

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

2. BOARD OF DIRECTORS

Composition:

As on March 31, 2020, the Company has nine Directors. Of the nine Directors, eight are Non-Executive Directors out of which three are Independent Directors. The Chairman of the Board is an Independent, Non-Executive Director.

The Board has an optimal mix of professionalism, knowledge and experience. The composition of the Board is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). With effect from April 1, 2019, in accordance with the Listing Regulations one woman Independent Director was appointed.

The number of Directorship(s), committee membership(s)/chairmanship(s) of all the Directors is within the respective limits prescribed under Companies Act, 2013 ("Act") and the Listing Regulations. Necessary disclosures regarding committee positions in other public companies as on March 31, 2020, have been made by the Directors. None of the Directors are related to each other. The Company has received a certificate from M/s. Parikh & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

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

Meetings of the Board:

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

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

May 29, 2019; July 25, 2019; November 5, 2019; December 6, 2019 and February 4, 2020.

Necessary quorum was present for all the meetings. During the year, information as mentioned in Schedule II, Part A of the Listing Regulations has been placed before the Board for its consideration. The Board of Directors accepted all the recommendation made by the Committees of the Board during the financial year. The Audit Committee periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company. During the year, a separate meeting of the Independent Directors was held on February 4, 2020. All Independent Directors attended the meeting.



The names and category of the Directors, their attendance at Board meetings held during the year and number of Directorships, names of the listed entities, category of directorship and committee chairmanships/memberships held by them in other public and private companies as on March 31, 2020 and details pertaining to the Directors appointed effective April 1, 2020 and May 20, 2020, are also given below:

Name of the Director	Category	Number of Board Meeting during the year 2019-20		Whether attended last AGM held on July 25, 2019	Number of Directorship held (including GNO)*		Number of Committee positions held in public companies (including GNO)*	
		Held	Attended		Public	Private	Chairman	Member
Mr. Keki Elavia (Chairman) DIN 00003940	Independent, Non-Executive	5	5	Yes	10	1	5	5
Dr. Archana Hingorani DIN 00028037	Independent, Non-Executive	5	4	Yes	6	-	4	5
Mr. Subodh Nadkarni [^] DIN 00145999	Independent, Non-Executive	5	3	NA	2	-	1	1
Mr. Laurent Guillot DIN 07412302	Non-Executive	5	2	No	1	-	-	-
Mr. Sreedhar Natarajan DIN 08320482	Non-Executive	5	2	No	1	-	-	-
Mr. Laurent Tellier ^{##} DIN 08587279	Non-Executive	5	1	NA	1	-	-	-
Mr. Mihhil Narang [~] DIN 02970255	Promoter, Non-Executive	5	5	Yes	1	-	-	1
Mr. Shivanand Salgaocar [^] DIN 00001402	Independent, Non-Executive	5	1	NA	1	10	-	-
Mr. Patrick Millot ^{**} DIN 00066275	Non-Executive	5	-	No	1	-	-	-
Ms. Marie-Armelle Chupin [@] DIN 00066499	Non-Executive	5	1	No	1	-	-	-
Mr. Krishna Prasad (Alternate Director to Ms. Marie-Armelle Chupin) ^{@@} DIN 00130438	Executive	5	5	Yes	1	-	-	-
Mr. Anand Mahajan (Managing Director) ^{###} DIN 00066320	Promoter, Executive	5	5	Yes	3	1	1	3
Mr. B. Santhanam (Managing Director) ^{^^} DIN 00494806	Executive	5	1	NA	4	4	1	2
Ms. Isabelle Hoepfner ^{##^} DIN 08598846	Non-Executive	NA	-	NA	2	-	-	-
Mr. Krishna Prasad (Alternate Director to Ms. Isabelle Hoepfner) ^{##^} DIN 00130438	Executive	NA	-	NA	1	-	-	-
Mr. Anand Mahajan ^{##~} DIN 00066320	Promoter, Non-Executive	NA	-	NA	2	1	-	1

