

INDEPENDENT AUDITOR'S REPORT

To the Members of Accumetric Silicones Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Accumetric Silicones Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (as amended);
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 – Refer Note 31 to the financial statements;



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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Aravind K
per Aravind K

Partner

Membership Number: 221268

UDIN: 20221268AAAADF4338

Place of Signature: Chennai

Date: October 1, 2020



ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" IN OUR REPORT OF EVEN DATE

Re: Accumetric Silicones Private Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and not commented upon.
- (iv) In our opinion and according to the information and explanations given to us there are no loans, investments, guarantees and securities given in respect of which the provisions of Sections 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148 (1) of the Act, for the products of the company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases relating to remittance of tax deducted at source and one case pertaining to goods and services tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, customs duty, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



(c) According to the records of the Company, the dues outstanding of income-tax, goods and service tax, sales-tax, service tax, duty of custom, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Forum where it is pending	Period to which it relates	Amount involved (in INR millions)	Amount unpaid (in INR millions)
Income-tax Act, 1961	Income Tax	Commissioner of Income tax (Appeals)	FY 2015-16	2.06	2.06

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to any bank. The Company did not have any dues in respect of loans and borrowings payable to government, debenture holders or financial institutions.
- (ix) According to the information and explanations given by the Management, the Company has not raised any money by way of initial public offer, further public offer, debt instruments and term loan hence, reporting under clause (ix) is not applicable to the Company and not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanation given by the Management, the provisions of Section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanation given by the management, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly reporting under clause 3 (xiii) insofar as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Aravind K

per Aravind K

Partner

Membership Number: 221268

UDIN: 20221268AAAADF4338

Place of Signature: Chennai

Date: October 1, 2020



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ACCUMETRIC SILICONES PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Accumetric Silicones Private Limited,

We have audited the internal financial controls over financial reporting of Accumetric Silicones Private Limited ("the Company") as of March 31, 2020 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 internal financial controls over financial reporting with reference to these financial statements.



Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per **Aravind K**

Partner

Membership Number: 221268

UDIN: 20221268AAAADF4338

Place of Signature: Chennai

Date: October 1, 2020



Accumetric Silicones Private Limited
CIN : U24242TN2011PTC078744
No 16/1, Corporation Road, Seevaram, Perungudi, Chennai – 600096, TN

Balance Sheet as at March 31, 2020

(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	March 31, 2020	March 31, 2019
EQUITY & LIABILITIES			
Shareholder's funds			
Share capital	3	10,00,000	10,00,000
Reserves and surplus	4	1,70,57,657	(1,68,28,616)
		1,80,57,657	(1,58,28,616)
Non-current liabilities			
Long term borrowings	5A	13,80,00,000	-
Long term provision	8	21,93,019	16,22,940
		14,01,93,019	16,22,940
Current liabilities			
Short term borrowings	5	-	19,67,05,779
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	6	25,69,381	32,20,335
Total outstanding dues of creditors other than micro enterprises and small enterprises	6	22,00,16,123	19,99,85,466
Other current liabilities	7	1,61,84,871	1,01,78,689
Short term provision	8	41,02,919	30,52,245
		24,28,73,294	41,31,42,514
TOTAL		40,11,23,970	39,89,36,838
ASSETS			
Non-current assets			
Property, Plant and Equipment	9	96,88,834	55,45,116
Intangible assets	9	3,50,256	2,58,493
Long term loans and advances	10	1,87,06,428	1,72,69,688
Deferred Tax Asset	11	1,23,30,457	1,08,51,898
		4,10,75,975	3,39,25,195
Current assets			
Inventories	12	8,57,41,021	11,92,21,209
Trade receivables	13	15,53,37,086	18,79,68,782
Cash and bank balances	14	9,89,55,811	1,52,23,437
Short term loans and advances	10	1,62,76,993	4,23,71,501
Other Current Assets	15	37,37,084	2,26,714
		36,00,47,995	36,50,11,643
TOTAL		40,11,23,970	39,89,36,838

