal
		3.09	FY2011-12	Appellate Authority- Tribunal
		49.88	FY 2014- 18	Appellate Authority- Tribunal
Service Tax (Finance Act, 1994)	Service Tax	3.00	FY 2009-18	Appellate Authority Upto Commissioner's/Revisionary Authorities level
Central Sales Tax Act and	Sales Tax and VAT	150.56	FY 2002-18	Appellate Authority Upto Commissioner's/Revisionary Authorities level
Goods and Service Tax	Goods and Services Tax	4.12	FY 2017-18	Appellate Authority Upto Commissioner's/Revisionary Authorities level
Other Local Tax	Karnataka Profession Tax	0.14	2013-2019	Appellate Authority Upto Commissioner's/Revisionary Authorities level
Income Tax Act, 1961	Income Tax	12.26	FY 2000-02	High Court

8. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither taken any loans or borrowings from any bank or financial institution or Government nor issued any debentures. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
9. According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the reporting under Clause 3(ix) of the Order is not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

11. In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 2(g) of Independent Auditors' Report.
12. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the reporting under Clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them during the year and hence the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
16. 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. Accordingly, the reporting under Clause 3(xvi) of the Order is not applicable to the Company.

For **B.K. Khare & Co.**

Chartered Accountants

Firm Registration No. 105102W

**Padmini Khare Kaicker**

Partner

Membership No. 044784

UDIN: 21044784AAAABC4720

Mumbai, May 26, 2021

## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

### **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 Gabriel India Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

### **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 information 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, 2021, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Padmini Khare Kaicker**  
Partner  
Membership No. 044784  
UDIN: 21044784AAAABC4720

Mumbai, May 26, 2021



# BALANCE SHEET

as at March 31, 2021

(₹ in million)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>A ASSETS</b>			
<b>Non-current assets</b>			
a Property, plant and equipment	2	3,352.75	3,372.38
b Right-of-use assets	2	127.30	71.79
c Capital work-in-progress	2	277.20	196.11
d Investment Property	3	21.52	21.91
e Intangible assets	2	25.05	20.25
f Financial assets			
i Investments	4	0.37	0.38
ii Loans	5	8.93	13.20
iii Other financial assets	6	148.91	571.52
g Non-current Tax assets (net)	7	76.50	304.62
h Other non-current assets	8	136.86	104.76
		<b>4,175.39</b>	<b>4,676.92</b>
<b>Current assets</b>			
a Inventories	9	1,964.82	1,561.07
b Financial assets			
i Investments	10	150.67	351.44
ii Trade receivables	11	2,938.30	2,332.81
iii Cash and cash equivalents	12	915.94	8.42
iv Bank Balances other than (iii) above	13	1,638.50	558.18
v Loans	14	2.69	4.49
vi Other financial assets	15	102.70	38.99
c Other current assets	16	211.35	200.72
		<b>7,924.97</b>	<b>5,056.12</b>
<b>Total Assets</b>		<b>12,100.36</b>	<b>9,733.04</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a Equity Share capital	17	143.64	143.64
b Other Equity	18	6,819.47	6,374.16
		<b>6,963.11</b>	<b>6,517.80</b>
<b>Non-current liabilities</b>			
a Financial liabilities			
i Borrowings	19	129.18	78.23
ii Other Non Current Financial Liabilities	20	55.49	55.49
b Provisions	21	138.57	121.55
c Deferred tax liabilities (net)	22	105.36	80.15
		<b>428.60</b>	<b>335.42</b>
<b>Current liabilities</b>			
a Financial liabilities			
i Trade payables			
Total outstanding dues of micro and small enterprises	23	42.08	15.78
Total outstanding dues of creditors other than micro and small enterprises		3,870.75	2,176.52
ii Other financial liabilities	24	496.85	470.59
b Other current liabilities	25	163.14	74.53
c Provisions	26	135.83	142.40
		<b>4,708.65</b>	<b>2,879.82</b>
<b>Total Equity and Liabilities</b>		<b>12,100.36</b>	<b>9,733.04</b>

**Significant Accounting Policies**  
**Notes to Accounts**  
 The accompanying notes are an integral part of these financial statements

In terms of our report attached.

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

**PADMINI KHARE KAICKER**  
 Partner  
 Membership No. 044784

Place : Pune  
 Date : May 26, 2021

For and on behalf of the Board of Directors

**ANJALI SINGH**  
 Chairperson  
 DIN: 02082840

**RISHI LUHARUKA**  
 Chief Financial Officer

**MANOJ KOLHATKAR**  
 Managing Director  
 DIN: 03553983

**NILESH JAIN**  
 Company Secretary

## STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

(₹ in million)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>INCOME</b>			
<b>I REVENUE FROM OPERATIONS</b>	27	16,999.37	18,699.62
<b>II OTHER INCOME</b>	28	192.09	96.98
<b>III TOTAL INCOME (I+II)</b>		<b>17,191.46</b>	<b>18,796.60</b>
<b>IV EXPENSES</b>			
Cost of material consumed	29a	12,448.06	13,499.49
Purchases of stock-in-trade (traded goods)	29b	300.28	235.04
Changes in inventories of finished goods, work-in-progress and stock-in-trade (increase)/decrease	29c	(95.51)	(37.58)
Employee benefit expenses	30	1,474.08	1,553.48
Finance costs	31	65.58	35.80
Depreciation and amortisation expense	32	423.86	436.47
Other expenses	33	1,796.04	2,071.20
<b>Total expenses</b>		<b>16,412.39</b>	<b>17,793.90</b>
<b>V PROFIT BEFORE TAX (III-IV)</b>		<b>779.07</b>	<b>1,002.70</b>
<b>VI TAX EXPENSE</b>			
Current tax expense for the year		207.09	272.39
Tax expense charge / (credit) relating to prior years		(58.18)	(1.62)
<b>(1) Current tax</b>	34a	<b>148.91</b>	<b>270.77</b>
(2) Deferred tax	34a	27.43	(115.15)
<b>Total tax expense (1+2)</b>		<b>176.34</b>	<b>155.62</b>
<b>VII PROFIT FOR THE YEAR (V-VI)</b>		<b>602.73</b>	<b>847.08</b>
<b>VIII OTHER COMPREHENSIVE INCOME</b>			
<b>Items than will not be reclassified to profit and loss</b>			
Remeasurement of post-employment benefit obligations	40	1.95	(12.52)
Income tax relating to above	34b	(0.49)	3.15
<b>Items that will be reclassified subsequently to profit or loss</b>			
Fair value changes on derivative designated as cash flow hedges	18	(10.76)	30.12
Income tax relating to above.	34b	2.71	(7.58)
<b>Total other comprehensive income for the year, net of tax</b>		<b>(6.59)</b>	<b>13.17</b>
<b>IX TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII - VIII)</b>		<b>596.14</b>	<b>860.25</b>
<b>X Earnings per share (of Re 1/- each)</b>			
Basic / Diluted (₹)	45	4.20	5.90
Face value per share (Re.)		1.00	1.00
<b>Significant Accounting Policies</b>	1		
<b>Notes to Accounts</b>	2-49		
The accompanying notes are an integral part of these financial statements			

In terms of our report attached.

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

**PADMINI KHARE KAICKER**  
Partner  
Membership No. 044784

Place : Pune  
Date : May 26, 2021

For and on behalf of the Board of Directors

**ANJALI SINGH**  
Chairperson  
DIN: 02082840

**RISHI LUHARUKA**  
Chief Financial Officer

**MANOJ KOLHATKAR**  
Managing Director  
DIN: 03553983

**NILESH JAIN**  
Company Secretary

# STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

## A. EQUITY SHARE CAPITAL

(₹ in million)

Particulars	Note No.	Amount
<b>As at March 31, 2019</b>		143.64
Changes in equity share capital		-
<b>As at March 31, 2020</b>	17	143.64
Changes in equity share capital		-
<b>As at March 31, 2021</b>		<b>143.64</b>

## B. CHANGES IN OTHER EQUITY

(₹ in million)

Particulars	Note No.	Attributable to owners of Gabriel India Limited				
		Reserves and Surplus			Effective portion of cash flow hedges	Total other equity
		Securities Premium	General reserve	Retained earnings		
<b>Balance As at March 31, 2019</b>		<b>271.77</b>	<b>387.57</b>	<b>5,112.39</b>	<b>(15.37)</b>	<b>5,756.36</b>
Profit for the year		-	-	847.08	-	847.08
Remeasurement gain/(loss) on defined benefit plan (net of tax)		-	-	(9.37)	-	(9.37)
Effect of foreign exchange rate variations on hedging instrument outstanding (net of tax)		-	-	-	22.54	22.54
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>837.71</b>	<b>22.54</b>	<b>860.25</b>
Dividend paid (including dividend distribution tax)		-	-	242.45	-	242.45
<b>Balance As at March 31, 2020</b>	18	<b>271.77</b>	<b>387.57</b>	<b>5,707.65</b>	<b>7.17</b>	<b>6,374.16</b>
Profit for the year		-	-	602.73	-	602.73
Remeasurement gain/(loss) on defined benefit plan (net of tax)		-	-	1.46	-	1.46
Effect of foreign exchange rate variations on hedging instrument outstanding (net of tax)		-	-	-	(8.05)	(8.05)
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>604.19</b>	<b>(8.05)</b>	<b>596.14</b>
Dividend paid (including dividend distribution tax)		-	-	150.83	-	150.83
<b>Balance As at March 31, 2021</b>		<b>271.77</b>	<b>387.57</b>	<b>6,161.01</b>	<b>(0.88)</b>	<b>6,819.47</b>

The accompanying notes are an integral part of these financial statements

In terms of our report attached.

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

**PADMINI KHARE KAICKER**  
Partner  
Membership No. 044784

Place : Pune  
Date : May 26, 2021

For and on behalf of the Board of Directors

**ANJALI SINGH**  
Chairperson  
DIN: 02082840

**RISHI LUHARUKA**  
Chief Financial Officer

**MANOJ KOLHATKAR**  
Managing Director  
DIN: 03553983

**NILESH JAIN**  
Company Secretary

## STATEMENT OF CASH FLOW

for the year ended March 31, 2021

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	779.07	1,002.70
Adjustments for:		
Depreciation, amortisation and impairment	423.86	436.47
(Profit) / Loss from sale of assets	(4.13)	(6.74)
Finance costs	65.58	35.80
Interest income	(114.43)	(43.73)
Profit on sale of investment and mutual funds	(2.44)	(22.74)
Foreign exchange (gain) / loss	(51.04)	(0.14)
Dividend income	(0.03)	(0.04)
<b>Operating profit / (loss) before working capital changes</b>	<b>1,096.44</b>	<b>1,401.58</b>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in Operating assets:		
Non-current loans	4.26	0.42
Other non-current financial assets	(4.39)	(70.31)
Other non-current assets	2.68	2.67
Inventories	(403.75)	91.90
Trade receivables	(632.14)	504.85
Other current financial assets	2.99	(2.50)
Other current assets	(10.63)	35.28
Adjustments for (increase) / decrease in Operating liabilities:		
Non current provisions	17.02	(3.65)
Trade payables	1,771.56	(417.96)
Other current financial liabilities	11.31	(22.31)
Other current liabilities	88.61	(6.32)
Current Provisions	20.08	(15.49)
<b>Cash generated from operations</b>	<b>1,964.04</b>	<b>1,498.16</b>
Income taxes paid	79.20	(296.84)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>2,043.24</b>	<b>1,201.32</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant and equipment & intangible Assets	(526.08)	(612.51)
Proceeds from sale of property, plant and equipment	7.92	18.35
Decrease/ (increase) in Other bank balances	(653.32)	(547.34)
Interest received	49.53	39.06
Dividend received	0.03	0.04
Proceeds from sale/ (Purchase) of investment	203.22	140.18
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(918.70)</b>	<b>(962.22)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds / (Repayment) of long term borrowings	-	(0.63)
Proceeds / (Repayment) fixed deposits from public	(0.04)	(0.07)
Interest paid	(65.58)	(35.80)
Dividend paid	(151.40)	(200.65)
Dividend distribution tax paid	-	(41.35)

## STATEMENT OF CASH FLOW

for the year ended March 31, 2021

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(217.02)</b>	<b>(278.50)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>907.52</b>	<b>(39.40)</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>8.42</b>	<b>47.82</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>915.94</b>	<b>8.42</b>
<b>Cash and cash equivalents consists of:</b>		
Cash-in-hand	-	-
In Current Accounts	119.66	8.42
Fixed deposit maturing within 3 months	796.28	-
	<b>915.94</b>	<b>8.42</b>
<b>Non cash financing and investing activities</b>		
EPCG License duty saved on acquisition of imported assets	(55.49)	(55.49)
Proceeds from Long Term Borrowing includes non cash item pertaining to acquisition of Property, plant and equipment by means of Right of Use (Lease hold land Gross Value ₹ 0.37 million & Other Leases Gross Value ₹ 75.26 million)	(75.63)	(29.91)

### Notes:

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

In terms of our report attached.

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

**PADMINI KHARE KAICKER**  
Partner  
Membership No. 044784

Place : Pune  
Date : May 26, 2021

For and on behalf of the Board of Directors

**ANJALI SINGH**  
Chairperson  
DIN: 02082840

**RISHI LUHARUKA**  
Chief Financial Officer

**MANOJ KOLHATKAR**  
Managing Director  
DIN: 03553983

**NILESH JAIN**  
Company Secretary

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021

## GENERAL INFORMATION

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

The financial statements are approved for issue by the Company's Board of Directors on May 26, 2021.

## 1. SIGNIFICANT ACCOUNTING POLICIES

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

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

#### 1.1.1. Basis of preparation

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

#### 1.1.2. Basis of measurement

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

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

### 1.2. Summary of significant accounting policies

#### 1.2.1. Current versus Non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or.

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when.

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

The Company classifies all other liabilities as non-current.

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

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

#### 1.2.2. Cash flow statement

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

#### 1.2.3. Foreign currencies

##### 1. Functional and presentation currency

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

##### 2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

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

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

## 1.2.4. Property, plant and equipment

### 1. Initial Recognition

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

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

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

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

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### 2. Transition to Ind AS

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

### 3. Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Part C of Schedule II of the Companies Act, 2013 except in respect of certain assets listed below where the useful life is estimated different from prescribed rate based on internal assessment or independent technical evaluation carried out by external valuers. The Management believes that the useful lives as given below represent the period over which management expects to use these assets.

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

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

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

\*Electrical installations and Equipments are included in Plant and Machinery.

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

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

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

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

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

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

### 1.2.5. Investment Properties

#### 1. Classification and Measurement

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

Subsequent expenditure is capitalised to the asset's carrying amount only when it

is probable that future economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably. All other repairs and maintenance costs are expensed when incurred. Land is carried at historical cost, however, buildings are depreciated using the written down value method over their estimated useful lives as mentioned in reference no. 3 of note 1.2.4

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

Useful Life of Investment properties is estimated at 60 years.