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

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

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

Name of the Director	Expertise in	Category	Names of the Listed Entities where Directorship held
Mr. Keki Elavia (Chairman) DIN 00003940	Finance and Accounts	<ul style="list-style-type: none"> Independent, Non-Executive Independent, Non-Executive Independent, Non-Executive Independent, Non-Executive Independent, Non-Executive Independent, Non-Executive 	<ul style="list-style-type: none"> Sterling and Wilson Solar Limited Goa Carbon Limited Britannia Industries Limited Godrej Industries Limited Dai-ichi Karkaria Limited Grindwell Norton Limited The Bombay Dyeing and Manufacturing Company Limited
Dr. Archana Hingorani DIN 00028037	Finance Markets	<ul style="list-style-type: none"> Independent, Non-Executive Independent, Non-Executive Independent, Non-Executive Independent, Non-Executive 	<ul style="list-style-type: none"> 5paisa Capital Limited Grindwell Norton Limited Alembic Pharmaceuticals Limited Den Networks Limited
Mr. Subodh Nadkarni [^] DIN 00145999	Finance, Commerce, Project Management, Sales, Marketing, Human Resources Management, General Administration and leading International Operations	<ul style="list-style-type: none"> Independent, Non-Executive Independent, Non-Executive 	<ul style="list-style-type: none"> Galaxy Surfactants Limited Grindwell Norton Limited
Mr. Laurent Guillot DIN 07412302	General Management and various businesses of Saint-Gobain	<ul style="list-style-type: none"> Non-Executive 	<ul style="list-style-type: none"> Grindwell Norton Limited
Mr. Sreedhar Natarajan DIN 08320482	Finance and Management	<ul style="list-style-type: none"> Non-Executive 	<ul style="list-style-type: none"> Grindwell Norton Limited
Mr. Laurent Tellier ^{##} DIN 08587279	General Management and various businesses of Saint-Gobain	<ul style="list-style-type: none"> Non-Executive 	<ul style="list-style-type: none"> Grindwell Norton Limited
Mr. Mikhil Narang [~] DIN 02970255	Various Businesses	<ul style="list-style-type: none"> Promoter, Non-Executive 	<ul style="list-style-type: none"> Grindwell Norton Limited
Mr. Anand Mahajan ^{###, #~} (Managing Director) DIN 00066320	Banking and Finance and Management	<ul style="list-style-type: none"> Independent, Non-Executive Promoter, Non-Executive Promoter, Executive 	<ul style="list-style-type: none"> Unichem Laboratories Limited Saint-Gobain Sekurit India Limited (Retired effective March 31, 2020) Grindwell Norton Limited (Retired effective April 1, 2020)
Mr. B. Santhanam ^{^^} (Managing Director) DIN 00494806	Business Strategy, Engineering, General Management, Operations, Information Technology, Manufacturing, Marketing Management and Project Management	<ul style="list-style-type: none"> Independent, Non-Executive Non-Executive Non-Executive 	<ul style="list-style-type: none"> Titan Company Limited Saint-Gobain Sekurit India Limited Grindwell Norton Limited
Ms. Isabelle Hoepfner ^{#^} DIN 08598846	Legal	<ul style="list-style-type: none"> Non-Executive Non-Executive 	<ul style="list-style-type: none"> Saint-Gobain Sekurit India Limited Grindwell Norton Limited
Mr. Krishna Prasad (Alternate Director to Ms. Isabelle Hoepfner) ^{##^} DIN 00130438	General Management, various businesses of Saint-Gobain and Business Development	<ul style="list-style-type: none"> Executive 	<ul style="list-style-type: none"> Grindwell Norton Limited