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

Aravind K

per Aravind K

Partner

Membership No. : 221268

Place : Chennai

Date : October 1, 2020



For and on behalf of board of Directors
Accumetric Silicones Private Limited

Dirk Alois Coorevits

Dirk Alois Coorevits

Director

DIN No 02393334

Place: Belgium

Date : October 1, 2020

Emmanuel De Smedt

Emmanuel De Smedt

Director

DIN No 03014649

Place: Belgium

Date : October 1, 2020

Digvijay Sharma

Digvijay Sharma

Director

DIN No 07667169

Place : Chennai

Date : October 1, 2020

Accumetric Silicones Private Limited
CIN : U24242TN2011PTC078744
No 16/1, Corporation Road, Seevaram, Perungudi, Chennai – 600096, TN
Statement of Profit and Loss for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	March 31, 2020	March 31, 2019
Income I			
Revenue from operations	16	71,96,22,244	71,06,24,565
Other income	17	70,59,477	1,48,53,163
TOTAL		72,66,81,721	72,54,77,728
Expenses II			
Cost of raw materials and components consumed	18	55,73,79,574	60,03,68,439
Changes in inventories of finished goods and work in process	19	1,26,08,994	(99,79,482)
Employee benefits expense	20	3,47,37,008	3,01,97,410
Depreciation and Amortization expense	9	20,63,337	21,22,988
Finance costs	21	92,49,337	2,46,55,128
Other expenses	22	6,36,13,714	4,21,36,557
TOTAL		67,96,51,964	68,95,01,040
Profit before tax		4,70,29,757	3,59,76,688
Tax Expense			
Current tax			
Pertaining to profit/(loss) for the current period		1,58,95,049	63,51,105
Deferred tax			
Pertaining to profit/(loss) for the earlier periods		-	(36,57,610)
Pertaining to profit/(loss) for the current period		(14,78,559)	(71,94,288)
Tax Pertaining to previous year (Net)		(12,73,006)	-
		1,31,43,484	(45,00,793)
Profit after tax		3,38,86,273	4,04,77,481
Earnings per share (Face Value Rs.10)			
Basic and Diluted EPS	32	338.86	404.77
Summary of significant accounting policies	2.2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Aravind K
per Aravind K
Partner
Membership No. : 221268
Place : Chennai
Date : October 1, 2020



For and on behalf of board of Directors
Accumetric Silicones Private Limited

Dirk Alois Coorevits
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Accumetric Silicones Private Limited
CIN : U24242TN2011PTC078744
No 16/1, Corporation Road, Seevaram, Perungudi, Chennai – 600096, TN
Cash Flow Statement for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
I. Cash flows from Operating activities		
Net profit / (loss) before taxation	4,70,29,757	3,59,76,688
<i>Non-cash adjustment to reconcile profit before tax to net cash flows:</i>		
Depreciation & Amortisation	20,63,337	21,22,988
Bad debts written off	22,854	-
Loss/(profit) on sale of property, plant and equipment	4,277	(4,852)
Provision for doubtful debts	94,60,889	-
Provision for pending C-Forms	4,99,182	10,00,000
Unrealised exchange (gain) / loss (net)	60,17,310	(93,10,681)
Interest and finance charges	92,49,337	2,46,55,128
Operating profit / (loss) before working capital changes	7,43,46,943	5,44,39,271
Change in current assets and liabilities:		
(Increase) / Decrease in inventories	3,34,80,188	(3,42,56,577)
(Increase) / Decrease in trade receivables	2,40,54,342	(4,62,09,545)
(Increase) / Decrease in loans and advances	2,63,23,928	(1,29,74,050)
(Increase) / Decrease in other current assets	(35,10,370)	98,69,535
Increase / (Decrease) in trade payables	1,22,64,302	6,15,91,839
Increase / (Decrease) in other current liabilities and provisions	17,51,503	(6,49,83,646)
Cash generated from / (used in) Operations	16,87,10,836	(3,25,23,173)
Direct taxes paid (Net)	(1,62,88,203)	(67,60,241)
Net cash flow from/ (used in) operating activities	15,24,22,633	(3,92,83,414)
II. Cash flows used in investing activities		
Purchase of property, plant and equipment and intangibles	(63,11,095)	(20,13,317)
Proceeds from sale of property, plant and equipment	8,000	31,001
Net cash flow from/ (used in) investing activities	(63,03,095)	(19,82,316)
III. Cash flows used in financing activities		
Proceeds from long-term borrowings	13,80,00,000	-
Proceeds from / (Repayment) of short-term borrowings (Net)	(19,67,05,779)	7,26,43,159
Interest and finance charges paid	(38,73,087)	(2,46,55,128)
Net cash flow from/ (used in) in financing activities	(6,25,78,866)	4,79,88,031
Net Increase / (decrease) in cash and cash equivalents (I + II + III)	8,35,40,672	67,22,301
Cash and cash equivalents, beginning of year	1,52,23,437	84,85,221
Cash and cash equivalents at the end of the year before effect of exchange difference on cash and cash equivalent	9,87,64,109	1,52,07,522
Effect of exchange differences on cash and cash equivalents held in foreign currency	1,91,702	15,915
Cash and cash equivalents at the end of the year	9,89,55,811	1,52,23,437