### 1.2.6. Intangible Assets

#### 1. Initial Recognition

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

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

#### 2. Amortisation methods and periods

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

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



# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

Estimated useful lives are as under:

Asset Class	Estimated Useful Life (No. of Years)
Computer software	3-6
Technical Know how	6 or period of agreement whichever is lower

## 1.2.7. Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 1.2.8. Revenue Recognition

### 1. Initial Recognition

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

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

The Company recognises revenue when the amount of revenue can be reliably measured,

it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

### Revenue from operation excludes Goods & Service Tax

#### a) Sale of goods

##### i) Timing of recognition:

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

##### ii) Measurement of revenue:

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

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

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

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

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

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

### **b) Sale of services**

#### **i) Timing of recognition**

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

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

#### **ii) Measurement of revenue**

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change, are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by Management.

### **c) Modification of Transaction price**

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

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

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

### **d) Interest income**

Interest income from debt instruments is recognised using the effective interest rate method as per Ind AS 109. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

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

### **e) Dividend**

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

### **f) Other Operating Income**

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

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

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

## 1.2.9. Financial Instruments

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

### 1. Cash and cash equivalents

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

### 2. Financial Assets

#### a) Classification

On initial recognition the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### b) Initial Recognition & Measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### c) Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets are held to collect (HTC Business Model) contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included in finance costs/income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

#### d) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### e) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

the acquisition of assets and liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

### f) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or
- c) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the

original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### g) Impairment of financial assets (Other than Fair Value)

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. For trade receivables only, Company performs credit assessment for customers on an annual basis. Company recognises credit risk, on the basis of lifetime expected losses and where receivables are due for more than twelve months.

## 3. Equity Investments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income.

The Company makes such an election on an instrument-by-instrument basis, at initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on the sale of the investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in Statement of profit and loss.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

## 4. Financial Liabilities

### 1. Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives liabilities, shall be subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

### 2. Initial Recognition

#### a) Financial Liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method.

#### b) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Terms of trade payables i.e. non-interest bearing and generally settled in 30 to 60 days to be included.

#### c) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### d) Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial

liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of profit and loss.

### 5. Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate Method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate Method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. The Effective Interest Rate amortisation is included as finance costs in the Statement of profit and loss.

### 6. Offsetting of Financial Instruments

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

### 7. Embedded Derivatives

If the hybrid contract contains a host that is a financial asset within the scope Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

and the host contracts are not held for trading or designated at fair value through profit or loss.

These embedded derivatives are measured at fair value with changes in fair value recognised in Consolidated Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

### 8. Derivative financial instruments and hedging activities

#### a) Classification

The Company uses derivative financial instruments, such as foreign exchange forward contracts in to manage its exposure to interest rate and foreign exchange risks.

#### b) Initial Recognition

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of underlying assets or liabilities or firm commitments.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a Non-current financial asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a Current financial asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a Current financial asset or liability.

#### c) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit or loss.

#### d) Designation of Hedging Instrument

The Company uses forward contracts to hedge exposure to foreign currency forecast transactions and firm commitment. The Company designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When the hedged forecast transaction results in the recognition of a non-financial asset the amounts accumulated in equity are transferred to the initial carrying amount of non-financial asset or liability.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

When a hedging instrument expires or is sold or terminated or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to Statement of profit and loss.

## 1.2.10. Government Grants

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

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

Government grant received, whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets is accounted for as deferred income. As prescribed in the EPCG scheme, the grant received is to compensate the import cost of assets subject to an export obligation and recognition of grant in the Statement of profit and loss will be linked to fulfilment of associated export obligations.

Changes in the rationale of deferred income is reviewed every year.

## 1.2.11. Share Capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares or stock options are recognised as a deduction from equity, net of any related income tax effects.

## 1.2.12. Taxation

### 1. Initial Recognition

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

### 2. Current Income-Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

### 3. Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

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

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

### 1.2.13. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 1.2.14. Leases

#### 1. Initial Recognition

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

#### 2. Company as a Lessee

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option 'on lease by lease basis'. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### Accounting

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" in respect of lease contracts outstanding on April 1, 2019 using modified retrospective method and has opted to measure Right-of-use asset at an amount equal to present value of lease liability outstanding on the date of initial application adjusted for any outstanding lease payment related to that lease recognised before that date. Accordingly, Company has not restated comparative information.

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Right of use assets are classified as assets and liabilities and Finance cost is charged over profit or loss over Lease period so as to produce a constant periodic rate of interest on the remaining balance of liability for each period over the lease tenor. Right of use assets are valued at Present value of Minimum lease payment for Lease tenor.

### 3. Company as a Lessor

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

### 1.2.15. Impairment of assets- Non Financial Assets

Tangible and Intangible assets Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of profit and loss.

### 1.2.16. Provisions and Contingent Liability

#### 1. Recognition

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions (excluding retirement benefits and compensated absences) are not discounted to its

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### 2. Product warranty expenses

The estimated liability for product warranties is accounted when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

### 1.2.17. Employee Benefits

#### 1. Short-term obligations

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

#### 2. Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled

wholly within 12 months after the end of the period in which the employees render the related service.

They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

### 3. Gratuity obligations

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

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

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

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

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

#### 4. Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

#### 1.2.18. Earnings per share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the authorisation for issue of the financial statements by the Board of Directors.

#### 1.2.19. Dividend

The Company recognises a liability to make cash or non-cash distribution to equity shareholders when the distribution is authorised on the date of approval by the shareholders.

#### 1.2.20. Segment Reporting

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The Board of Directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The Board of Directors of the Company have been identified as being the Chief Operating Decision Maker. It consists of Chief Executive Officer of the Company, Chief Financial Officer of the Company assists Board of Directors in their decision making process. The Company is in the business of manufacture and sale automobile components, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment.

#### 1.2.21. Rounding of amounts

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

#### 1.2.22. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements included in relevant in financial statement and notes together with information about the basis of calculation of each different line item are provided in the financial statements.

The areas involving critical estimates or judgements are

- a Estimation of useful life of asset (Refer note 1.2.4. & 1.2.5).
- b Estimation of provision and for contingent liabilities (Refer note 41).
- c Estimation of provision for warranty obligation (Refer note 26).

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

- d Accounting for arrangements in the nature of lease (Refer note 44).
- e Estimation of defined benefit obligation (Refer note 40).
- f Estimation of expected credit Losses on trade receivables (Refer Note 37).

### 1. Useful lives of Property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Useful life is determined based on the technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act 2013, in order to reflect the actual usage of the assets.

### 2. Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

### 3. Product warranty expenses

The estimated liability for product warranties is accounted when products are sold. These estimates are established

using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

### 4. Lease

Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement.

The determination of whether an agreement is, or contains, a 'Right of Use' is based on the substance of the agreement at the date of inception. Accounting of Right of Use is based on the Ind AS 116.

### 5. Estimation of defined benefit obligations

The Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. The cost of providing benefits under abovementioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

Particulars	GROSS BLOCK						DEPRECIATION/AMORTIZATION/IMPAIRMENT			NET BLOCK	
	Cost as at April 1, 2020	Additions during the year	Disposal	Cost as at March 31, 2021	Accumulated Depreciation/ amortisation as at April 1, 2020	Depreciation/ amortisation for the year	Disposal	Accumulated Depreciation/ amortisation as at March 31, 2021	As at March 31, 2021	As at March 31, 2020	
<b>A. Property, Plant &amp; Equipment</b>											
Freehold Land*	519.21	-	-	519.21	-	-	-	-	519.21	519.21	
	519.21	-	-	519.21	-	-	-	-	519.21	519.21	
Leasehold Land	10.99	0.37	-	11.36	0.49	0.13	-	0.62	10.74	10.50	
	10.99	-	-	10.99	0.37	0.12	-	0.49	10.50	10.62	
Buildings	830.79	75.93	-	906.72	114.10	36.44	-	150.54	756.18	716.69	
	680.32	150.65	0.18	830.79	83.55	30.56	0.01	114.10	716.69	596.77	
Roads	26.90	-	-	26.90	17.50	2.18	-	19.68	7.22	9.40	
	22.76	4.14	-	26.90	14.03	3.47	-	17.50	9.40	8.73	
Plant & Machinery@	3,166.06	286.91	3.37	3,449.60	1,159.04	320.54	1.10	1,478.48	1,971.12	2,007.03	
	2,470.27	711.20	15.40	3,166.06	836.20	328.91	6.08	1,159.04	2,007.03	1,634.06	
Servers & Networks	8.96	0.56	-	9.52	0.74	3.90	-	4.64	4.88	8.22	
	-	8.96	-	8.96	-	0.74	-	0.74	8.22	-	
Computer Hardware	93.48	7.62	1.01	100.09	67.48	9.89	0.81	76.56	23.53	26.00	
	93.41	0.81	0.73	93.48	51.90	16.23	0.64	67.48	26.00	41.51	
Vehicle	62.34	4.12	11.85	54.61	28.42	11.48	10.57	29.33	25.28	33.92	
	54.45	12.51	4.61	62.34	19.96	11.29	2.82	28.42	33.92	34.49	
Furniture & Fixtures	70.39	2.41	0.07	72.73	35.45	8.01	0.06	43.40	29.33	34.94	
	67.67	3.30	0.58	70.39	25.91	9.97	0.43	35.45	34.94	41.76	
Office Equipments	12.42	0.04	0.11	12.35	5.95	1.22	0.08	7.09	5.26	6.47	
	11.90	0.75	0.24	12.42	4.60	1.49	0.15	5.95	6.47	7.30	
<b>Sub Total (A)</b>	<b>4,801.54</b>	<b>377.96</b>	<b>16.41</b>	<b>5,163.09</b>	<b>1,429.17</b>	<b>393.78</b>	<b>12.62</b>	<b>1,810.34</b>	<b>3,352.75</b>	<b>3,372.38</b>	
<b>Sub Total (Previous year)</b>	<b>3,930.98</b>	<b>892.32</b>	<b>21.74</b>	<b>4,801.54</b>	<b>1,036.52</b>	<b>402.78</b>	<b>10.13</b>	<b>1,429.17</b>	<b>3,372.38</b>	<b>2,894.46</b>	

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in million)



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 3. INVESTMENT PROPERTY

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Gross carrying amount</b>		
Opening gross carrying amount / Deemed cost	24.75	24.75
Additions	-	-
<b>Closing Gross carrying amount</b>	<b>24.75</b>	<b>24.75</b>
<b>Accumulated depreciation</b>		
Opening Accumulated depreciation	2.84	2.45
Depreciation charge	0.39	0.39
<b>Closing accumulated depreciation</b>	<b>3.23</b>	<b>2.84</b>
<b>Net carrying amount</b>	<b>21.52</b>	<b>21.91</b>

#### i) Amounts recognised in statement profit or loss for investment properties

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Rental income	3.98	3.32
Depreciation	(0.39)	(0.39)
<b>Profit from Investment properties</b>	<b>3.59</b>	<b>2.93</b>

#### ii) Fair value of Investment properties

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment properties	58.29	61.46

#### iii) Estimation of Fair value

The fair values of investment properties have been determined with the help independent certified valuer on a case to case basis. Valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

### NOTE 4. NON-CURRENT INVESTMENTS

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investment in equity instruments at FVTPL Unquoted</b>		
Shivalik Solid Waste Management Limited (20,000 Equity shares of ₹10 each fully paid)	0.37	0.37
<b>Investment in Government at FVTPL Unquoted</b>		
National Savings Certificates	-	0.01
<b>Total</b>	<b>0.37</b>	<b>0.38</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 5. LOANS

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, considered good</b>		
Loans to employees	8.93	13.20
<b>Total</b>	<b>8.93</b>	<b>13.20</b>

### NOTE 6. OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
Security deposits	89.29	84.47
Deposits with remaining maturity of more than 12 months from reporting date	-	427.00
Contract Assets	59.62	60.05
<b>Total</b>	<b>148.91</b>	<b>571.52</b>

### NOTE 7. NON-CURRENT TAX ASSET (NET)

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
Advance Income taxes	76.50	304.62
(Net of provisions of ₹ 1,790.1 million (₹ 1,579.7 million as at March 31, 2020))		
<b>Total</b>	<b>76.50</b>	<b>304.62</b>

### NOTE 8. OTHER NON-CURRENT ASSETS

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, considered good unless stated otherwise</b>		
Capital advances :		
Considered good	119.06	84.28
Considered doubtful	-	-
	<b>119.06</b>	<b>84.28</b>
Equity shares-Watsun Infrabuild Private Limited	0.67	0.67
Prepaid rent	17.13	19.81
<b>Total</b>	<b>136.86</b>	<b>104.76</b>

### NOTE 9. INVENTORIES

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
<b>At lower of cost or net realisable value</b>		
Raw materials and components	957.49	663.87
Goods-in-transit- Raw Material	142.20	104.16
	<b>1,099.69</b>	<b>768.03</b>
Work-in-progress	351.61	260.50
Finished goods	389.91	349.99



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Goods-in-transit-Finised Goods	47.83	94.72
	<b>437.74</b>	<b>444.71</b>
Stock-in-trade	61.06	49.69
Stores and spares	134.08	115.98
	<b>2,084.18</b>	<b>1,638.91</b>
Less:- Provision for slow and non moving Inventories	119.36	77.84
<b>Total</b>	<b>1,964.82</b>	<b>1,561.07</b>

### NOTE 10. CURRENT INVESTMENTS

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investments measured at Fair value through Profit and Loss Unquoted:</b>		
Investment in mutual funds	150.67	351.44
<b>Total</b>	<b>150.67</b>	<b>351.44</b>

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investments in liquid schemes of mutual funds comprises:</b>		
ICICI Prudential Liquid Plan - Growth	-	17.31
No. of Units as on March 31, 2020- 58922.93 March 31, 2021- NIL		
HSBC Cash Fund-Direct Growth Plan	80.36	-
No. of Units as on March 31, 2020- NIL March 31, 2021- 39223.18		
Aditya Birla Sun Life Liquid Fund-Direct Growth Plan	20.28	-
No. of Units as on March 31, 2020- NIL March 31, 2021- 61712.72		
HSBC Ultra Short Duration Fund Direct Growth	-	203.64
No. of Units as on March 31, 2020- 201758.66 March 31, 2021- NIL		
SBI Premier Liquid Fund	50.03	130.49
No. of Units as on March 31, 2020- 41792.64 March 31, 2021- 15530.72		
<b>Total</b>	<b>150.67</b>	<b>351.44</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 11. TRADE RECEIVABLES

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured:</b>		
Considered good	2,956.27	2,332.81
Considered doubtful	22.87	14.19
Less: Allowance for expected credit loss	(40.84)	(14.19)
<b>Total</b>	<b>2,938.30</b>	<b>2,332.81</b>

#### Notes:

1. Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.
2. The normal credit period allowed by the Company generally ranges from 45 to 60 days. These are non interest bearing.
3. Trade receivables include receivables from related parties (Refer note 35).