- ^ Appointed as an Additional, Independent, Non-Executive Director with effect from July 25, 2019.
- ## Appointed as an Additional Director with effect from November 5, 2019.
- ~ Relinquished the position of Non-Executive Director with effect from close of business hours of May 20, 2020, due to other professional commitments.
- *^ Relinquished the position of Independent, Non-Executive Director with effect from July 23, 2019, due to other professional commitments. There was no other material reasons for relinquishing the position of Independent Director.
- ** Relinquished the position of Non-Executive Director effective September 1, 2019, due to other professional commitments.
- @ Relinquished the position of Non-Executive Director with effect from close of business hours of February 4, 2020, due to other professional commitments.
- @@ Appointed as Whole-Time Director designated as Executive Director of the Company for a period of five years with effect from May 23, 2017, upon his appointment as an Alternate Director to Ms. Marie-Armelle Chupin. Consequent to the resignation of Ms. Marie-Armelle Chupin, Mr. Krishna Prasad also ceased to hold office of the Director.
- ##* Retired as the Managing Director of the Company effective April 1, 2020.
- ^^ Appointed as an Additional Director with effect from February 4, 2020 and the Managing Director of the Company with effect from April 1, 2020.
- #^ Appointed as an Additional Director with effect from May 20, 2020.
- ##^ Appointed as Whole-Time Director designated as Executive Director of the Company for a period of five years with effect from May 20, 2020, upon his appointment as an Alternate Director to Ms. Isabelle Hoepfner.
- #~ Appointed as an Additional Director with effect from May 20, 2020.

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

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

3. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

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

Terms of Reference:

- To act in accordance with the terms of reference specified in writing by the Board.
- To recommend the appointment, re-appointment and if required, the replacement or removal of the various auditors of the Company and the remuneration and terms of appointment thereof.
- To approve payment to statutory auditors for any other services rendered by the statutory auditors.
- To review and monitor the auditor's independence and performance, and effectiveness of the audit process.
- To examine the financial statement and the auditors' report thereon.
- To approve transactions of the Company with related parties and any subsequent modification thereof.
- To scrutinize inter-corporate loans and investments.
- To undertake valuation of undertakings or assets of the Company, wherever it is necessary.
- To evaluate internal financial controls, risk management systems and internal controls on insider trading.
- To review/monitor with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors.

- To review financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.
- To have oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications in the draft audit report.
- To review with the management, the quarterly financial statements before submission to the Board for approval.
- To review, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- To discuss with internal auditors any significant findings and follow-up thereon.
- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- To discuss with statutory auditors, before the audit commences about the nature and scope of audit and post-audit, to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- To approve the appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- To carry out any other function as is mentioned in terms of reference of the Audit Committee.
- To review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- To have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
- To seek information and have direct access to any employees, Directors, Key Managerial Personnels to perform its functions effectively.
- To secure attendance of outsiders with relevant expertise, if it is considered necessary.
- To invite such of the executives as it considers appropriate to be present at the meetings, but on occasion may also meet without the presence of any executives of the Company.
- To review the appointment, removal and terms of appointment of Chief Internal Auditor.
- To review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of asset size of the subsidiary, if any, whichever is lower.
- The Committee shall also conduct an annual review of the adequacy of the Terms of Reference and recommend any proposed changes to the Board for approval.

**Composition:**

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

Name	Category	Number of meetings during the year 2019-20	
		Held	Attended
Mr. Keki Elavia (Chairman)	Independent, Non-Executive	4	4
Mr. Shivanand Salgaocar ^{*^}	Independent, Non-Executive	4	1
Dr. Archana Hingorani ^{**}	Independent, Non-Executive	4	3
Mr. Anand Mahajan ^{###}	Promoter, Executive	4	4
Mr. Subodh Nadkarni [^]	Independent, Non-Executive	-	-

*^ Relinquished the position of Independent, Non-Executive Director with effect from July 23, 2019, due to other professional commitments.

** Appointed as a member of the committee with effect from July 1, 2019.

Retired as the Managing Director of the Company effective April 1, 2020.

^ Appointed as a member of the committee with effect from April 1, 2020.

Mr. Keki Elavia as an Independent, Non-Executive Director, is the Chairman of the committee. Mr. Keki Elavia is B.Com. (Hons), FCA, CFE. He retired as a senior partner of M/s. Kalyaniwalla & Mistry, Chartered Accountants, after an association of more than 40 years.

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

Mr. Keki Elavia, Chairman of the committee was present at the previous Annual General Meeting ("AGM") of the Company held on July 25, 2019.

Meetings of the Audit Committee:

During the year ended March 31, 2020, four audit committee meetings were held. The dates on which the said meetings were held are as follows:

May 29, 2019; July 25, 2019; November 5, 2019 and February 4, 2020.

Necessary quorum was present for all the meetings.