Accumetric Silicones Private Limited
CIN : U24242TN2011PTC078744
No 16/1, Corporation Road, Seevaram, Perungudi, Chennai – 600096, TN
Cash Flow Statement for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)


	Year ended March 31, 2020	Year ended March 31, 2019
Components of cash and cash equivalents		
Cash in hand	1,30,229	84,457
With Banks in current accounts	9,88,25,582	1,51,38,980
Total cash and cash equivalents (Note 14)	9,89,55,811	1,52,23,437

Summary of significant accounting policies 2.2
The accompanying notes are an integral part of the financial statements


As per our report of even date


For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004


For and on behalf of board of Directors
Accumetric Silicones Private Limited


per Aravind K
Partner
Membership No. : 221268
Place : Chennai
Date : October 1, 2020




Dirk Alois Coorevits
Director
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Digvijay Sharma
Director
DIN No 07667169
Place : Chennai
Date : October 1, 2020

Accumetric Silicones Private Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian rupees, unless otherwise stated)

1. Corporate Information

Accumetric Silicones Private Limited ("Accumetric" or "the Company") was incorporated on January 7, 2011 as a private limited company under the Companies Act, 1956. The Company is in the business of production and sale of sealant and adhesives products used in automobiles and construction industry through assembly of raw materials.

2. Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except as otherwise disclosed.

2.1 Impact of COVID

The outbreak of COVID-19 pandemic and the resulting lockdown has affected the Company's regular operations. Accordingly, the Company has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, inventories, receivables and other significant 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 statements has used internal and external information which are relevant in determining the expected future performance of the Company. The Company has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 may impact the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements.

2.2 Summary of significant accounting policies**(a) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Property, Plant and Equipment

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.



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Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian rupees, unless otherwise stated)

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

(c) Depreciation on property, plant and equipment

Depreciation on tangible assets are calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its tangible assets.

The category-wise rates of depreciation used for fixed assets are as follows:

Asset Block	Useful life (in years)
Computers	3
Furniture & Fittings	10
Leasehold Improvements	3
Office Equipment	5
Plant and Machinery	7
Vehicles	10

The management has estimated, based on global policy followed by the group supported by internal evaluation of past usage, the useful lives of the following classes of assets.

- The useful lives of plant and machinery are estimated as 7 years. These lives are lower than those indicated in schedule II

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(e) Impairment

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups



Accumetric Silicones Private Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian rupees, unless otherwise stated)

of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

(f) Inventory**i) Raw materials and components**

Raw materials and components are stated at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs of Raw materials are determined on a First-in-First-out basis.

ii) Work in Progress & Finished goods

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a first in first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) Traded Goods

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a on a First-in-First-out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.