### NOTE 12. CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Balances with banks</b>		
In current accounts	119.66	8.42
Deposit with original maturity of less than 3 months	796.28	-
<b>Total</b>	<b>915.94</b>	<b>8.42</b>

### NOTE 13. OTHER BANK BALANCES

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Deposit with Original maturity more than 3 months but less than 12 months	1,620.80	539.90
Unclaimed dividend accounts with bank	17.70	18.28
<b>Total</b>	<b>1,638.50</b>	<b>558.18</b>

### NOTE 14. LOANS

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, considered good</b>		
Loans to employees	2.69	4.49
<b>Total</b>	<b>2.69</b>	<b>4.49</b>

### NOTE 15. OTHER CURRENT FINANCIAL ASSETS

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Derivatives designated as cash flow hedges	-	7.03
Deferred government grants	0.44	0.44
Security deposits	4.63	-
Insurance claims receivables	3.33	3.41
Interest accrued on deposits	81.87	16.96
Accrued export benefits	12.43	11.15
<b>Total</b>	<b>102.70</b>	<b>38.99</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 16. OTHER CURRENT ASSETS

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to employees	2.37	4.84
Advances to suppliers	153.66	94.61
Prepayments	25.16	23.15
Balances with government authorities	28.71	66.40
Other current assets	1.45	11.72
<b>Total</b>	<b>211.35</b>	<b>200.72</b>

### NOTE 17. EQUITY SHARE CAPITAL

#### a) Authorised, Issued, subscribed and paid up share capital:

(₹ in million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount (₹ in million)	No. of shares	Amount (₹ in million)
<b>Authorised:</b>				
Equity shares of ₹ 1/- each	15,00,00,000	150.00	15,00,00,000	150.00
Redeemable preference shares of ₹ 100/- each	1,00,000	10.00	1,00,000	10.00
<b>Total</b>	<b>15,01,00,000</b>	<b>160.00</b>	<b>15,01,00,000</b>	<b>160.00</b>
<b>Issued, subscribed and fully paid up:</b>				
Equity shares of ₹ 1/- each	14,36,43,940	143.64	14,36,43,940	143.64
<b>Total</b>	<b>14,36,43,940</b>	<b>143.64</b>	<b>14,36,43,940</b>	<b>143.64</b>

#### b) Rights, preferences and restrictions attached to Equity shares:

The Company has only one class of share referred to as Equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the unlikely event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

(₹ in million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	Amount originally paid up (₹ in million)	Number of shares held	Amount originally paid up (₹ in million)
At the beginning of the year	14,36,43,940	143.64	14,36,43,940	143.64
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>14,36,43,940</b>	<b>143.64</b>	<b>14,36,43,940</b>	<b>143.64</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

**d) Details of shares held by the Holding /ultimate Holding company:**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% of Shareholding	Number of shares held	% of Shareholding
Equity shares of ₹ 1 Each fully paid up held by Asia Investments Private Limited (Holding/ultimate holding company)	7,56,17,079	52.64	7,23,77,938	50.39

**e) Details of shares held by each shareholder holding more than 5% of the aggregate shares in the Company:**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% of Shareholding	Number of shares held	% of Shareholding
Equity shares of ₹ 1 Each fully paid up held by Asia Investments Private Limited	7,56,17,079	52.64	7,23,77,938	50.39
Equity shares of ₹ 1 Each fully paid up held by Kayaba Industry Co Limited	11,46,581	0.80	79,37,360	5.53

### NOTE 18. OTHER EQUITY

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>a) Securities Premium account</b>		
Opening balance as per last balance sheet	271.77	271.77
Add/(Less) : Utilised during the year	-	-
<b>Balance as at the year end</b>	<b>271.77</b>	<b>271.77</b>
<b>b) General Reserve</b>		
Opening balance	387.57	387.57
Add: Transferred from Surplus in Statement of Profit and Loss/Capital Reserve	-	-
<b>Balance as at the year end</b>	<b>387.57</b>	<b>387.57</b>
<b>c) Retained earnings</b>		
Opening balance as per last balance sheet	<b>5,741.21</b>	<b>5,136.58</b>
Add: Profit for the year	602.73	847.08
Less: Interim dividend on Equity shares	28.73	64.64
Less: Final Dividend on Equity shares	122.10	136.46
Less: Corporate Tax on Dividend	-	41.35
<b>Balance as at the year end</b>	<b>6,193.11</b>	<b>5,741.21</b>
<b>Actuarial gain / (loss)</b>		
Opening balance as per last balance sheet	(33.56)	(24.19)
Add/(less):Additions during the year (net of tax)	1.46	(9.37)
Balance as at the year end	(32.10)	(33.56)
<b>Balance as at the year end</b>	<b>6,161.01</b>	<b>5,707.65</b>
<b>d) Cash flow hedge reserve</b>		
<b>Opening balance as per last balance sheet</b>	<b>7.17</b>	<b>(15.37)</b>
Add/(less):Effect of foreign exchange rate variations on hedging instrument (net of tax)	(8.05)	22.54
<b>Balance as at the year end</b>	<b>(0.88)</b>	<b>7.17</b>
<b>Total</b>	<b>6,819.47</b>	<b>6,374.16</b>

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

## NATURE OF RESERVES

**Securities Premium :** Securities premium account comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

**General Reserve :** The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of profit and loss.

**Cash Flow Hedge Reserve :** The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for Cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to Statement of profit and loss only when the hedged items affect the profit or loss.

## NOTE 19. NON-CURRENT BORROWINGS

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
<b>Unsecured:</b>		
Long term maturities of finance lease obligations (refer note 24 & 44)	129.18	78.23
<b>Total</b>	<b>129.18</b>	<b>78.23</b>

## NOTE 20. OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
Other non current financial liabilities @	55.49	55.49
<b>Total</b>	<b>55.49</b>	<b>55.49</b>

@ Others includes Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the Statement of profit and loss based on fulfilment of related export obligations.

## NOTE 21. NON-CURRENT PROVISIONS

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits</b>		
Compensated absences	102.78	91.44
Gratuity (refer note 40)	35.79	30.11
<b>Total</b>	<b>138.57</b>	<b>121.55</b>

## NOTE 22. DEFERRED TAX LIABILITIES (NET)

### A) Breakup of deferred tax balances

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax liabilities</b>		
Depreciation on property, plant, equipment and intangibles	202.42	178.06
	<b>202.42</b>	<b>178.06</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax assets</b>		
Expenditure allowable for tax purpose on payment basis	15.24	15.05
Cashflow hedge Reserve	2.71	0.65
Employee Benefit Expenses	35.78	50.75
Other Temporary differences	43.33	31.46
	<b>97.06</b>	<b>97.91</b>
<b>Total</b>	<b>105.36</b>	<b>80.15</b>

### B) Movement in opening and closing deferred tax balances

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Opening Balance</b>	<b>(80.15)</b>	<b>(190.87)</b>
Recognised in P&L	(27.43)	115.15
Recognised in OCI	2.22	(4.43)
<b>Closing Balance</b>	<b>(105.36)</b>	<b>(80.15)</b>

### NOTE 23. TRADE PAYABLES

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Outstanding dues of micro and small enterprises ( refer note 42)	42.08	15.78
Total Outstanding dues of creditors other than micro and small enterprises	3,870.75	2,176.52
<b>Total</b>	<b>3,912.83</b>	<b>2,192.30</b>

#### Note:

- Trade payables include payable to related parties (Refer note 35).
- Trade payables are non interest bearing and generally settled in 30 to 60 days.

### NOTE 24. OTHER FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current maturities of long-term debts:</b>		
Fixed deposits (Unsecured)	0.11	0.15
Finance lease obligations (refer note 19 & 44)	17.49	10.72
	<b>17.60</b>	<b>10.87</b>
Unclaimed dividends *	17.69	18.26
Employee benefits payable	180.90	166.30
Unclaimed matured deposits	0.31	0.36
Unclaimed interest on deposits	0.34	0.47
Capital creditors	60.28	40.27
Contract Liability	20.85	36.20
Derivatives designated as cash flow hedges-foreign exchange forward contracts	4.90	-
Other financial liabilities **	193.98	197.86
<b>Total</b>	<b>496.85</b>	<b>470.59</b>

\*There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

\*\* Includes discount payable to dealers ₹ 143.0 million (₹ 154.1 million as on March 31, 2020)

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 25. OTHER CURRENT LIABILITIES

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory remittances (contribution to PF, ESIC, withholding taxes)	52.60	36.61
Others (advance from customers, etc.)	110.54	37.92
<b>Total</b>	<b>163.14</b>	<b>74.53</b>

### NOTE 26. CURRENT PROVISIONS

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits:</b>		
Compensated absences	14.06	13.26
Gratuity (refer note 40)	3.04	3.24
Superannuation	5.21	5.21
	<b>22.31</b>	<b>21.71</b>
<b>Provision for others:**</b>		
Warranty	38.44	45.61
Other provision	75.08	75.08
	<b>113.52</b>	<b>120.69</b>
<b>Total</b>	<b>135.83</b>	<b>142.40</b>

Notes: \*\*

#### 1. Details of warranty provision

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Carrying amount as at April 1</b>	<b>45.61</b>	<b>57.20</b>
Additional Provision made during the year	16.31	24.57
Less : Amount paid / utilised during the year	23.48	36.16
<b>Carrying amount as at March 31</b>	<b>38.44</b>	<b>45.61</b>

2. Estimated warranty costs are accrued at the time of sale of components on which the warranty provisions are applicable. It is expected that majority of the warranty provisions outstanding as on March 31, 2021 is likely to result in cash outflow within 12 months of the Balance Sheet date.

#### 3. Details of other provision

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Carrying amount as at April 1</b>	<b>75.08</b>	<b>75.08</b>
Additional Provision made during the year	-	-
Less : Amount paid / utilised during the year	-	-
<b>Carrying amount as at March 31</b>	<b>75.08</b>	<b>75.08</b>

4. Other provision represents estimates made for probable claims arising out of litigations/disputes pending with authorities under various statutes. The probability and the timing of the outflow with regard to these matters depend on the ultimate settlement/conclusion with the relevant authorities.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 27. REVENUE FROM OPERATIONS

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Sale of products</b>		
Finished goods	16,390.49	18,232.19
Traded goods	403.03	310.95
	<b>16,793.52</b>	<b>18,543.14</b>
<b>Sale of services</b>	13.78	50.51
<b>Other operating revenue</b>		
Scrap sales	120.86	84.51
Export incentives	19.48	18.63
Foreign exchange fluctuation	51.04	0.14
Government incentive received	0.69	2.69
	<b>192.07</b>	<b>105.97</b>
<b>Total</b>	<b>16,999.37</b>	<b>18,699.62</b>

### NOTE 28. OTHER INCOME

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax refund	55.18	-
Rental income	4.26	3.86
Dividend income from non current Investments	0.03	0.04
Interest income on fixed deposits with banks	109.15	39.76
Interest income from financial asset at amortised cost	5.28	3.97
Profit on disposal of property plant and equipment (net)	4.13	6.74
Bad debts and advances written off	0.01	-
Profit on sale of mutual fund	2.44	22.74
Provisions no longer required written back	0.72	4.40
Miscellaneous income	10.89	15.47
<b>Total</b>	<b>192.09</b>	<b>96.98</b>

### NOTE 29a. COST OF MATERIAL CONSUMED

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening inventory	768.03	858.42
Add: Purchases	12,779.72	13,409.10
	<b>13,547.75</b>	<b>14,267.52</b>
Less: Closing inventory	1,099.69	768.03
<b>Total</b>	<b>12,448.06</b>	<b>13,499.49</b>

### NOTE 29b. PURCHASES OF STOCK-IN-TRADE (TRADED GOODS)

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of stock-in-trade	300.28	235.04
<b>Total</b>	<b>300.28</b>	<b>235.04</b>



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 29c. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Inventories at the beginning of the year:</b>		
Finished goods	444.71	397.45
Work-in-progress	260.50	283.74
Stock-in-trade	49.69	36.12
	<b>754.90</b>	<b>717.32</b>
<b>Inventories at the end of the year:</b>		
Finished goods	437.74	444.71
Work-in-progress	351.61	260.50
Stock-in-trade	61.06	49.69
	<b>850.41</b>	<b>754.90</b>
<b>Total</b>	<b>(95.51)</b>	<b>(37.58)</b>

### NOTE 30. EMPLOYEE BENEFIT EXPENSES

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	1,218.16	1,276.85
Contributions to provident and other funds	91.12	84.41
Gratuity expense (refer note 40)	28.12	20.49
Staff welfare expenses	136.68	171.73
<b>Total</b>	<b>1,474.08</b>	<b>1,553.48</b>

### NOTE 31. FINANCE COSTS

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Financial Liabilities - borrowings carried at amortised cost	57.29	25.77
Other borrowing costs (includes bank charges, etc.)	0.14	1.46
Net interest on net defined benefit liability	8.15	8.57
<b>Total</b>	<b>65.58</b>	<b>35.80</b>

### NOTE 32. DEPRECIATION AND AMORTISATION EXPENSES

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of Property, plant and equipment	393.78	402.79
Depreciation of Right of Use	18.82	18.45
Depreciation of Investment property	0.39	0.39
Amortisation of Intangible assets	10.87	14.84
<b>Total</b>	<b>423.86</b>	<b>436.47</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 33. OTHER EXPENSES

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of stores and spare parts	176.35	200.30
Power and fuel	248.36	259.62
Rent	16.11	21.06
Contractual labour expenses	229.27	263.89
<b>Repairs and maintenance</b>		
Building	10.12	14.68
Machinery	158.24	179.53
Others	36.31	46.83
Insurance	18.86	13.48
Rates and taxes	25.91	38.51
Communication	13.16	13.32
Travelling and conveyance	7.49	67.66
Printing and stationery	6.77	10.99
Freight and forwarding	296.81	331.94
Business promotion expenses	11.51	16.41
Royalty	13.59	13.70
Expenditure towards corporate social responsibility (CSR) (refer to note 47)	25.46	25.96
Donations and contributions	0.01	0.01
Legal and professional fees	361.89	398.56
Payments to auditors ( refer note below)	10.85	8.87
Bad debts and advances written off	-	0.03
Provision for doubtful trade and other receivables, loans and advances (net)	26.65	5.39
Directors fees and commission	10.31	9.59
Warranty costs	16.31	24.57
Miscellaneous expenses *	75.70	106.30
<b>Total</b>	<b>1,796.04</b>	<b>2,071.20</b>

\* Miscellaneous expenses includes testing fees of ₹ 30.1 million (₹ 38.9 million in 2019-20) and Safety expenses of ₹ 9.2 million (₹ 9.9 million in 2019-20)

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Payments to auditors</b>		
As auditors	5.09	5.09
As tax auditors	0.86	0.86
For taxation matters	0.93	2.00
For other services	3.93	0.26
Reimbursement of expenses	0.04	0.66
<b>Total</b>	<b>10.85</b>	<b>8.87</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 34. INCOME TAXES

#### (a) Tax expense recognised in profit and loss

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax expense for the year	207.09	272.39
Tax expense charge / (credit) relating to prior years	(58.18)	(1.62)
<b>Net Current tax expense for the year</b>	<b>148.91</b>	<b>270.77</b>
<b>Net deferred income tax liability/(Asset)</b>		
Origination and reversal of temporary differences	27.43	(115.15)
<b>Total</b>	<b>176.34</b>	<b>155.62</b>

#### (b) Tax expense recognised in other comprehensive income

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurements of the defined benefit plans	(0.49)	3.15
<b>Items that will be reclassified to profit or loss</b>		
The effective portion of gains and loss on hedging instruments in cash flow hedge	2.71	(7.58)
<b>Total</b>	<b>2.22</b>	<b>(4.43)</b>

#### (c) Reconciliation of effective tax rate

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Profit from operation</b>	779.07	1,002.70
Tax at the Indian tax rate of 25.17% for CY; 25.17% for PY	196.08	252.36
<b>Tax effects of amounts which are not taxable in calculating taxable income</b>		
Other items	(19.74)	(96.74)
<b>Total</b>	<b>176.34</b>	<b>155.62</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 35. RELATED PARTY DISCLOSURES

#### a) Names of related parties and related party relationship

##### Category I - Holding company

Asia Investment Private Limited

##### Category II- Fellow Subsidiaries

Anand Automotive Private Limited

Anand I-Power India Limited (erstwhile Perfect Circle India Limited)

Victor Gaskets India Limited

Anand CY Myutec Automotive Private Limited (erstwhile Chang Yun India Private Limited)

##### Category III- Individuals having control or significant influence over the Company by reason of voting power and their relatives

Mrs. Anjali Singh- Executive Chairperson

##### Category IV- Enterprise, over which control is held by individuals or through relative listed in 'Category III' above

Anchemco Anand LLP (formerly Anchemco )

Anfilco Limited

Dytek India Limited

Sujan Tiger Polo Foundation

##### Category V- Other Related Parties

Dana Anand India Private Limited (Formerly Spicer India Private Limited)

Mahle Anand Thermal India Private Limited (Formerly Mahle Behr India Private Limited.)