B. NOMINATION AND REMUNERATION COMMITTEE

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

Terms of Reference:

- To formulate criteria for appointment of Directors and remuneration including criteria for determining qualification, positive attributes and independence of a Director.
- To formulate evaluation criteria for assessment of performance of Board and its committees.
- To formulate, review and recommend nomination and remuneration policy to the Board.
- To recommend to the Board, the commission payment to Non-Whole-Time Directors (other than the Nominee Directors of Compagnie de Saint-Gobain ("CSG")) and to the Executive Directors.
- To identify candidates who are qualified to become Directors or who may be appointed in senior management positions and recommending to the Board their appointment and/or removal.
- To review and determine all elements of the remuneration package of Executive Directors.
- To recommend to the board, all remuneration, in whatever form, payable to Senior Management.
- Such other matters as the Board may, from time to time, request the committee to examine and recommend/approve

Composition:

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

Name	Category	Number of meetings during the year 2019-20	
		Held	Attended
Mr. Shivanand Salgaocar ^{*A} (Chairman)	Independent, Non-Executive	4	1
Dr. Archana Hingorani ^{**} (Chairman)	Independent, Non-Executive	4	2
Mr. Subodh Nadkarni [^] (Chairman)	Independent, Non-Executive	4	1
Mr. Keki Elavia	Independent, Non-Executive	4	4
Mr. Laurent Guillot	Non-Executive	4	-

^{*A} Relinquished the position of Independent, Non-Executive Director with effect from July 23, 2019, due to other professional commitments.

^{**} Appointed as a Chairman of the committee with effect from July 1, 2019 and ceased to be Chairman of the committee with effect from January 1, 2020.

[^] Appointed as a Chairman of the committee with effect from January 1, 2020.

Meetings of the Nomination and Remuneration Committee:

Four meetings of the nomination and remuneration committee was held during the year on May 29, 2019; July 25, 2019; November 5, 2019 and February 4, 2020.

Nomination and Remuneration Policy:

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

Performance evaluation criteria for Independent Directors:

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

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

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

Mr. Mihhil Narang and Mr. Anand Mahajan are members of the Indian Promoters' Group. Mr. Laurent Guillot, Mr. Sreedhar Natarajan and Mr. Laurent Tellier are employees of Saint-Gobain Group.

Details of the Remuneration to the Directors for the financial year ended March 31, 2020 are given below:
Executive Directors:
(i) All elements of remuneration package i.e. salary, benefits, perquisites, profit commission, pension etc.:

Mr. Anand Mahajan: ₹525.56 lakhs.

Mr. Krishna Prasad: ₹255.31 lakhs (ceased to hold office of Director with effect from February 4, 2020).

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

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



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

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

(iv) Stock Options:

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

Non-Executive Directors:

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

The shareholder of the Company at the 67th AGM held on July 26, 2017, have approved payment of commission up to 1% of the net profits of the Company to its Non-Executive Directors (other than Nominee Directors of CSG) for a period of five years commencing from April 1, 2018. Out of the total commission payable, about 40% of the amount is paid to the Non-Independent Director(s) and the balance 60% is paid to Independent Directors based on the allocation approved by the Board of Directors.

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

(₹ lakhs)

Name	Sitting Fees	Profit Commission	Total
Mr. Keki Elavia	6.00	17.50	23.50
Mr. Shivanand Salgaocar ^{*^}	1.30	5.83	7.13
Dr. Archana Hingorani	4.70	17.50	22.20
Mr. Subodh Nadkarni	1.80	11.67	13.47
Mr. Mikhil Narang	3.10	35.00	38.10

*^ Relinquished the position of Independent, Non-Executive Director with effect from July 23, 2019, due to other professional commitments.

Equity Shares held by Non-Executive Directors:

As on March 31, 2020, Mr. Mikhil Narang holds 4,82,582 equity shares of the Company, which represents 0.44% of total paid-up capital of the Company. No other Non-Executive Director hold any equity shares in the Company.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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

Composition:

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

Name	Category	Number of meetings during the year 2019-20	
		Held	Attended
Dr. Archana Hingorani (Chairman)	Independent, Non-Executive	2	2
Mr. Mikhil Narang~	Promoter, Non-Executive	2	2
Mr. Anand Mahajan ^{##}	Promoter, Executive	2	2
Mr. B. Santhanam ^{^^}	Executive	-	-

~ Relinquished the position of Non-Executive Director with effect from close of business hours of May 20, 2020, due to other professional commitments.