Accumetric Silicones Private Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian rupees, unless otherwise stated)

(g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on dispatch of the goods. The company collects Goods and Services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Duty Drawback and Other Export Incentives

Duty Drawbacks and other Export Incentives from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

(h) Foreign currency translationInitial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(i) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Gratuity liability is a defined benefit obligation and the cost of providing this benefit is determined on the basis of an actuarial valuation at each year-end. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.



Accumetric Silicones Private Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian rupees, unless otherwise stated)

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire liability towards employee leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(j) Taxation

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events that have changed the number of equity shares outstanding without a corresponding change in resource.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of any dilutive potential equity shares.



Accumetric Silicones Private Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian rupees, unless otherwise stated)

(l) Provisions and Contingent Liabilities

A provision is recognised when an enterprise 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 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 and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Provision for estimated liquidated damages is made based on management's estimates on probable obligations.

(m) Segment information

The Company is engaged in the manufacture of silicone sealants, which in the context of Accounting Standard 17 (Segmental Information) is considered as the only business segment. Accordingly, no separate segmental information has been provided herein. Geographical segment disclosures are provided in Note no. 33 to the Financial Statements.

(n) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are carried at cost less accumulated amortization. The useful life estimated by the management is 10 years. The amortization period and the amortization method are reviewed at least at each financial year end.

(o) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



Accumetric Silicones Private Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees, unless otherwise stated)

3 Share capital

	March 31, 2020	March 31, 2019
Authorised Share Capital		
100,000 Equity shares of Rs.10/- each (March 31, 2019 : 100,000 equity shares of Rs. 10/- each)	10,00,000	10,00,000
Issued, subscribed and fully paid-up shares		
100,000 Equity shares of Rs.10/- each (March 31, 2019 : 100,000 equity shares of Rs. 10/- each)	10,00,000	10,00,000
Total issued, subscribed and fully paid-up share capital	10,00,000	10,00,000

a. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

	March 31, 2020		March 31, 2019	
	Number	Amount	Number	Amount
At the beginning of the year	1,00,000	10,00,000	1,00,000	10,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,00,000	10,00,000	1,00,000	10,00,000

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the 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. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding company (as per the register of members) are as below:

Equity shares of Rs. 10 each fully paid	March 31, 2020		March 31, 2019	
	Number	Amount	Number	Amount
Soudal Ltd, Thailand	90,000	9,00,000	90,000	9,00,000
Soudal Holding NV	9,999	99,990	9,999	99,990
Soudal NV	1	10	1	10
	1,00,000	10,00,000	1,00,000	10,00,000

d. Particulars of shareholders holding more than 5% shares of a class of shares

Equity shares of Rs. 10 each fully paid	March 31, 2020		March 31, 2019	
	Number	% holding	Number	% holding
Soudal Ltd, Thailand	90,000	90.000%	90,000	90.000%
Soudal Holding NV	9,999	9.999%	9,999	9.999%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4 Reserves and surplus

	March 31, 2020	March 31, 2019
Surplus in the statement of profit and loss		
Balance as per the last financial statements	(1,68,28,616)	(5,73,06,097)
Surplus/ (deficit) in the statement of profit and loss	3,38,86,273	4,04,77,481
Net Surplus/ (deficit) in the statement of profit and loss	1,70,57,657	(1,68,28,616)



Accumetric Silicones Private Limited**Notes to the financial statements for the year ended March 31, 2020***(All amounts are in Indian Rupees, unless otherwise stated)***5 Short term borrowings**

	March 31, 2020	March 31, 2019
Working capital loan from banks (Unsecured)		
BNP Paribas Overdraft Account	-	19,67,05,779
	-	19,67,05,779

Overdraft facility consists of Rs. 196.70 million borrowed from BNP Paribas, Chennai Branch. The facility is guaranteed by Parent Company Corporate Guarantee from Soudal NV, Belgium. The Maximum Limit of the facility was Rs 250 million for Working Capital Demand Loan (WCDL) or Letter of Credit or Rs 150 Million for pre/post shipment finance or Rs. 200 Million for Acceptance relating to buyers or Rs. 100 Million for Letter of Credit or Rs. 100 Million for Bank guarantee with a maximum tenure of 1 year subject to aggregate value of all facilities not exceeding Rs. 250 Million. Interest on the loan is charged on daily balances @ MIBOR +5% per annum for the loan.