Mahle Anand Filter Systems India Private Limited (Formerly Mahle Filter Systems India Private Limited)

Mando Automotive India Private Limited

SNS Foundation

Sunbeam Lightweighting Solution Private Limited

Automotive Component Manufacturers Association of India

Ansysco Anand LLP (formerly Ansysco)

##### Category VI - Key Managerial Personnel (KMP)

Mrs. Anjali Singh (Chairperson)

Mr. Manoj Kolhatkar (Managing Director)

Mr. Rishi Luharuka (Chief Financial Officer)

Mr. Nilesh Jain (Company Secretary)

##### Category VII - Non Executive Director

Mr. Jagdish Kumar (Director)

Mr. Aditya Vij (Independent Director)

Mr. Pradipta Sen (Independent Director)

Ms. Matangi Gowrishankar (independent Director)

Mr. Pradeep Banerjee (Independent Director)

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 35. RELATED PARTY DISCLOSURES (contd.)

#### b) Transactions with Related parties:

#### Summary of Related Party Transactions for the Year

(₹ in million)

Particulars	Holding Company		Fellow Subsidiary Companies		Enterprises over which control is exercised by Individuals having Significant influence over the Company.		Other Related Parties		Key Managerial Personnel/ Non Executive Director		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Transactions during the year</b>												
Sales of products and services	-	-	-	0.17	-	-	71.38	105.99	-	-	71.38	106.16
Receipt of Inter-corporate deposits	-	-	-	-	-	0.24	-	-	-	-	-	0.24
Recovery of expenses from related parties	0.18	-	13.63	5.71	1.51	0.48	13.18	17.14	0.18	0.02	28.68	23.35
Sponsorship fees	-	-	-	-	5.83	4.00	-	-	-	-	5.83	4.00
Purchase of raw material and components and services ***	-	-	384.60	405.61	18.36	15.37	30.43	29.12	-	-	433.39	450.11
Payment of Reimbursement of expenses	0.26	2.16	4.47	17.78	0.01	-	0.97	0.34	0.24	0.40	5.95	20.68
Remuneration to Key Managerial Personnel	-	-	-	-	-	-	-	-	86.37	86.10	86.37	86.10
Contribution to CSR activity	-	-	-	-	-	-	25.46	25.96	-	-	25.46	25.96
Vehicle Purchased	-	-	-	-	-	-	-	0.12	-	-	-	0.12
Sale of Residential flats @**	-	-	-	-	-	-	-	15.00	-	-	-	15.00
Other Assets (Mobile)	-	-	-	-	-	-	-	-	-	0.10	-	0.10
Director's sitting fees	-	-	-	-	-	-	-	-	0.21	0.19	0.21	0.19
Commission paid to Independent Directors (***)	-	-	-	-	-	-	-	-	9.00	7.50	9.00	7.50
Rent Received	-	-	3.20	2.07	0.50	0.34	2.22	6.49	-	-	5.92	8.89
Dividend Paid (including Dividend Distribution Tax) #	76.00	122.16	-	-	-	-	-	-	0.68	1.09	76.68	123.25
Rent paid	-	-	8.87	7.34	3.65	3.55	0.23	0.22	-	-	12.75	11.11

#### Note :-

- Transaction amount is inclusive of Taxes.
- Transaction are made at arm's length.
  - \*\*\* Commission paid to Non executive Directors are based on the provision basis.
  - # Dividend paid includes tax deducted at source March 31, 21 & Dividend Distribution Tax for March 31, 2020.
  - \*\*\*# Includes Management Fees paid to Anand Automotive Private Limited ₹ 335.87 million (₹ 370.86 million for March 31, 2020) excluding taxes.
  - @\*\* Two Flats sold to Deep C Anand Trust for ₹ 15 million (including TDS) Contract for sale was executed on March 7, 2020.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 35. RELATED PARTY DISCLOSURES (CONTD.)

#### c) Balances outstanding

(₹ in million)

Balances	As at March 31, 2021	As at March 31, 2020
<b>Holding Company</b>		
Trade payables and other liabilities	(0.08)	(2.16)
<b>Fellow Subsidiary Companies</b>		
Trade receivables	0.12	3.43
Trade payables and other liabilities	(41.72)	(36.55)
Deposits balances with parties**	83.20	83.29
<b>Enterprises over which control is exercised by Individuals having Significant influence over the Company</b>		
Trade payables and other liabilities	(2.92)	(1.44)
<b>Other Related Parties</b>		
Trade receivables	18.53	11.16
Trade payables and other liabilities	(6.08)	(2.08)
<b>Key Managerial Personnel</b>		
Other receivables	-	0.02

Terms and conditions for outstanding balances

- All outstanding balances are unsecured and repayable in cash.
- \*\*Deposits given to Holding Company are at amortised cost, historical cost of Deposits given to AIPL is ₹ 83.20 million in March 31, 2021.
- Payables/Liabilities are denoted in brackets.
- Transaction with the Related Parties includes Taxes.

#### d) Compensation of Key Managerial Personnel

(₹ in million)

Nature of Transaction/Related Party	As at March 31, 2021	As at March 31, 2020
Short-term employee benefits**	66.37	71.76
Long term employee benefits	5.55	3.30
Post-employment benefits	14.45	11.04
<b>Total*</b>	<b>86.37</b>	<b>86.10</b>

\* Does not include Reimbursement of Expenses and Dividend Paid on the share held by KMPs.

\*\* Short Term Employee Benefits includes provisions of ₹ 7.8 million (₹10.0 million March 31,2020) for commission to Chairperson.

# NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

## NOTE 36. FAIR VALUE MEASUREMENT

### 1 Categories of Financial Instruments

(₹ in million)

Particulars	Note	As at March 31, 2021		As at March 31, 2020	
		Carrying value	Fair value	Carrying value	Fair value
<b>A. Financial Assets</b>					
<b>a) Measured at amortised cost</b>					
Cash and cash equivalents	12	915.94	915.94	8.42	8.42
Other bank balances	13	1,638.50	1,638.50	558.18	558.18
Investment in Bonds/Debentures & Government or Trust Securities	4	-	-	0.01	0.01
Loans	5 & 14	11.63	11.63	17.68	17.68
Trade receivables	11	2,938.30	2,938.30	2,332.81	2,332.81
Other financial assets	6 & 15	251.60	251.60	603.48	603.48
<b>Subtotal</b>		<b>5,755.97</b>	<b>5,755.97</b>	<b>3,520.58</b>	<b>3,520.58</b>
<b>b) Measured at Fair value through OCI</b>					
Equity shares		-	-	-	-
<b>Subtotal</b>		-	-	-	-
<b>c) Measured at Fair value through Profit or Loss</b>					
Equity shares	4	0.37	0.37	0.37	0.37
Investment In Mutual Funds	10	150.67	150.67	351.44	351.44
<b>Subtotal</b>		<b>151.04</b>	<b>151.04</b>	<b>351.81</b>	<b>351.81</b>
<b>d) Derivatives measured at fair value</b>					
Derivative instruments not designated as hedging instruments	15	-	-	-	-
Derivative instruments designated as hedging instruments	15	-	-	7.03	7.03
<b>Sub total</b>		-	-	<b>7.03</b>	<b>7.03</b>
<b>Total financial assets</b>		<b>5,907.01</b>	<b>5,907.01</b>	<b>3,879.42</b>	<b>3,879.42</b>

(₹ in million)

Particulars	Note	As at March 31, 2021		As at March 31, 2020	
		Carrying value	Fair value	Carrying value	Fair value
<b>B. Financial Liabilities</b>					
<b>a) Measured at amortised cost</b>					
Borrowings	19 & 24	146.78	146.78	89.10	89.10
Trade Payables	23	3,912.83	3,912.83	2,192.30	2,192.30
Other Financial Liabilities	24	474.35	474.35	459.72	459.72
Other Non Current Financial Liabilities	20	55.49	55.49	55.49	55.49
<b>Subtotal</b>		<b>4,589.45</b>	<b>4,589.45</b>	<b>2,796.61</b>	<b>2,796.61</b>
<b>b) Derivatives measured at fair value</b>					
Derivative instruments designated as hedging instruments	24	4.90	4.90	-	-
Derivative instruments not designated as hedging instruments	24	-	-	-	-
<b>Total financial Liabilities</b>		<b>4,594.35</b>	<b>4,594.35</b>	<b>2,796.61</b>	<b>2,796.61</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### 2 Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period, yield curves, risk free rate of returns, volatility etc., as applicable.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Company does not undertake Interest Rate Swaps exposures as per the Gabriel Internal Policy reference no. 2.20. ' Foreign Currency Transactions'

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	Fair value Hierarchy (Level)	(₹ in million)	
		As at March 31, 2021	As at March 31, 2020
<b>Financial Assets</b>			
<b>Measured at fair Value through Profit or Loss</b>			
Equity Shares	3	0.37	0.37
Investment in Mutual Funds	2	150.67	351.44
<b>Total</b>		<b>151.04</b>	<b>351.81</b>
<b>Derivatives measured at fair value</b>			
Derivatives instruments designated as hedging instruments	2	-	7.03
<b>Total</b>		-	<b>7.03</b>
<b>Total</b>		<b>151.04</b>	<b>358.84</b>
<b>Financial Liabilities</b>			
<b>Derivatives measured at fair value</b>			
Derivative instruments designated as hedging instruments	2	4.90	-
Derivative instruments not designated as hedging instruments	2	-	-
<b>Total</b>		<b>4.90</b>	-



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 37. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as a trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, Trade receivables, financial assets measured at amortised cost	Aging analysis and historical data	Diversification of bank deposits and monitoring of Trade receivables on a monthly basis
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	<ol style="list-style-type: none"> <li>1. Availability of committed credit lines and borrowing facilities</li> <li>2. Diversification of bank deposits, credit limits, investment in liquid mutual funds</li> <li>3. Monitoring cash flows and matching maturity profiles of assets and liabilities</li> </ol>
Market risk- Security Prices	Investment in equity securities and mutual funds	Sensitivity analysis	Portfolio diversification and focus on credit risk free investment
Commodity Price Risk	Change in the price index of Steel, Aluminum		Back to back recovery from customers and Price corrections
Market risk - foreign exchange	Future commercial transactions and Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow Forecasting and sensitivity analysis	Forward foreign exchange contracts, Foreign currency options

The Company's risk management is carried out by the Finance Department under policies approved by the Board of Directors. Finance Department identifies, evaluates and hedges financial risks. The Board provides written policies covering specific areas such foreign exchange risk, interest rate risk, credit risk, use of derivatives financial instruments and non derivatives financial instruments and investment of excess liquidity.

#### A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits classified at amortised cost as well as credit exposures to trade receivables.

##### i) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, investment in mutual funds, other receivables and deposits, foreign exchange transactions and other financial instruments.

##### ii) Trade receivables

Customer credit risk is managed through established policy, procedures and control relating to customer credit risk management. Further, Company's customers includes Original Equipment Manufacturers (OEMs) and After

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

Market (AM) dealers having long standing relationship with the Company. Outstanding customer receivables are regularly monitored and reconciled. At March 31, 2021, receivable from Company's top 10 customers accounted for approximately 16% of sales (March 31, 2020: 10%) of which 89% (March 31, 2020: 81%) are receivables outstanding. An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The Company does not hold collateral security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

(₹ in million)

<b>Trade Receivables under Simplified Approach (under March 31, 2021)</b>					
<b>Expected Credit Loss</b>	<b>Not due</b>	<b>0-180 days</b>	<b>180-365 days</b>	<b>365 days and above</b>	<b>Total</b>
Gross Carrying amount	2,198.89	705.52	51.86	22.87	2,979.14
Expected Credit Loss (%)	0%	0%	32%	100%	1%
Expected Credit Loss	0.13	1.45	16.39	22.87	40.84
Carrying Amount of Trade Receivables	2,198.75	704.08	35.47	-	2,938.30

During the year ended March 31, 2021 the Company has written off of trade receivables of ₹ Nil

(₹ in million)

<b>Trade Receivables under Simplified Approach (under March 31, 2020)</b>					
<b>Expected Credit Loss</b>	<b>Not due</b>	<b>0-180 days</b>	<b>180-365 days</b>	<b>365 days and above</b>	<b>Total</b>
Gross Carrying amount	1,649.97	657.73	25.11	14.19	2,347.00
Expected Credit Loss (%)	0%	0%	0%	100%	1%
Expected Credit Loss	-	-	-	14.19	14.19
Carrying Amount of Trade Receivables	1,649.97	657.73	25.11	-	2,332.81

During the year ended March 31, 2020 the Company has written off of trade receivables of ₹ Nil

The Company has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.