Retired as the Managing Director of the Company effective April 1, 2020.

^^ Appointed as a member of the committee with effect from April 1, 2020.

Meetings of Stakeholders Relationship Committee:

During the year ended March 31, 2020, two meetings of the stakeholders relationship committee were held on July 25, 2019 and February 4, 2020.

Necessary quorum was present for all the meetings.

Mr. K. Visweswaran, Company Secretary also functions as the Compliance Officer.

Details of investor complaints received and redressed during the year 2019-20 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
1	6	7	0

D. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) COMMITTEE

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

The CSR policy and initiatives taken during the year are set out as Annexure 4 to the Board’s Report and also disseminated through the website of the Company, www.grindwellnorton.co.in.

Composition:

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

Name	Category	Number of meeting(s) during the year 2019-20	
		Held	Attended
Mr. Keki Elavia (Chairman)	Independent, Non-Executive	1	1
Mr. Laurent Guillot	Non-Executive	1	-
Mr. Anand Mahajan ^{##}	Promoter, Executive	1	1
Mr. B. Santhanam ^{^^}	Executive	-	-

^{##} Retired as the Managing Director of the Company effective April 1, 2020.

^{^^} Appointed as a member of the committee with effect from April 1, 2020.

Meeting of the Corporate Social Responsibility Committee:

One meeting of the CSR committee was held during the year on May 29, 2019.

E. RISK MANAGEMENT COMMITTEE

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

Composition:

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

Name	Category	Number of meeting(s) for the financial year 2019-20	
		Held	Attended
Mr. Laurent Guillot (Chairman)	Non-Executive	1	-
Mr. Mikhil Narang [~]	Promoter, Non-Executive	1	1
Mr. Anand Mahajan ^{##}	Promoter, Executive	-	-
Mr. B. Santhanam ^{^^}	Executive	1	1



- ~ Relinquished the position of Non-Executive Director with effect from close of business hours of May 20, 2020, due to other professional commitments.
- ## Retired as the Managing Director of the Company effective April 1, 2020.
- ^^ Appointed as a member of the committee with effect from April 1, 2020.

Meeting of the Risk Management Committee:

Pursuant to SEBI Circular, SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated March 26, 2020. The meeting of the risk management committee was held through Audio Visual Means on May 18, 2020.

F. SHARE TRANSFER COMMITTEE

The Company has a share transfer committee of Directors comprising of Mr. Mikhil Narang (Promoter, Non-Executive) and Mr. Anand Mahajan (Promoter, Executive).

Necessary quorum was present for all the meetings.

The share transfer committee meets as often as required to approve issue of duplicate share certificate, issue of share certificate in lieu of request for renewal by the shareholders and transmission, which are noted at subsequent board meetings.

G. SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was held on February 4, 2020 without the attendance of Non-Independent Directors and members of the management. The said meeting was attended by all the Independent Directors of the Company.

4. GENERAL BODY MEETINGS

(a) Annual General Meetings:

Date and Time	Venue	Special Resolutions passed
July 26, 2017 at 11.00 a.m.	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai 400 001	Yes Payment of Commission to Non-Whole-time Directors The Non-Whole-Time Directors (excluding the Directors who are nominees of Compagnie de Saint-Gobain or its subsidiaries) be paid commission to be divided amongst them in such a manner as the Board of Directors may from time to time determine based on the recommendation from the Nomination and Remuneration Committee of such sum not exceeding 1% of the net profit of the Company computed in the manner prescribed under the provisions of the Companies Act, 2013 for a period not exceeding five (5) years commencing from April 1, 2018.
July 26, 2018 at 3:00 p.m.	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai 400 001	None
July 25, 2019 at 3:00 p.m.	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai 400 001	Yes Re-appointment of Mr. Keki Elavia as an Independent Director of the Company Mr. Keki Elavia, Independent, Non-Executive was re-appointed for a second term of five consecutive years from July 23, 2019 to July 22, 2024. Mr. Keki Elavia will attain the age of 75 years during the said term of re-appointment.