5A Long term borrowings

	March 31, 2020	March 31, 2019
External Commercial Borrowings from holding company (unsecured)	13,80,00,000	-
	13,80,00,000	-

Terms of Repayment and Rate of Interest

External Commercial Borrowings aggregating to Rs. 138 million was taken in FY 2019-20 and carries interest @ 5 % p.a. The loan is repayable in sixty monthly installments of Rs. 2.30 million each, commencing from April 2023 till March 2028.

6 Trade Payables

	March 31, 2020	March 31, 2019
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	22,00,16,123	19,99,85,466
Due to Micro and Small Enterprises (refer note below)	25,69,381	32,20,335
	22,25,85,504	20,32,05,801

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	March 31, 2020	March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	25,69,381	32,20,335
Interest due on above	-	-
	25,69,381	32,20,335

The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.

The amount of interest accrued and remaining unpaid at the end of each accounting year.

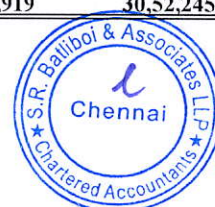
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.

7 Other current liabilities

	March 31, 2020	March 31, 2019
Statutory dues	15,93,764	7,51,241
Salaries Payable	9,65,004	17,58,464
Customer advances	10,24,823	1,14,531
Interest accrued and due on borrowings	53,76,250	-
Other current liabilities	72,25,030	75,54,453
	1,61,84,871	1,01,78,689

8 Provisions

	Long Term		Short Term	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Provision for employee benefits				
Provision for gratuity (Refer note 23)	21,93,019	16,22,940	7,23,008	3,80,248
Provision for compensated absences	-	-	7,57,316	5,48,584
Differential tax liability towards pending C-Form	-	-	26,22,595	21,23,413
	21,93,019	16,22,940	41,02,919	30,52,245



Accumetric Silicones Private Limited
Notes to the financial statements for the year ended March 31, 2020
(All amount are in Indian Rupees, unless otherwise stated)

9. Property, Plant and Equipment

A. Tangible assets		Particulars	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Computers	Total
Cost or valuation									
At 1 April 2018			47,94,628	19,43,540	30,18,196	15,01,978	1,95,532	14,18,662	1,28,72,536
Additions			16,59,270	-	20,600	1,39,175	-	1,94,271	20,13,316
Disposals			-	-	-	-	-	(3,40,310)	(3,40,310)
At 31 March 2019			64,53,898	19,43,540	30,38,796	16,41,153	1,95,532	12,72,623	1,45,45,542
Additions			17,83,699	1,27,103	1,20,000	1,31,200	35,64,622	4,62,341	61,88,965
Disposals			-	-	-	-	(56,013)	-	(56,013)
At 31 March 2020			82,37,597	20,70,643	31,58,796	17,72,353	37,04,141	17,34,964	2,06,78,494
Depreciation									
At 1 April 2018			33,63,692	3,71,810	16,71,565	7,12,943	66,848	10,34,742	72,21,600
Charge for the year			4,83,338	1,94,354	9,00,236	3,03,075	19,553	1,92,432	20,92,988
Disposals			-	-	-	-	-	(3,14,162)	(3,14,162)
At 1 April 2019			38,47,030	5,66,164	25,71,801	10,16,018	86,401	9,13,012	90,00,426
Charge for the year			6,64,670	1,97,889	4,60,239	3,22,416	1,18,708	2,69,048	20,32,970
Disposals			-	-	-	-	(43,736)	-	(43,736)
At 31 March 2020			45,11,700	7,64,053	30,32,040	13,38,434	1,61,373	11,82,060	1,09,89,660
Net Block									
At 31 March 2019			26,06,868	13,77,376	4,66,995	6,25,135	1,09,131	3,59,611	55,45,116
At 31 March 2020			37,25,897	13,06,590	1,26,756	4,33,919	35,42,768	5,52,904	96,88,834