(₹ in million)

<b>Reconciliation of loss allowance provision</b>	<b>Total</b>
<b>Expected Credit Loss</b>	
<b>Loss Allowance as on April 1, 2019</b>	<b>8.80</b>
Changes in Loss Allowance	5.39
<b>Loss Allowance as on March 31, 2020</b>	<b>14.19</b>
Changes in Loss Allowance	26.65
<b>Loss Allowance as on March 31, 2021</b>	<b>40.84</b>

### iii) Other receivables, deposits with banks and loans given

Credit risk from balances with banks, financial institutions and mutual funds is managed in accordance with the Company's approved investment policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on regular basis and the said limits are revised as and when appropriate. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### B) LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The development of financial assets and liabilities is monitored on an ongoing basis. Internal directives regulate the duties and responsibilities of liquidity management and planning. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

#### (i) Financing Arrangement

The Company has obtained fund and non-fund based working capital line from Banks. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/low mark to market risks.

#### (ii) Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in million)

Contractual maturities of Financial Liabilities - March 31, 2021	Less than 1 year	1 to 5 years	> 5 years
<b>Non Derivatives</b>			
Borrowings	0.11	-	-
Obligations under Lease (Right of Use)	17.57	58.20	70.90
Trade Payables	3,912.83	-	-
Other Financial Liabilities	453.50	20.85	-
Other non current Financial Liabilities	-	-	55.49
<b>Total Non-Derivatives liabilities</b>	<b>4,384.01</b>	<b>79.05</b>	<b>126.39</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forward contracts	4.90	-	-
<b>Total Derivative Liabilities</b>	<b>4.90</b>	<b>-</b>	<b>-</b>

(₹ in million)

Contractual maturities of Financial Liabilities - March 31, 2020	Less than 1 year	1 to 5 years	> 5 years
<b>Non Derivatives</b>			
Borrowings	0.16	-	-
Obligations under Lease (Right of Use)	10.21	23.57	55.16
Trade Payables	2,192.30	-	-
Other Financial Liabilities	423.53	36.20	-
Other non current Financial Liabilities	-	-	55.49
<b>Total Non-Derivatives liabilities</b>	<b>2,626.19</b>	<b>59.77</b>	<b>110.66</b>
<b>Derivatives (net settled)</b>			
Foreign exchange forward contracts	-	-	-
<b>Total Derivative Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### C) INTEREST RATE RISK

Given the limited quantum of borrowings, the Company is not exposed to significant interest rate risk.

### D) COMMODITY PRICE SENSITIVITY

The Company has significant usage of commodities like Steel, Oil, Aluminium exposing it to price risk arising out of market fluctuations. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As the Company has a back to back pass through arrangements for volatility in raw material prices there is limited impact on the profit and loss and equity of the Company.

### E) MARKET RISK – FOREIGN CURRENCY RISK

The Company enters into international transactions and is exposed to resultant foreign exchange risk, primarily with respect to the US\$, CNH (RMB), EUR and JPY. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company uses a combination of foreign currency option contracts and foreign exchange forward contracts to hedge its exposure in foreign currency risk. As per the risk management policy, foreign exchange forward contracts and foreign currency options contracts are permitted to hedge the foreign currency risk. The Company's policy of hedging is as explained below

Particulars	% of Exposure sought to be hedged
Expected Exposure in next 12 months	25%
Expected Exposures in next 9 months	50%
Expected Exposures in next 6 months	75%
Expected Exposures in next 3 months	100%

#### a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

(₹ in million)

Financial Liabilities	As at March 31, 2021				As at March 31, 2020			
	USD	CNH	EUR	JPY	USD	CNH	EUR	JPY
Trade Payables	13.96	142.65	49.64	75.45	12.25	14.02	13.53	17.02
Trade Receivables	(170.63)	-	(77.96)	-	(15.06)	-	-	-
<b>Net Exposure</b>	<b>(156.67)</b>	<b>142.65</b>	<b>(28.32)</b>	<b>75.45</b>	<b>(2.82)</b>	<b>14.02</b>	<b>13.53</b>	<b>17.02</b>

#### b) Un Hedged Foreign currency risk exposure:

Company's exposure to unhedged foreign currency risk at the end of the reporting period expressed in INR, are as follows

(₹ in million)

Financial Liabilities	As at March 31, 2021				As at March 31, 2020			
	USD	CNH	EUR	JPY	USD	CNH	EUR	JPY
Trade Payables	-	-	-	41.82	12.25	-	5.32	14.39
Trade Receivables	(53.89)	-	-	-	(3.10)	-	-	-
<b>Net Exposure</b>	<b>(53.89)</b>	<b>-</b>	<b>-</b>	<b>41.82</b>	<b>9.15</b>	<b>-</b>	<b>5.32</b>	<b>14.39</b>

Figures in bracket indicate cash inflow.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### (c) Sensitivity

A reasonably possible strengthening (weakening) of the India Rupee against foreign currencies at year ended March 31, 2021 would have affected the measurement of unhedged financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in million)

Sensitivity	As at March 31, 2021		As at March 31, 2020	
	Impact on Profit After Tax		Impact on Profit After Tax	
1% Movement	Strengthening	Weakening	Strengthening	Weakening
CNH	-	-	-	-
EUR	-	-	0.06	(0.06)
JPY	0.42	(0.42)	0.15	(0.15)
USD	(0.54)	0.54	0.10	(0.10)

(₹ in million)

#### Impact of Hedging Activities - for Cash flow Hedge as on March 31, 2021

Type of Hedge	Nominal Value in Foreign Currency	Nominal Value Amount (in INR)	Currency
Cash Flow Hedge-Foreign Exchange Risk			
	86.78	982.84	CNH
Foreign Exchange Forward Risk	0.96	86.87	EURO
	46.83	33.63	JPY
	1.36	102.78	USD

(₹ in million)

#### Impact of Hedging Activities - for Cash flow Hedge as on March 31, 2020

Type of Hedge	Nominal Value in Foreign Currency	Nominal Value Amount (in INR)	Currency
Cash Flow Hedge-Foreign Exchange Risk			
	23.03	239.17	CNH
Foreign Exchange Forward Risk	0.10	8.21	EURO
	3.81	2.63	JPY
	0.16	11.96	USD

The Company's Hedging Policy only allows for effective Hedge relationships to be established. Hedge effectiveness is determined at the inception of hedge relationship and through periodic prospective effectiveness assessments to ensure economic relationship exists between the Hedge item and Hedge instrument.

The Company enters into hedge relationships where the critical items of the hedging instrument match with the terms of hedge items, therefore a qualitative assessment of effectiveness is performed. Ineffectiveness is recorded in the Statement of Profit and Loss.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

(₹ in million)

<b>Movement in Cash Flow Hedge</b>	
<b>Risk Category</b>	<b>Foreign Exchange Risk (Foreign Exchange Forward Contract)</b>
<b>Cash flow hedge reserve</b>	
<b>As on April 1, 2019</b>	<b>(15.37)</b>
Changes in Fair value of Foreign exchange- Forward contract	30.12
Deferred Tax relating to above	(7.58)
<b>As on March 31, 2020</b>	<b>7.17</b>
Changes in Fair value of Foreign exchange- Forward contract	(10.76)
Deferred Tax relating to above	2.71
<b>As on March 31, 2021</b>	<b>(0.88)</b>

### NOTE 38. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

#### Risk Management

The Company has equity capital and other reserves attributable to the equity shareholders, as the primary source of capital with limited reliance on borrowings/ debts.

The amount of dividend payments are as follows:

<b>Particulars</b>	<b>(₹ in million)</b>	
	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>
<b>(i) Dividend Recognised</b>		
Final Dividend for the year ended March 31, 2020 of ₹ 0.85 per share (March 31, 2019- ₹ 0.95 per share)	122.10	136.46
Interim Dividend for the year ended March 31, 2021 of ₹ 0.20 per share (March 31, 2020- ₹ 0.45 per share)	28.73	64.64
	<b>150.83</b>	<b>201.10</b>
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since the year ended the directors have recommended the payment of a final dividend of ₹ 0.70 per fully paid equity share for the year ended March 31, 2021 (March 31, 2020- ₹ 0.85). This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting	100.55	122.10

### NOTE 39. SEGMENT REPORTING

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Company is in the business of manufacture and sale of automobile components, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. The accounting policies of the reportable segments are the same as the accounting policies disclosed in Note 1. The revenues, total expenses and net profit as per the Statement of Profit and Loss represents the revenue, total expenses and the net profit of the sole reportable segment

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### Geographical information

The Company primarily operates in India and its revenue from operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

### Revenue from Operation

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Revenue from External Customers</b>		
India	16,383.53	18,305.62
Outside India	615.84	394.01
	<b>16,999.37</b>	<b>18,699.62</b>

### Net Current assets/(Liabilities)

Particulars	(₹ in million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
India	2,967.76	2,113.09
Outside India	248.56	63.21
<b>Total</b>	<b>3,216.32</b>	<b>2,176.31</b>

### Information about major customers

One Customer is contributing more than 10% of revenue from operations.

Contracts with customers generally do not have a significant financing component.

Particulars	(₹ in million)	
	Amount	
<b>Contract Assets</b>		
Opening at April 1, 2020		60.05
Additions		-
Revenue recognised from opening Contract Assets		0.43
<b>Closing at March 31, 2021</b>		<b>59.62</b>
<b>Contract Liabilities</b>		
Opening at April 1, 2020		36.20
Additions		-
Payments		15.35
<b>Closing at March 31, 2021</b>		<b>20.85</b>

### Revenue recognised from performance obligations satisfied in previous periods

Nature of Transaction/Related Party	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
Price variations recorded in the year as revenue, income / (expense)	95.65	41.54
<b>Total</b>	<b>95.65</b>	<b>41.54</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 40. DISCLOSURE IN ACCORDANCE WITH IND AS – 19 ON EMPLOYEE BENEFITS

#### a) Defined contribution plans

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

Contributions are made to employees family pension fund in India for employees as per local regulations. The contributions are made to provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The Company has recognised the following amount in the Statement of Profit and Loss for the year.

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contribution to Employees Provident Fund	65.24	66.69
Contribution to Superannuation Fund	3.78	4.10
Contribution to National Pension Scheme	5.57	5.98
Contribution to other Funds (ESIC, Labour welfare funds)	7.20	8.77
<b>Total</b>	<b>81.79</b>	<b>85.53</b>

#### b) Defined contribution plans

##### Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to fund managed by Life Insurance Corporation of India. Contributions are made as per the working by LIC of India.

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

(₹ in million)

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Total
<b>As at April 1, 2019</b>	<b>163.83</b>	<b>(100.82)</b>	<b>63.02</b>
Current service cost	20.49	-	20.49
Interest expenses/(income)	11.98	(9.66)	2.32
<b>Total amount recognised in Profit and loss</b>	<b>32.47</b>	<b>(9.66)</b>	<b>22.81</b>
(Gain)/loss from change in demographic assumptions	(8.44)	-	(8.44)
(Gain)/loss from change in financial assumptions	11.27	0.38	11.65
Experience (gains)/losses	6.45	2.87	9.32
<b>Total amount recognised in Other Comprehensive Income</b>	<b>9.27</b>	<b>3.25</b>	<b>12.52</b>
Employer contribution	-	(65.00)	(65.00)
Benefits payments	(12.47)	12.47	-
<b>As at March 31, 2020</b>	<b>193.11</b>	<b>(159.76)</b>	<b>33.35</b>
Current service cost	22.12	-	22.12
Interest expenses/(income)	12.87	(11.46)	1.41
<b>Total amount recognised in Profit and loss</b>	<b>34.99</b>	<b>(11.46)</b>	<b>23.53</b>
(Gain)/loss from change in demographic assumptions	(0.04)	-	(0.04)
(Gain)/loss from change in financial assumptions	1.88	1.16	3.05



## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

(₹ in million)

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Total
Experience (gains) / losses	(1.63)	0.58	(1.05)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>0.21</b>	<b>1.74</b>	<b>1.95</b>
Employer contribution		(26.00)	(26.00)
Benefits payments	(13.22)	13.22	-
<b>As at March 31, 2021</b>	<b>215.09</b>	<b>(182.26)</b>	<b>32.83</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of obligation	215.09	193.11
Fair value of plan asset	(182.26)	(159.76)
<b>Deficit of funded plan</b>	<b>32.83</b>	<b>33.35</b>

The Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Company intends to continue to contribute the defined benefit plans as per the demand from LIC of India.

The significant estimates and actuarial assumptions were as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
a) Discount rate	6.80%	6.90%
b) Expected rate of return on plan assets	6.90%	7.60%
c) Salary escalation rate	6.00%	6.00%
d) Normal retirement age	55, 57, 58 & 60	55, 58 & 60
e) Mortality table	As per Indian Assured Lives Mortality (2006-08)As per Indian Assured Lives Mortality (2006-08)	As per Indian Assured Lives Mortality (2006-08)As per Indian Assured Lives Mortality (2006-08)
f) Employee turnover		
Age upto 30 years	10.00% per annum	10.00% per annum
Age 31 - 44 years	4.00% per annum	4.00% per annum
Age above 44 years	2.00% per annum	2.00% per annum

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

**Sensitivity analysis:** The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions

(₹ in million)

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in present value of obligation		Decrease in present value of obligation	
	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020
Discount rate	1.00%	1.00%	197.39	211.37	235.52	177.34
Salary escalation rate	1.00%	1.00%	233.30	178.67	198.97	209.47
Withdrawal rate	1.00%	1.00%	216.14	191.88	213.91	194.20

### Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

- i) **Asset volatility :** All plan assets are maintained in a trust managed by a public sector insurer viz.LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years.The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.
- ii) **Changes in bond yields:** A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of plans' bond holdings.
- iii) **Future salary increase and inflation risk:** Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

**Asset-Liability mismatch risk:** Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralise valuation swings caused by interest rate movements. Hence company is encouraged to adopt asset-liability management.

The Company's assets are maintained in a trust fund managed by public sector insurance via, LIC of India. LIC has been providing consistent and competitive returns over the years. The plan asset mix is in compliance with the requirements of the respective local regulations.

### c) Defined benefit liability and employer contributions

The Company has agreed that it will aim to eliminate the deficit in gratuity plan over the years. Bonding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. The Company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

The weighted average duration of the defined benefit obligation is 12 years . The expected maturity analysis of gratuity is as follows:

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

(₹ in million)

Defined benefit obligation - gratuity	Less than 1 year	between 1-2 years	between 2-5 years	over 5 years	Total
March 31, 2021	19.90	19.77	50.93	177.31	267.90
March 31, 2020	18.74	17.49	55.74	144.34	236.31

### d) Plan assets

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investment funds</b>		
Investments with Insurer (Life Insurance Corporation of India)	182.26	159.76
<b>Total</b>	<b>182.26</b>	<b>159.76</b>

### NOTE 41. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Contingent Liabilities</b>		
<b>Disputed Direct and Indirect Tax matters :</b>		
a) Company in appeal	291.37	181.54
b) Matters decided in Company's favour, tax authorities in appeal before the High Court	12.26	12.26
c) Others	-	0.00

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Company, not acknowledged as debts ( refer below for details)	198.85	167.52

- Third party claims arising from disputes relating to contracts aggregating ₹ NIL (Previous year ₹ 0.40 million).
- Other matters aggregating ₹ 198.85 million (Previous year ₹ 167.12 million).