- b) **Postal Ballot:** No Postal Ballot was conducted during the year 2019-20.

5. MEANS OF COMMUNICATION

Quarterly Financial Results and Publications:

The unaudited quarterly, unaudited half-yearly and audited annual financial results are approved by the Board of Directors and published in The Economic Times and Maharashtra Times.

The results are also displayed on the website of the Company, www.grindwellnorton.co.in. The presentation made to institutional investors and analysts are also displayed on the Company's website, www.grindwellnorton.co.in.

6. GENERAL SHAREHOLDERS' INFORMATION
(a) Annual General Meeting ("AGM") through VC/OAVM:

Day & Date : Friday, July 24, 2020

Time : 3:00 p.m. IST

(b) Financial Year: The Company's financial year begins on April 1 and ends on March 31 every year.

Calendar of Financial Results for 2020-21:

- | | | |
|---|---|------------------------|
| (i) First Quarter Results | : | July/August, 2020 |
| (ii) Half-yearly Results | : | October/November, 2020 |
| (iii) Third Quarter Results | : | January/February, 2021 |
| (iv) Results for the year ending March 31, 2020 | : | April/May, 2021 |

(c) Date of Book Closure:

Saturday, July 18, 2020 to Friday, July 24, 2020 (both days inclusive).

(d) Date of payment of Dividend:

The dividend, if approved by the Members, shall be paid/credited on or from Tuesday, July 28, 2020.

(e) Listing on Stock Exchange(s):

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

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

The annual listing fees of BSE and NSE have been paid for the year 2020-2021.

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

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

(g) Corporate Identity Number ("CIN") of the Company:

L26593MH1950PLC008163

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

Month	NSE		BSE		Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)	Sensex High	Sensex Low
April, 2019	607.40	577.25	609.60	574.75	39275.64	38564.88
May, 2019	607.90	582.75	602.75	582.85	39831.97	37090.82
June, 2019	594.85	562.10	595.70	562.45	40267.62	38960.79
July, 2019	605.00	536.30	607.65	537.80	39908.06	37397.24
August, 2019	568.55	534.90	568.60	534.85	37641.27	36472.93
September, 2019	656.40	551.90	658.50	552.25	39097.14	36093.47
October, 2019	616.50	587.10	615.95	587.85	40129.05	37531.98
November, 2019	605.00	566.30	604.65	567.15	41130.17	40116.06
December, 2019	601.90	565.95	600.85	565.95	41681.54	40239.88
January, 2020	650.35	589.15	650.85	589.35	41952.63	40676.63
February, 2020	672.45	585.40	671.60	585.70	41565.90	38297.29
March, 2020	590.55	420.80	592.90	439.30	38623.70	25981.24

(i) Registrars and Transfer Agents:

TSR Darashaw Consultants Private Limited ("TSRDCPL")

6-10, Haji Moosa Patrawala Industrial Estate

20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011

Telephone: + 91 22 6656 8484

Fax: + 91 22 6656 8494

E-mail: csg-unit@tsrdarashaw.com

Website: www.tsrdarashaw.com

Documents will be accepted at the above address between 10.00 a.m. IST and 3.30 p.m. IST (Monday to Friday except bank holidays).

For the convenience of the shareholders, documents will also be accepted at the following branches/agencies of TSRDCPL:

a. Branches of TSRDCPL:

- TSR Darashaw Consultants Private Limited
503, Barton Centre, 5th Floor
84, Mahatma Gandhi Road
Bengaluru 560 001
Telephone: + 91 80 2532 0321
Fax: + 91 802558 0019
E-mail: tsrdlbgang@tsrdarashaw.com
- TSR Darashaw Consultants Private Limited
Bungalow No. 1, 'E' Road
Northern Town, Bistupur
Jamshedpur 831 001
Telephone: + 91 657 2426 616
Fax: + 91 657 2426 937
E-mail: tsrdljsr@tsrdarashaw.com
- TSR Darashaw Consultants Private Limited
Tata Centre, 1st Floor
43, Jawaharlal Nehru Road
Kolkata 700 071
Telephone: + 91 33 2288 3087
Fax: + 91 33 2288 3062
E-mail: tsrdlcal@tsrdarashaw.com
- TSR Darashaw Consultants Private Limited
Plot No. 2/42, Sant Vihar
Ansari Road, Daryaganj
New Delhi 110 002
Telephone: + 91 11 2327 1805
Fax: + 91 11 2327 1802
E-mail: tsrdldel@tsrdarashaw.com
- Agent of TSRDCPL:
Shah Consultancy Services Limited 3, Sumatinath Complex,
Pritam Nagar Akhada Road, Ellisbridge Ahmedabad 380 006
Telefax: + 91 79 2657 6038
Email: shahconsultancy8154@gmail.com