B. Intangible assets

Particulars		Computer software	Total
Gross block			
At 1 April 2018		3,00,000	3,00,000
Additions		-	-
At 31 March 2019		3,00,000	3,00,000
Additions		1,22,130	1,22,130
At 31 March 2020		4,22,130	4,22,130
Amortization			
At 1 April 2018		11,507	11,507
Charge for the year		30,000	30,000
At 31 March 2019		41,507	41,507
Charge for the year		30,367	30,367
At 31 March 2020		71,874	71,874
Net block			
At 31 March 2019		2,58,493	2,58,493
At 31 March 2020		3,50,256	3,50,256



Accumetric Silicones Private Limited
Notes to the financial statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)
10 Long term loans and advances (Unsecured)

	Non-current		Current	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Considered Good				
Deposits Unsecured	75,77,497	78,06,917	-	-
MAT Credit	-	17,88,787	-	-
Advances recoverable in cash or kind				
Considered good	10,47,097	10,47,097	-	-
Considered doubtful	-	-	-	-
	86,24,594	1,06,42,801	-	-
Provision for doubtful balances	-	-	-	-
	86,24,594	1,06,42,801	-	-
Balances with statutory/government authorities				
Considered good	64,01,758	64,01,758	1,52,35,981	4,16,42,267
Considered doubtful	-	-	-	-
	64,01,758	64,01,758	1,52,35,981	4,16,42,267
Provision for doubtful balances	-	-	-	-
	64,01,758	64,01,758	1,52,35,981	4,16,42,267
Prepaid expenses	-	-	10,41,012	7,29,234
Advance income tax (net position after provision)	36,80,076	2,25,129	-	-
	36,80,076	2,25,129	10,41,012	7,29,234
	1,87,06,428	1,72,69,688	1,62,76,993	4,23,71,501

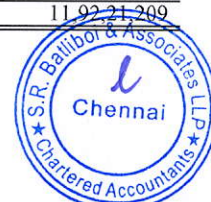
11 Deferred tax Asset

	March 31, 2020	March 31, 2019
Deferred tax Assets		
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	8,51,617	10,29,142
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	17,91,315	17,46,460
Provision for doubtful debts and advances	96,87,525	80,76,296
	1,23,30,457	1,08,51,898

The Company continues to pay income tax under older tax regime and have not opted for the lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 considering the accumulated MAT credit. The Company plans to opt for the lower tax regime from the next financial year as the MAT credit has been fully utilised in the current year. Accordingly, as at March 31, 2020 the deferred tax asset on timing differences which are expected to reverse in the coming years have been recognized at the new rate of 25.168%.

12 Inventories (At lower of cost and net realizable value)

	March 31, 2020	March 31, 2019
Raw Materials (Including Goods in Transit (March 31, 2020 - Rs. 12,400,339/- , March 31, 2019 - Rs. 30,526,445/-)	5,67,41,513	7,76,12,707
Finished goods (Including Goods in Transit (March 31, 2020 - Rs. 2,210,012/- , March 31, 2019 - Rs. 4,142,969/-)	2,89,99,508	4,16,08,502
	8,57,41,021	11,92,21,209
Details of Inventories		
Raw Materials		
Drum - Silicone sealant	3,45,70,409	5,30,58,199
Cartridges	1,34,98,047	1,16,90,404
Aluminium Tubes	14,75,199	16,00,444
Others	71,97,858	1,12,63,660
	5,67,41,513	7,76,12,707
Finished goods		
Silicone Sealant	2,14,64,923	2,16,56,142
Adhesives	7,06,629	70,38,057
Masking Tape	10,85,527	17,31,658
Paints	36,51,468	29,31,362
Polyurethane	16,33,835	81,64,080
Others	4,57,126	87,203
	2,89,99,508	4,16,08,502
	8,57,41,021	11,92,21,209