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Commitments:</b>		
Estimated amount of unexecuted capital contracts (net of advances and deposits)	202.11	168.18
<b>Others:</b>		
Guarantees issued by banks on behalf of the Company	61.80	72.97

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 42. DUES TO MICRO AND SMALL ENTERPRISES

The Company has certain dues to suppliers registered under Micro and Small Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows :

Particulars	(₹ in million)	
	As at March 31, 2021	As at March 31, 2020
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end (Refer note 23)	42.08	15.78
b) Interest due to suppliers registered under the MSMED Act for the year and remaining unpaid as at year end	0.77	3.43
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	2,985.15	489.21
d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	24.60	8.52
e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	11.82	1.34

The information has been given in respect of such vendors to the extent they could be identified as 'Micro and Small Enterprises' on the basis of the information available with the Company.

### NOTE 43. RESEARCH AND DEVELOPMENT EXPENDITURE

#### a) Accounting for research and development expenditure incurred at R&D Centres recognised by DSIR

Particulars	(₹ in million)							
	R&D Centre No. 1		R&D Centre No. 2		R&D Centre No. 3		Total	
	Chakan Center		Nashik Center		Hosur Center			
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Capital Expenditure :</b>								
- Machinery and Equipment	42.70	11.49	-	0.21	1.43	0.35	44.13	12.05
- Land and buildings	65.59	-	-	-	-	-	65.59	-
<b>Total Capital Expenditure :</b>	<b>108.29</b>	<b>11.49</b>	<b>-</b>	<b>0.21</b>	<b>1.43</b>	<b>0.35</b>	<b>109.72</b>	<b>12.05</b>
<b>Revenue Expenditure:</b>								
- Manpower expenses	87.94	86.90	1.89	2.20	21.82	29.34	111.65	118.45
- Material and consumables	3.03	7.36	1.10	5.75	12.16	8.53	16.29	21.64
- Other expenses	49.17	38.06	1.88	1.87	3.41	4.75	54.46	44.68
<b>Net Revenue Expenditure</b>	<b>140.14</b>	<b>132.33</b>	<b>4.87</b>	<b>9.82</b>	<b>37.39</b>	<b>42.63</b>	<b>182.40</b>	<b>184.77</b>
<b>Total Capital &amp; Revenue Expenditure</b>	<b>248.43</b>	<b>143.82</b>	<b>4.87</b>	<b>10.02</b>	<b>38.82</b>	<b>42.98</b>	<b>292.12</b>	<b>196.82</b>

The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance, 2019.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 44. LEASE

The Company has acquired Vehicles, Printers, solar power plant, residential premises & warehouse under lease agreements.

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Solar Plants*</b>		
Gross Opening Balance	70.23	70.23
Additions during the year	-	-
Accumulated Depreciation**	(20.45)	(14.22)
<b>Balance as at March 31, 2021</b>	<b>49.78</b>	<b>56.01</b>
<b>Computer and Printers</b>		
Gross Opening Balance	2.00	-
Additions during the year	-	2.00
Accumulated Depreciation**	(1.75)	(1.42)
<b>Balance as at March 31, 2021</b>	<b>0.25</b>	<b>0.59</b>
<b>Leasehold Premises</b>		
Gross Opening Balance	-	-
Additions during the year	0.37	-
Accumulated Depreciation**	-	-
<b>Balance as at March 31, 2021</b>	<b>0.37</b>	<b>-</b>
<b>Leasehold Premises</b>		
Gross Opening Balance	27.91	-
Additions during the year	75.26	27.91
Deletion during the year	(1.07)	-
Accumulated Depreciation**	(24.83)	(12.71)
<b>Balance as at March 31, 2021</b>	<b>77.27</b>	<b>15.19</b>

\*Lease charges paid for certain Solar Power Plant are based on generation of electricity units.

\*\*The aggregate depreciation expense on Lease assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Liabilities	17.49	10.72
Non-current Liabilities	129.18	78.23
<b>Total</b>	<b>146.67</b>	<b>88.95</b>

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

The future minimum lease payments under these lease agreements as on March 31, 2021 are as follows:

(₹ in million)

Period	As at March 31, 2021		As at March 31, 2020	
	Minimum Lease payments	Present value of Minimum Lease payments	Minimum Lease payments	Present value of Minimum Lease payments
Not later than one year	31.85	17.57	19.64	10.22
Later than one year but not later than five years	95.74	58.20	53.07	23.57
Later than five years	152.27	70.90	102.12	55.16
<b>Total</b>	<b>279.86</b>	<b>146.67</b>	<b>174.81</b>	<b>88.95</b>
Less: Amounts representing finance charges	133.19	-	85.87	-
<b>Present value of minimum lease payments</b>	<b>146.67</b>	<b>146.67</b>	<b>88.95</b>	<b>88.95</b>

The following is the aggregate movement in lease liabilities during the year ended March 31, 2021:

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liabilities		
Opening Balance	88.95	71.52
Additions during the year	75.63	29.91
Deletion during the year	(1.07)	-
Finance cost accrued during the period	10.91	10.21
Payment of lease liabilities	(27.75)	(22.70)
<b>Balance as at March 31, 2021</b>	<b>146.67</b>	<b>88.95</b>

Rental expense recorded ₹ 31.13 million for the year ended March 31, 2021. (PY ₹ 30.14 million).

### NOTE 45. EARNINGS PER SHARE

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Profit attributable to Equity shareholders (₹ in million) - (A)	602.73	847.08
Basic / Weighted		
Average number of Equity Shares outstanding during the year - (B)	14,36,43,940	14,36,43,940
Nominal Value of Equity shares (₹)		
Basic / Diluted Earning per share (₹) - (A)/(B)	4.20	5.90

### NOTE 46.

During 2019-20, the Company has recovered ₹ 5.97 million from Mr. KN Subramaniam on account of excess payment of remuneration.

## NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2021 (Contd.)

### NOTE 47.

During the year, the Company was required to spend ₹ 25.46 million (i.e 2% of the Average Net Profit of the three preceding years) on CSR Activities which represented donations/ contributions to Companies which are engaged in CSR activities eligible under Section 135 of the Companies Act, 2013 as specified in Schedule VII. In furtherance to the budgeted expenditure the Company has spent ₹ 20.76 million (Previous year Budgeted CSR amount ₹ 25.96 million & Actual CSR spent ₹ 25.96 million) on the CSR Activities during the year and Unspent CSR amount of ₹ 4.70 million has been allocated to the On-going activities for 2021-22. In Compliance to the Companies Act, 2013, the unspent amount is transferred to "Unspent Corporate Social Responsibility Account" which is opened by the Company on the approval of the Board of Directors.

### NOTE 48.

The Company's operations and financial results for the year ended March 31, 2021 have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India due to which the operations were suspended for part of the year and gradually resumed with requisite precautions. The results for the year are, therefore, not comparable with those for the previous year.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Property, plant and equipment, Investments, Inventories, Receivables and Other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.

### NOTE 49.

Previous year figures have been re-grouped/reclassified wherever necessary to conform to current year's classification.

In terms of our report attached.

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

**PADMINI KHARE KAICKER**  
Partner  
Membership No. 044784

Place : Pune  
Date : May 26, 2021

For and on behalf of the Board of Directors

**ANJALI SINGH**  
Chairperson  
DIN: 02082840

**RISHI LUHARUKA**  
Chief Financial Officer

**MANOJ KOLHATKAR**  
Managing Director  
DIN: 03553983

**NILESH JAIN**  
Company Secretary

## NOTICE

**NOTICE is hereby given that the Fifty Ninth Annual General Meeting of the Members of GABRIEL INDIA LIMITED ('the Company') will be held on Wednesday, August 04, 2021 at 2.30 p.m. IST through Video Conferencing / Other Audio Visual Means (VC) to transact the following businesses:**

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of Board of Directors and Auditors thereon.
2. To declare Final Dividend for the financial year 2020-21.
3. To appoint a Director in place of Mr. Jagdish Kumar (DIN: 00318558), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014 made thereunder (including any statutory modification(s) or re-enactment(s) thereof for time being in force), Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration No. 012754N/ N500016), be and are hereby appointed as the Statutory Auditors of the Company to hold the office for a period of 5 (five) consecutive years from the conclusion of this Annual General Meeting until the conclusion of Sixty Fourth Annual General Meeting of the Company, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**
- "RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualifications of

Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and pursuant to Articles of Association of the Company, **Mrs. Pallavi Joshi Bakhru** (DIN: 01526618) who was appointed as an additional director with effect from May 26, 2021 on the Board of the Company and holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Non- executive Independent director of the Company, not liable to retire by rotation, to hold office for a term of **five consecutive years commencing from May 26, 2021 to May 25, 2026.**

**RESOLVED FURTHER THAT** the Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and is hereby authorized, individually, to take such steps as may be necessary, desirable or expedient to give effect to this resolution including filing of necessary forms / returns with the Ministry of Corporate Affairs / Stock Exchanges/ other authorities concerned."

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

**"RESOLVED THAT** pursuant to Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and such other approvals, permissions and sanctions as may be required, **Mr. Manoj Kolhatkar** (DIN: 03553983), **Managing Director** ('MD') of the Company whose period of office is liable to expire on May 26, 2021 and in respect of whom the Company has received the notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointment as the Managing Director of the Company for a period of **five years with effect from May 27, 2021 upto May 26, 2026**, not liable to retire by rotation, on such terms and conditions including remuneration viz. Salary, allowances, perquisites,



## NOTICE

incentives, benefits and amenities as set out hereunder, with the liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to determine, alter or vary the terms and conditions and/or remuneration, subject to the same not exceeding the limit specified under Section 197 read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force.

A. Salary and Allowance:-

(i) Salary :

Not exceeding ₹ 10.20 lacs per month (Basic Salary and Annual increment therein to be decided by the Board within the above ceiling)

(ii) Special Allowance :

As may be decided by the Board of Directors from time to time which shall not attract provident fund, gratuity and superannuation etc.

B. Perquisites (including allowances) to be paid as per Company's Rule :

(i) Housing : Furnished / Unfurnished residential accommodation or house rent allowance in lieu thereof

(ii) Medical Check up

(iii) Leave Travel Allowance for MD and his family viz. his spouse, dependent children and dependent parents

(iv) Club Fees (No life membership or admission fees to be paid) – maximum two clubs

(v) Personal Accident Insurance Premium

(vi) Contribution to Provident Fund, Superannuation Fund / National Pension System and Gratuity

(vii) Encashment of leave not availed of

(viii) Provision of car and telephone facilities limit

(ix) Any other benefits, amenities and facilities

C. Management Incentive Bonus (As per Company's Scheme)

D. Special Bonus (As per Company's Scheme)

E. Mr. Manoj Kolhatkar shall not divulge or disclose or use for his own purpose or any other purpose any information or knowledge or trade secret of the Company.

F. Subject to the superintendence, control and direction of the Board, Mr. Manoj Kolhatkar shall exercise and perform such powers and duties as the Board of Directors shall determine from time to time.

G. The appointment is terminable by either party giving the other six months' notice in writing.

**RESOLVED FURTHER THAT** notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profits (as provided in Schedule V to the Act) of the Company in any financial year, during the term of office of the Managing Director, the remuneration by way of Salary, allowances, perquisites, incentives, benefits and amenities shall not, without the approval of the members exceed the limits prescribed under the Schedule V to the Act (including any statutory modifications or re-enactment thereof, for time being in force).

**RESOLVED FURTHER THAT** any one of the Director be and is hereby authorised to execute the necessary agreement, if any, with Mr. Manoj Kolhatkar, and severally authorised to take all such steps as may be necessary, desirable or expedient and do all other acts, deeds, matters and things necessary to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and pursuant to Articles of Association of the Company, **Mr. Atul Jaggi** (DIN: 07263848) who was appointed as an additional director with effect from May 26, 2021 on the Board of the Company and holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**NOTICE**

**RESOLVED FURTHER THAT** pursuant to Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and such other approvals, permissions and sanctions as may be required, consent be and is hereby accorded to appoint Mr. Atul Jaggi (DIN: 07263848), as Whole Time Director in the capacity of **Deputy Managing Director ('DMD')** of the Company for a period of **5 (five) years with effect from May 26, 2021 upto May 25, 2026** on such terms and conditions including remuneration viz. Salary, allowances, perquisites, incentives, benefits and amenities as set out hereunder, with the liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to determine, alter or vary the terms and conditions and/or remuneration, subject to the same not exceeding the limit specified under Section 197 read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force).

A. Salary and Allowance:-

(i) Salary :

Not exceeding ₹ 4.10 lacs per month (Basic Salary and Annual increment therein to be decided by the Board within the above ceiling).

(ii) Special Allowance :

As may be decided by the Board of Directors from time to time which shall not attract provident fund, gratuity and superannuation etc.

B. Perquisites (including allowances) to be paid as per Company's Rule :

(i) Housing : Furnished / Unfurnished residential accommodation or house rent allowance in lieu thereof

(ii) Medical Check up

(iii) Leave Travel Allowance for DMD and his family viz. his spouse, dependent children and dependent parents

(iv) Personal Accident Insurance Premium

(v) contribution to Provident Fund, Superannuation Fund / National Pension System and Gratuity

(vi) Encashment of leave not availed of

(vii) Provision of car and telephone facilities limit

(viii) Any other benefits, amenities and facilities

C. Management Incentive Bonus (As per Company's Scheme)

D. Special Bonus (As per Company's Scheme)

E. Mr. Atul Jaggi shall not divulge or disclose or use for his own purpose or any other purpose any information or knowledge or trade secret of the Company.

F. Subject to the superintendence, control and direction of the Managing Director, Mr. Atul Jaggi shall exercise and perform such powers and duties as the Board of Directors shall determine from time to time.

G. The appointment is terminable by either party giving the other six months' notice in writing.

**RESOLVED FURTHER THAT** notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profits (as provided in Schedule V to the Act) of the Company in any financial year, during the term of office of the Whole time Director, the remuneration by way of Salary, allowances, perquisites, incentives, benefits and amenities shall not, without the approval of the members exceed the limits prescribed under the Schedule V to the Act (including any statutory modifications or re-enactment thereof, for time being in force).

**RESOLVED FURTHER THAT** any one of the Director be and is hereby authorized to execute the necessary agreement, if any, with Mr. Atul Jaggi, and severally authorised to take all such steps as may be necessary, desirable or expedient and do all other acts, deeds, matters and things necessary to give effect to this resolution."