(j) Share Transfer System:

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

(k) Shareholding Pattern as on March 31, 2020:

Category	Number of Shareholders	Number of Shares	Percentage
Promoters:			
Foreign	2	56,828,000	51.33
Indian	9	7,746,772	7.00
Insurance Companies and Banks	13	327,111	0.30
UTI and Mutual Funds	61	18,015,247	16.27
NRI, OCBs, FII and FPI	525	5,256,721	4.75
Domestic Companies and Trusts	307	5,089,536	4.60
Residential Individuals	16,515	17,456,613	15.77
Total	17,432	110,720,000	100.00

(l) Distribution of Shareholdings:

Number of Equity Shares	Number of Shares	Percentage of Capital	Number of Shareholders	Percentage of total Shareholders
Upto 250	815,585	0.74	10,910	62.59
251 to 500	1,134,732	1.02	2,931	16.81
501 to 1000	1,701,567	1.54	2,182	12.52
1001 to 5000	2,272,820	2.05	1,068	6.13
5001 to 10000	887,482	0.80	120	0.69
10001 to 100000	4,544,630	4.10	143	0.82
100001 and above	99,363,184	89.74	78	0.45
Total	110,720,000	100.00	17,432	100.00

(m) Dematerialisation of shares and liquidity:

99.26% of the paid-up capital has been dematerialised as on March 31, 2020.

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

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2020, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

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

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

(p) Credit Ratings:

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

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

The Company has not made any preferential allotment or qualified institutions placement during the financial year 2019-20.

(r) Fees to Statutory Auditors:

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

(₹ lakhs)

Particulars	Amount
Audit Fees	26.99
Tax Audit	2.00
Certification	0.75
Reimbursement of expenses	1.20
Total	30.94

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

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

(t) Plant Locations:

The Company's plant are located at Mora (near Mumbai), Nagpur, Bengaluru, Tirupati, Bated (Himachal Pradesh) and Halol (near Vadodara). The Company's subsidiary, Saint-Gobain Ceramic Materials Bhutan Private Limited, has a plant near Phuentsholing in Bhutan.

(u) Address for correspondence:

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

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

7. DISCLOSURES**(a) Materially Significant Related Party Transactions:**

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

(b) Compliance:

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

(c) Whistle Blower Policy and Vigil Mechanism:

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

(d) Mandatory and Non-mandatory requirements:

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

- (i) The financial statements of the Company are unmodified.
 - (ii) The Internal Auditor directly report to the Audit Committee.
- (e)** The audit committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary Company. The minutes of the board meetings of the unlisted subsidiary Company are periodically placed before the Board of Directors of the Company. The Company has a subsidiary incorporated in Bhutan. However, it is not a material subsidiary in terms of the Regulation 16 (1) (c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. The policy on determination of materiality is available on the website of the Company (web link <https://www.grindwellnorton.co.in/investors/policies>).
- (f)** The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

8. PROMOTERS' GROUP

i. Indian Promoters:

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

ii. Foreign Promoters (Collaborators):

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

iii. Other Saint-Gobain Group of Companies in India:

- (a) Saint-Gobain India Private Limited
- (b) Saint-Gobain Industries India Private Limited
- (b) Saint-Gobain India Foundation
- (c) Saint-Gobain Sekurit India Limited

9. OTHER INFORMATION

(a) CEO/CFO certification:

Pursuant to the provisions of Regulation 17(8), Part B of Schedule II of Listing Regulations, the Managing Director ("CEO") and the Vice President-Finance & IT ("CFO") have issued a certificate to the Board of Directors, for the financial year ended March 31, 2020.

(b) Code of Conduct:

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