Accumetric Silicones Private Limited
Notes to the financial statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)
13 Trade receivables (Unsecured)

	March 31, 2020	March 31, 2019
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, Considered good	-	-
Unsecured, Considered good	15,25,950	41,53,807
Unsecured considered Doubtful	3,68,97,840	2,88,20,662
	3,84,23,790	3,29,74,469
Less: Provision for doubtful receivables	(3,68,97,840)	(2,88,20,662)
	15,25,950	41,53,807
Other Receivables		
Secured, Considered good	-	-
Unsecured, Considered good	15,38,11,136	18,38,14,975
Unsecured, Considered doubtful	15,93,590	2,09,879
	15,54,04,726	18,40,24,854
Less: Provision for doubtful receivables	(15,93,590)	(2,09,879)
	15,38,11,136	18,38,14,975
	15,53,37,086	18,79,68,782

14 Cash and bank balances

	March 31, 2020	March 31, 2019
Cash and cash equivalents		
Balances with banks:		
- On current account	9,88,25,582	1,51,38,980
Cash on hand	1,30,229	84,457
	9,89,55,811	1,52,23,437

15 Other Assets

	March 31, 2020	March 31, 2019
Export Rebate Receivable	36,10,154	-
Employee advances	1,26,930	2,26,714
	37,37,084	2,26,714

16 Revenue from operations

	March 31, 2020	March 31, 2019
Sale of Products		
Finished goods	71,77,58,014	70,85,82,705
Other Operation Revenue		
Scrap Sales	18,64,230	20,41,860
	71,96,22,244	71,06,24,565

Details of Sales made

Silicone Sealant	46,51,27,934	49,25,73,099
Polyurethane	16,78,87,419	13,84,71,652
Paints	3,37,40,878	3,45,83,650
Adhesives	3,60,50,552	2,18,88,793
Others	1,49,51,231	2,10,65,511
	71,77,58,014	70,85,82,705

17 Other income

	March 31, 2020	March 31, 2019
Write back of provision for doubtful receivables	-	28,11,579
Duty Drawback - Export	12,07,856	21,98,109
MEIS (Export Incentive)	43,14,392	-
Foreign exchange gain	-	62,92,785
Profit on Sale of fixed assets	-	4,852
Rental income	54,000	54,000
Other Income	14,83,229	34,91,838
	70,59,477	1,48,53,163



Accumetric Silicones Private Limited**Notes to the financial statements for the year ended March 31, 2020***(All amounts are in Indian Rupees, unless otherwise stated)***18 Cost of raw materials and components consumed**

	March 31, 2020	March 31, 2019
Inventory at the beginning of the year	7,76,12,707	5,61,33,832
Add: Purchases during the year	53,65,08,380	62,18,47,314
	61,41,21,087	67,79,81,146
Less: inventory at the end of the year	(5,67,41,513)	(7,76,12,707)
	55,73,79,574	60,03,68,439

Details of raw material and component consumed

Drum - Silicone sealant	29,19,82,498	33,04,76,209
Cartridges	5,93,25,144	4,89,96,834
Aluminium Tubes	29,60,468	31,23,388
Polyurethane	12,13,80,914	10,94,40,430
Others	8,17,30,550	10,83,31,578
	55,73,79,574	60,03,68,439

19 Change in Inventory of Finished Goods and Work in Process

	March 31, 2020	March 31, 2019
(Increase) / Decrease in Stock		
Inventories at the end of the year		
Finished goods	2,89,99,508	4,16,08,502
	2,89,99,508	4,16,08,502
Inventories at the beginning of the year		
Finished goods	4,16,08,502	3,16,29,020
	4,16,08,502	3,16,29,020
Net (increase) / decrease in stock	1,26,08,994	(99,79,482)

20 Employees benefits

	March 31, 2020	March 31, 2019
Salaries, wages and bonus	2,96,86,462	2,57,31,584
Contribution to provident and other funds	12,00,289	12,59,789
Gratuity expense (Refer Note no. 23)	11,64,621	5,68,637
Staff welfare expenses	26,85,636	26,37,400
	3,47,37,008	3,01,97,410