## NOTICE

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) and in partial modification to the resolution no. 6 passed as the Special Resolution at the fifty fifth Annual General Meeting ('AGM') of the Company held on August 8, 2017, consent of the Company be and is hereby accorded to the revision in the terms and conditions of payment of remuneration to Mrs. Anjali Singh (DIN 02082840), Executive Chairperson of the Company, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, by replacing the terms set out in Clause (D) of the aforesaid Special Resolution with effect from April 1, 2020 till the remaining tenure of her appointment as under:

**Existing Clause (D) :**

"D. In addition to the above remuneration she will continue to receive remuneration and/or commission from Asia Investment Private Limited (Holding Company) as per the terms of Section 197 (14) of the Companies Act, 2013 and within the overall ceiling prescribed under Section 197(1) of the Companies Act, 2013"

**Above Clause (D) to be replaced by following terms :**

"D. In addition to the above remuneration she will continue to receive remuneration and/or commission from Asia Investment Private Limited (Holding Company) as per the terms of Section 197 (14) of the Companies Act, 2013."

**RESOLVED FURTHER THAT** except for the aforesaid revision in the terms and condition of payment of remuneration as set out in the explanatory statement annexed to the notice, all other terms and conditions of her appointment as the Executive Chairperson of the Company, as approved by the Special resolution passed at the fifty fifth Annual General Meeting of the Company held on August 8, 2017, shall remain unchanged.

**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules and Companies (Cost Records and Audit) Rules (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), the remuneration payable to **M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune** (Firm registration No. 00030), Cost Auditors of the Company, to conduct the audit of Cost Records of the Company for the Financial year ending **March 31, 2021**, as recommended by the Audit Committee of the Company and approved by the Board of Directors of the Company, amounting ₹1,75,000/- plus applicable taxes and out of pocket expenses incurred for conducting the aforesaid audit, be and hereby ratified and confirmed."

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules and Companies (Cost Records and Audit) Rules (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), the remuneration payable to **M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune** (Firm registration No. 00030), Cost Auditors of the Company, to conduct the audit of Cost Records of the Company for the Financial year ending **March 31, 2022**, as recommended by the Audit Committee of the Company and approved by the Board of Directors of the Company, amounting ₹ 1,75,000/- plus applicable taxes and out of pocket expenses incurred for conducting the aforesaid audit, be and hereby ratified and confirmed."

## NOTICE

### Notes:

1. In view of the outbreak of the COVID-19 pandemic over the country and restrictions on the movements apart from social distancing, Circular No.02/2021 issued by Ministry of Corporate Affairs ('MCA') and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are permitted to hold their Annual General Meeting ('AGM') through VC/OVAM for the calendar year 2021.
2. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars the 59<sup>th</sup> Annual General Meeting of the Company is being conducted through Video Conferencing (VC) herein after called as "e-AGM". For this purpose, the Company has appointed M/s KFin Technologies Private Limited ('KFinTech'), Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
3. Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required. Appointment of proxy to attend and cast vote on behalf of the member is not available. Body Corporates should send the Board Resolution passed under Section 113 of the Companies Act 2013, authorising their representative to attend the e-AGM through VC/OAVM and cast their votes through e-voting.
4. Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. In case of joint holders attending the Meeting only such joint holder who is higher in the order of names will be entitled to vote at the e-AGM.
5. For attendance of the members, members logins to the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.anandgroupindia.com/gabrielindia/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of KFinTech at <https://evoting.karvy.com/>
7. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, July 29, 2021 to Wednesday, August 04, 2021** (both days inclusive).
8. On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:
  - i. Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants "DPs" for receiving all communications from the Company electronically.
  - ii. Shareholders are also requested to visit the website of the Company <https://www.anandgroupindia.com/gabrielindia/> website of KFinTech <https://evoting.karvy.com/> for downloading the Annual Report and Notice of the e-AGM.
9. Dividend, as may be declared by the members at the meeting, will be paid to those members whose names stand on the Company's Register of Members as on **Wednesday July 28, 2021**. In respect of shares held in dematerialised form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories as at the end of business on July 28, 2021.
10. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to upload the following documents in accordance with the provisions of the IT Act. by accessing <https://ris.kfintech.com/form15/default.aspx>

## NOTICE

For Resident shareholders, taxes shall be deducted at source (on dividend distributed during FY 2021-22 only) under Section 194 of the IT Act as follows-

- Members having valid PAN - 7.5% ^ or as notified by the Government of India\*
- Members not having PAN / valid PAN - 20% or as notified by the Government of India\*

(^) As per Notification dated May 13, 2020, this rate is reduced by 25%

(\*) However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by him / her during the Financial Year 2021-22 does not exceed ₹ 5,000.

Furthermore, no tax shall be deducted in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act.

Resident shareholders / member may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable Sections of the IT Act, at the rates in force.

The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable.

However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member.
- Copy of Tax Residency Certificate (TRC) for the financial year 2021-22 obtained from the revenue authorities of the country of tax residence, duly attested by member.
- Self-declaration in Form 10F.

- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty (read with the applicable multilateral instrument).
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforesaid declarations and documents need to be submitted by the shareholders on or before July 23, 2021. No communication would be accepted from members after July 23, 2021 regarding the tax withholding matters. Members shall receive Form 16A only at their registered Email id.

11. Members please be informed that respective bank details and address, as registered with the Company furnished by them or by NSDL / CDSL to the Company for shares held in the Physical certificate form and in the dematerialised form respectively, will be printed on their dividend warrants as a measure of protection to Members against fraudulent encashment.

Members holding shares in dematerialised form may note that bank particulars registered against their respective depository account will be used by the Company for the payment of dividend. The Company or its Registrar and Transfer Agents, KFinTech cannot act on any request received directly from the members holding shares in dematerialised form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

12. Members holding shares in physical certificate form are requested to notify / send the following to the Company's Registrars and Share Transfer Agents at the address - KFin Technologies Private Limited (Unit : Gabriel India Limited), Selenium Tower B, Plot Nos. 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad Telangana 500 032, or email at einward.ris@kfinotech.com or call on +91 40-67162222; 67161512; Fax No. +91 40 23431551, to facilitate better servicing:

## NOTICE

- a. Any change in their address / mandate / bank details,
- b. Particulars of their bank account, in case the same have not been furnished earlier, and
- c. Share certificates held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.

Members holding shares in dematerialised form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts.

13. Members holding shares in physical certificate form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact Company or KFintech for assistance in this regard.
14. Members seeking any information with regard to the Financial Accounts are requested to write to the Company on or before Thursday, July 28, 2021 to the attention of the Company secretary at [secretarial@gabriel.co.in](mailto:secretarial@gabriel.co.in), so as to enable the Company to keep the information ready.
15. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed amount of Final Dividend for the financial year 2012-13 and Interim dividend for the financial year 2013-14 on October 14, 2020 and January 11, 2021 respectively to the Investor Education and Protection Fund established by the Central Government.

Members who have not encashed their dividend warrants for the financial year ended March 31, 2014 or any subsequent years are requested to lodge their claim with the Company's Registrar and Share Transfer Agent, KFintech.

Further, Section 124(6) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 requires that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in name of IEPF and be credited to Demat Account of the Authority. Accordingly, the Company has transferred such shares relevant to unpaid or unclaimed Final dividend for the financial year 2012-13 and Interim Dividend for the financial year 2013-14 to the Demat Account of the Authority.

Members are informed that they can recover their shares by approaching IEPF Authority.

16. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 07, 2020 (date of the last Annual General Meeting) on the website of the IEPF ([www.iepf.gov.in](http://www.iepf.gov.in)) as also on the website of the Company <https://www.anandgroupindia.com/gabrielindia/>.
17. Members who hold shares in physical certificate form can nominate a person in respect of all the shares held by them singly or jointly, by providing details to the Share Transfer Agent of the Company, KFintech in the prescribed form.

Members holding shares in dematerialised form may contact their respective Depository Participant(s) for recording nomination in respect of their shares.

18. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, with respect to the special business set out in the Item No. 5 to 10 above and additional particulars of Directors retiring by rotation and eligible for appointment /re-appointment pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as SEBI (LODR) Regulations, 2015) are mentioned in the **Annexure A & B**.
19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 04, 2021. Members seeking to inspect such documents can send an email to [secretarial@gabriel.co.in](mailto:secretarial@gabriel.co.in)
20. **Procedure for remote e-voting :**
  - i. In compliance with the provisions of Section 108 of the Companies Act, 2013 ('Act') read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and

## NOTICE

- in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-voting facility provided by listed entities, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFintech on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- ii. However, in 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.
  - iii. 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 to access e-voting facility.
  - iv. The remote e-voting period commences **Sunday, August 01, 2021 at 9.00 a.m. and ends on Tuesday, August 03, 2021 at 5.00 p.m.** The e-voting module shall be disabled for voting thereafter.
  - v. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
  - vi. Any person holding shares in physical form and non-individual shareholders, 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 he / she is already registered with KFintech for remote e-voting then he /she can use his / her existing User ID and password for casting the vote.
  - vii. In case of Individual Shareholders holding securities in demat mode and 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 follow steps mentioned below under "Login method for remote e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
  - viii. The details of the process and manner for remote e-voting and e-AGM are explained herein below:
    - I) Access to Depositories e-voting system in case of individual shareholders holding shares in demat mode.
    - II) Access to KFintech e-voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
    - III) Access to join virtual meeting (e-AGM) of the Company on KFintech system to participate e-AGM and vote at the AGM.

## NOTICE

### I) Login method for remote e-voting for Individual shareholders holding securities in demat mode :

Type of shareholders	
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<ol style="list-style-type: none"> <li><b>1. User already registered for IDeAS facility:</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting"</li> <li>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.</li> </ol> </li> <li><b>2. User not registered for IDeAS e-Services</b> <ol style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Select "Register Online for IDeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. Follow steps given in points 1</li> </ol> </li> <li><b>3. Alternatively by directly accessing the e-voting website of NSDL</b> <ol style="list-style-type: none"> <li>I. Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>II. Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will be requested to select the name of the Company and the e-voting Service Provider name, i.e. KFinTech.</li> <li>V. On successful selection, you will be redirected to KFinTech e-voting page for casting your vote during the remote e-voting period.</li> </ol> </li> </ol>



## NOTICE

<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li><b>1. Existing user who have opted for Easi / Easiest</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with your registered user id and password.</li> <li>IV. The user will see the e-voting Menu. The Menu will have links of ESP i.e. Kfintech e-voting portal.</li> <li>V. Click on e-voting service provider name to cast your vote.</li> </ol> </li> <li><b>2. User not registered for Easi/Easiest</b> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1</li> </ol> </li> <li><b>3. Alternatively, by directly accessing the e-voting website of CDSL</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide your demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP, i.e <b>Kfintech</b> where the e- Voting is in progress.</li> </ol> </li> </ol>
<b>Individual Shareholder login through their demat accounts / Website of Depository Participant</b>	<ol style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-voting facility.</li> <li>II. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature.</li> <li>III. Click on options available against company name or e-voting service provider – <b>Kfintech</b> and you will be redirected to e-voting website of <b>Kfintech</b> for casting your vote during the remote e-voting period without any further authentication.</li> </ol>

**Important note** : Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990 and 1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

## NOTICE

### II) Login method for e-voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode :

- (A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Gabriel India Limited AGM' and click on "Submit"
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total

shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (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 on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at email id [savitajyoti@yahoo.com](mailto:savitajyoti@yahoo.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and [secretarial@gabriel.co.in](mailto:secretarial@gabriel.co.in). The scanned image of the above-mentioned documents should be in the naming format "59TH AGM of Gabriel India Limited"
- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link : <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.

Members are requested to follow the process as guided to capture the email address and mobile

## NOTICE

number for sending the soft copy of the Notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

- ii. Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy (in case of electronic folio) and copy of share certificate (in case of physical folio) for sending the Annual report, Notice of AGM and the e-voting instructions on email.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

### III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-voting during the meeting.

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by Kfintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company / Kfintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above.
- ii. Facility for joining AGM through VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at [secretarial@gabriel.co.in](mailto:secretarial@gabriel.co.in). Questions /queries received by the Company till 24 hours before the AGM shall only be considered and responded during the AGM.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

### OTHER INSTRUCTIONS

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from **August 1, 2021 to August 2, 2021**. Members shall be provided a 'queue number' before the meeting. 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.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from **August 1, 2021 to August 2, 2021**.

**NOTICE**

- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact Mr. S. V. Raju, Deputy General Manager at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Wednesday, July 28, 2021, being the cut-off date**, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-voting Event Number + Folio No. or DP ID Client ID to 9212993399
    1. Example for NSDL:  
MYEPWD <SPACE> IN12345612345678
    2. Example for CDSL:  
MYEPWD <SPACE> 1402345612345678
    3. Example for Physical:  
MYEPWD <SPACE> XXXX1234567890
  - ii. 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.
  - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).
21. The Company has appointed Ms. Savita Jyothi, Practicing Company Secretary as the Scrutiniser for conducting the e-voting process in a fair and transparent manner.
22. The scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unlock the votes through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than 48 hours from the conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or a person authorised by her in writing who shall countersign the same.
23. The scrutiniser shall submit her report to the Chairperson or a person authorised by her, who shall declare the result of the voting. The results declared along with the scrutiniser's report shall be placed on the Company's website <https://www.anandgroupindia.com/gabrielindia/> and on the website of KFintech at <https://evoting.karvy.com/> and shall also be communicated to the stock exchanges. The resolution shall be deemed to be passed at the Annual General Meeting of the Company Scheduled to be held on Wednesday, August 04, 2021.

By Order of the Board of Directors

Registered Office:

29<sup>th</sup> Milestone, Pune-Nashik Highway,  
Village Kuruli, Taluka Khed,  
Pune - 410 501, Maharashtra, India

Place: Pune

Date: May 26, 2021

**Nilesh Jain**

Company Secretary

## ANNEXURE A

### EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013.

#### ITEM NO. 4

##### Appointment of Statutory Auditor

The Members of the Company at the 54th Annual General Meeting ('AGM') held on July 29, 2016 had approved the appointment of M/s. B.K. Khare and Co., Chartered Accountants, Mumbai (Registration No. 105102W) as the Statutory Auditor of the Company for the period of five years from the conclusion of 54th AGM till the conclusion of 59th AGM. The present term of M/s. B. K. Khare and Co., Chartered Accountants comes to an end from the conclusion of this AGM.

The Board of Directors of the Company on the recommendation of the Audit Committee recommends for approval of Members, the appointment of Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration No. 012754N/ N500016) as the Statutory Auditors of the Company for a period of five consecutive years from conclusion of this AGM till the conclusion of 64th AGM. The proposed fees for the FY 2021-22 for the Scope of Statutory audit and Limited Review as per the SEBI requirements is INR 55 Lacs (excluding taxes and out of pocket expenses which will be billed at actual). There is no material change in the fee payable to Price Waterhouse Chartered Accountants LLP from that paid to the outgoing auditor.

The Audit Committee had considered various parameters for the aforesaid appointment. Price Waterhouse Chartered Accountants LLP, (the "Firm") having a Firm Registration No. 012754N/ N500016, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Firm was established in the year 1991 and was converted into a limited liability partnership in the year 2014. The registered office of the Firm is at Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi - 110 002 and has ten branch offices in various cities in India. The Firm is primarily engaged in providing auditing and other assurance services to its clients and is a member firm of Price Waterhouse & Affiliates, a network of firms registered with the Institute of Chartered Accountants of India having Network Registration No. NRN/E/14. Price Waterhouse & Affiliates is a network of twelve separate, distinct and independent Indian chartered accountant firms, each of which is registered with the Institute of Chartered Accountants of India.

As part of the RFP process, the Firm had satisfactorily answered to questions asked by the Audit committee members and had demonstrated their capabilities to provide statutory audit services to the Company. The Firm has also demonstrated

its experience of working with automotive industry more specifically with the Auto component manufacturing companies and listed entities, which is commensurate to our size and nature. The detailed proposal document submitted by the Firm along with the presentations given by them in the process clearly brings out their abilities and various other aspects which meet Company's expectations from the statutory auditor.

Price Waterhouse Chartered Accountants LLP, Chartered Accountants are eligible to be appointed as the Auditors and met with the qualifications prescribed under Section 141 and Section 139 of the Companies Act, 2013. They have given their consent to act as a Statutory Auditor of the Company.

None of the directors and Key Managerial Personnel ('KMP') of the Company or their relatives is, in any way, concerned or interested or financially or otherwise in the said resolution. The Board recommends the resolution set in Item no. 4 for the approval of members as an ordinary resolution.

#### ITEM NO. 5

##### Appointment of Mrs. Pallavi Joshi Bakhru as Non-Executive Independent Director

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least half of the Board of Directors of the Company shall consist of Independent Director. Due to expansion of the Board it was necessary to appoint one independent director. The Board of Directors in their meeting held on May 26, 2021 on the recommendation of Nomination and Remuneration Committee ('NRC') had appointed Mrs. Pallavi Joshi Bakhru as an additional Non-Executive Independent Director on the Board of the Company with effect from May 26, 2021 for a term of five consecutive years upto May 25, 2026. In the opinion of the Board she fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder for such appointment and she is independent of the management. She is not liable to retire by the rotation.

Pursuant to the provisions of Section 161 of the Companies Act, 2013 ('Act'), Mrs. Pallavi Joshi Bakhru (DIN: 01526618) holds office upto the date of the ensuing Annual General Meeting.

She is not dis-qualified from being appointed as director in terms of Section 164 of the Act and has consented to act as a non-executive independent director of the Company. She has submitted a declaration to the Company to the effect that She meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

Mrs. Pallavi Joshi Bakhru, aged 53 years, is a Fellow Member of the Institute of Chartered Accountants of India and Member

## ANNEXURE A

of Indian Institute of Corporate Affairs. Currently, she is the Head of the Private Client Service offering at Grant Thornton in India and heads the UK Corridor. She has over 30 years of experience spanning solutions and clients in different sectors. She was the Head of Tax at a large natural resources group for five years and assisted with growth strategies. In 2015, Pallavi was recognised as one of the Top 10 Women in Tax in India by the International Tax Review. Her specialties include corporate tax, litigation, including being a part of a team that ran an international arbitration under Bilateral Investment Treaty (BIT), tax structuring and regulatory matters pertaining to FEMA. Over the years, she has simplified the global structure of some large groups, institutionalised a royalty payment system, resolved some high-pitched tax litigation and done Advocacy. She works closely with Promoters and CXO's on critical aspects of business, including decisions related to business restructuring, choice of senior counsels for representation in key litigation, she has helped in re-organizing few businesses and take their geographic footprint overseas. She has Sector experience of Natural resources, consumer and retail, aviation, manufacturing and education. She sits on the Boards of Companies as an Independent / Non-executive Director.

Considering the above credentials, it is desirable to avail her services as a Non-executive Independent Director. Her brief resume as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms part of this Notice.

The Board recommends the resolution set out at Item No. 5 for the approval of members to be passed as an Ordinary Resolution.

Except Mrs. Pallavi Joshi Bakhru, none of the Directors, Key Managerial Personnel of the Company and their relatives is in any way concerned or interested financially or otherwise in the said resolution.

### ITEM NO. 6

#### **Re-appointment of Mr. Manoj Kolhatkar as Managing Director of the Company.**

Mr. Manoj Kolhatkar was appointed as Managing Director of the Company w.e.f. May 27, 2016 for a period of 5 years by the members in their meeting held on 29th July 2016. His tenure as Managing Director of the Company was until May 26, 2021.

Mr. Manoj Kolhatkar graduated in Mechanical Engineering from VNIT, Nagpur in 1989. He has also done a diploma in Business Management from the University of Pune. He began his career at TATA Motors and has more than 31 years of experience in the automotive industry, having spent over 22 years with the

TATA Group. Prior to joining Gabriel India Limited, he was CEO of TACO – Interiors and Plastics Division and Tata Yazaki, now known as Yazaki Corporation.

He has an expertise in General Management. He is a member of the ANAND Executive Board as well as ANAND Group President and one of the two Co-Chief Operating Officers of the Group. He serves on the Boards of three other auto component companies of the ANAND Group, and also heads the Corporate Materials portfolio for the Group and Group Business Development.

During his tenure as Managing Director of the Company he had successfully restructured the organisation into Strategic Business Units to enhance product and customer focus in various segments of the auto industry. During his tenure, the Company inaugurated a full-fledged R&D Centre in Hosur for the two & three - wheelers segment and increased its investment in R&D and testing facilities which resulted in successful product launches and awards from customers. The Company has also developed an R&D Tech Centre at Chakan. Under his leadership, the Company has been consistently ranked among the 'Great Places to Work' in the auto components industry for 5 years.

Considering Mr. Kolhatkar's contribution to the growth of the Company during his tenure, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, at its meeting held on May 26, 2021, has appointed Mr. Kolhatkar as Managing Director of the Company for a further period of 5 years effective from May 26, 2021 on terms and conditions including remuneration as set out in the Resolution proposed under this Item of the Notice.

Brief resume of Mr. Manoj Kolhatkar as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms part of this Notice.

Except Mr. Manoj Kolhatkar, none of the directors and Key Managerial Personnel ('KMP') of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the said resolution. The Board recommends the resolution set in Item no. 6 for the approval of members as an Ordinary resolution.

### ITEM NO. 7

#### **Appointment of Mr. Atul Jaggi as Deputy Managing Director of the Company.**

The Board of Directors in their meeting held on May 26, 2021 on the recommendation of Nomination and Remuneration Committee ('NRC') had appointed Mr. Atul Jaggi as an Additional Director subject to the approval of the Members. The Board has also approved his appointment as a Whole time Director

## ANNEXURE A

designated as Deputy Managing Director of the Company w.e.f. May 26, 2021 on the remuneration stated in the resolution. He is liable to retire by rotation.

Mr. Atul Jaggi has given the consent to act as a Director of the Company and he is not disqualified to be appointed as a director of the Company as per the provision section 164 of the Companies Act, 2013.

Mr. Atul Jaggi, aged 44 years, holds a Bachelors' Degree in Mechanical Engineering from the Thapar Institute of Engineering and Technology and a Post-Graduate Diploma in Business Administration from IMT Ghaziabad before completing his Masters in Quality Management from BITS Pilani. He is a certified Six Sigma Black Belt and has also completed the 'Visionary Leader in Manufacturing' (VLFM) programme; the prestigious 'Advanced Management Program' from MIT Sloan School of Management, USA; and the Oxford Strategic Leadership Program (OSLP) from the University of Oxford, United Kingdom.

He brings with him a rich and versatile experience of 22 years during which he has worked and led several core functions like Maintenance, Supplier Development, Corporate Quality and Manufacturing Excellence. Over the years, he has played a vital role in various Company and ANAND Group initiatives, including starting the Quality Circle journey to improve people engagement in Gabriel India's plants; being a member of the ANAND Group's Visionary Task Force to develop and start VSME (Visionary Leader for Small and Medium Enterprise); and the AHPS initiative. He is also a member of the ANAND Group Quality Council that specialises on culture building through the implementation of AHQC across the Group. He is also a Director on the Board of Dana ANAND India Private Limited. In the past, he has also served as a Director on the boards of Haldex India Private Limited and Faurecia Emissions Control Technologies India Private Limited.

Under his leadership, Gabriel India's TWBU and CVBU divisions have grown significantly over the last few years, clocking year on year growth significantly ahead of the market. The businesses have won various customer accolades and recognitions at the national and global platforms. He has been able to create a robust business pipeline for both the segments and strong Manufacturing and Quality system practices across the plants.

Your director feel that the Company would get benefit from rich and varied experience possessed by Mr. Atul Jaggi, and therefore recommend his appointment.

Brief resume of Mr. Atul Jaggi as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms part of this Notice.

Except Mr. Atul Jaggi, none of the directors and Key Managerial Personnel ('KMP') of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the said resolution. The Board recommends the resolution set in Item no. 7 for the approval of members as an Ordinary resolution.

### ITEM NO. 8

#### **Revision in the terms and conditions of payment of remuneration to Mrs. Anjali Singh, Executive Chairperson of the Company.**

The members at the AGM held on August 8, 2017, had appointed Mrs. Anjali Singh as Executive Chairperson of the Company for a period of 5 years with effect from May 15, 2017 on such terms and conditions as was approved in the said AGM.

As per the provisions of Sections 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013, a Company having profits in a financial year, may pay any remuneration to the managerial person(s) by way of salary, perquisites, commission and other allowances which shall not exceed 5% of its net profit for one such managerial person. In terms of provisions of Section 197(14) of the Companies Act, 2013 the managerial person can receive any remuneration or commission from any holding Company subject to its disclosure by the Company in the Board's Report. The aforesaid ceiling of 5% is not applicable for the remuneration received by the managerial person from any holding Limited Company. However, the Special resolution passed in the AGM held on August 8, 2017 was imposing such restriction.

As recommended by the Nomination & Remuneration Committee, the Board of Directors in its meeting held on May 26, 2021, has revised the terms and conditions of payment of remuneration of Mrs. Anjali Singh (DIN 02082840), Executive Chairperson of the Company w.e.f. April 1, 2020 till the remaining period of her tenure i.e. upto May 14, 2022 and has recommended to the shareholders that the remuneration and/or commission received by her from Asia Investment Limited (Holding Company) with effect from April 1, 2020 shall be excluded from the overall ceiling of 5% sanctioned by the shareholders in AGM held on August 8, 2017 subject to compliance of provisions of Section 197(14) of the Companies Act, 2013.

She will continue to receive the remuneration from Gabriel India Limited and the said remuneration received by her with effect from April 1, 2020 which shall be subject to the ceiling prescribed under Section 197 (1) of the Companies Act, 2013.

Except for the aforesaid revision in remuneration, all other terms and conditions of her appointment as the Executive Chairperson of the Company, as approved by the resolution

## ANNEXURE A

passed at the Board Meeting of the Company held on May 15, 2017 and approved by the members on August 8, 2017, shall remain unchanged.

Except Mrs. Anjali Singh, none of the directors and Key Managerial Personnel ('KMP') of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the said resolution. The Board recommends the resolution set in Item no. 8 for the approval of members as a Special resolution.

### **ITEM NO. 9 & 10**

#### **Ratification of Remuneration payable to Cost Auditors for Financial Year 2020-21 and 2021-22.**

The Board of Directors, on the recommendation of Audit Committee, has approved the appointment of M/s. Dhananjay

V. Joshi & Associates, Cost Accountants, Pune (Firm registration No. 00030) as Cost Auditors at a remuneration of ₹1, 75, 000/- plus applicable taxes and out of pocket expenses incurred for conducting the Cost Audit for Financial year 2020-21. The said Cost Auditors shall also be conducting the Cost Audit for Financial Year 2021-22 at same remuneration.

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is required to be ratified by the Members of the Company.

None of the directors and Key Managerial Personnel ('KMP') of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the said resolution. The Board recommends the resolution set in Item no. 9 and 10 for the approval of members as ordinary resolutions.



## ANNEXURE B

Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015.

### Mr. Jagdish Kumar

Name of Director	Mr. Jagdish Kumar
DIN	00318558
Date of Birth	January 16, 1964
Date of Appointment	November 3, 2015
Expertise in Functional Area	Finance
Qualifications	Commerce graduate and PGDM from Indian Institute of Management, Bangalore with specialisation in Finance.
List of other Listed Companies in which Directorships held	Nil
List of other Listed Companies in which Memberships/ Chairmanships of Board Committees held	Nil
Shareholding in the Company	Nil
Relationship with other Directors and key Managerial Personnel	Nil

### Mrs. Pallavi Joshi Bakhru

Name of Director	Mrs. Pallavi Joshi Bakhru
DIN	01526618
Date of Birth	September 16, 1967
Date of Appointment	May 26, 2021
Expertise in Functional Area	Corporate tax, litigation, tax structuring and regulatory matters pertaining to FEMA.
Qualifications	Chartered Accountant
List of other Listed Companies in which Directorships held	Filatex India Limited
List of other Listed Companies in which Memberships/ Chairmanships of Board Committees held	Filatex India Limited Facor Power Limited Ferro Alloys Corporation Limited
Shareholding in the Company	22,500 Equity shares
Relationship with other Directors and key Managerial Personnel	NIL

### Mr. Manoj Kolhatkar

Name of Director	Mr. Manoj Kolhatkar
DIN	03553983
Date of Birth	July 29, 1968
Date of previous appointment as Managing Director	May 27, 2016
Expertise in Functional Area	General Management
Qualifications	B.E., D.B.M
List of other Listed Companies in which Directorships held	NIL
List of other Listed Companies in which Memberships/ Chairmanships of Board Committees held	NIL
Shareholding in the Company	4000 Equity Shares
Relationship with other Directors and Key Managerial Personnel	NIL

**Mr. Atul Jaggi**

Name of Director	Mr. Atul Jaggi
DIN	07263848
Date of Birth	October 27, 1976
Date of Appointment	May 26, 2021
Expertise in Functional Area	Maintenance, Supplier Development, Corporate Quality and Manufacturing Excellence
Qualifications	B.E and MS (Quality Management)
List of other Listed Companies in which Directorships held	NIL
List of other Listed Companies in which Memberships/ Chairmanships of Board Committees held	NIL
Shareholding in the Company	NIL
Relationship with other Directors and key Managerial Personnel	NIL





**GABRIEL INDIA LIMITED**

29<sup>th</sup> MILESTONE, PUNE-NASHIK HIGHWAY  
VILLAGE KURULI, TALUKA KHED  
PUNE 410 501  
MAHARASHTRA, INDIA

T: 02135 610700 / 610757

F: 02135 610796 / 610704

E: [secretarial@gabriel.co.in](mailto:secretarial@gabriel.co.in)

W: [www.anandgroupindia.com/gabrielindia](http://www.anandgroupindia.com/gabrielindia)