Accumetric Silicones Private Limited**Notes to the financial statements for the year ended March 31, 2020***(All amounts are in Indian Rupees, unless otherwise stated)***21 Finance costs**

	March 31, 2020	March 31, 2019
Interest expense:		
On Overdraft Loan	27,96,937	2,46,55,128
Interest on long term loan	63,25,000	-
Interest on Income Tax	1,27,400	-
	92,49,337	2,46,55,128

22 Other expenses

	March 31, 2020	March 31, 2019
Rent	1,34,21,568	1,34,21,568
Freight, clearing and forwarding charges	1,43,47,476	1,37,30,352
Travel Expenses	69,91,645	45,12,695
Power and fuel	8,84,960	8,92,490
Exchange differences (net)	57,48,206	-
Bank Charges	5,46,702	8,09,433
Communication expenses	9,44,745	7,84,158
Legal and Professional charges (Refer Note below)	18,89,708	21,05,232
Business Promotion	24,31,192	15,05,454
Rates and Taxes	4,036	(5,19,888)
Repairs and Maintenance		
Building	1,13,715	1,14,768
Plant & Machinery	2,82,175	3,61,470
Others	2,45,296	1,68,480
Printing and Stationery	3,11,323	1,87,827
Insurance	19,73,068	8,98,694
Loss on Sale of Asset	4,277	-
Other Expenses	34,90,697	21,63,824
Bad Debts Written off	22,854	-
Provision:		
- for doubtful receivables	94,60,889	-
- for Pending C Form	4,99,182	10,00,000
	6,36,13,714	4,21,36,557

Note - Legal and Professional charges includes payment to auditors as mentioned below*

	March 31, 2020	March 31, 2019
As Auditors		
Audit fee	10,00,000	10,00,000
	10,00,000	10,00,000



Accumetric Silicones Private Limited**Notes to the financial statements for the year ended March 31, 2020***(All amounts are in Indian Rupees, unless otherwise stated)***23 Gratuity:**

The Company provides gratuity benefits to its employees. Under the gratuity plan, every employee who has completed five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The Plan is a non-contributory defined benefit Scheme.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss**Net employee benefit expense recognized in the employee cost**

	March 31, 2020	March 31, 2019
Interest Cost	1,31,599	1,14,262
Current Service Cost	4,20,774	3,94,267
Net actuarial (gain)/loss recognized	6,12,248	60,108
Expense to be recognized in statement of Profit and Loss	11,64,621	5,68,637
Actual return on plan assets		

Balance sheet**Benefit asset/ liability**

	March 31, 2020	March 31, 2019
Present value of obligation on the accounting date:	29,16,027	20,03,188
Fair Value of Plan Assets on the accounting date:	-	-
Unrecognized Actuarial (gain) / loss	-	-
Net Asset / (liability) recognized in Balance Sheet	29,16,027	20,03,188

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2020	March 31, 2019
Liability as at the beginning of the period	20,03,188	15,48,686
Add Interest Cost:	1,31,599	1,14,262
Add Current Service Cost:	4,20,774	3,94,267
Less Benefits Paid:	(2,51,782)	(1,14,135)
Actuarial gain / loss	6,12,248	60,108
Liability as at the end of the period	29,16,027	20,03,188

The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

	March 31, 2020	March 31, 2019
Interest (Discount) Rate (Liabilities)	5.81%	7.01%
Interest Rate (Rate of Return on Assets)	0.00%	0.00%
Salary escalation Rate (per annum)	10.00%	9.00%
Attrition Rate (per annum)	25.00%	19.00%

Previous year comparatives, to the extent available with the Company have been disclosed



Accumetric Silicones Private Limited**Notes to the financial statements for the year ended March 31, 2020***(All amounts are in Indian Rupees, unless otherwise stated)***24 Related Party Disclosures**

Names of related parties and related party relationship

Related parties where control exists**Holding Company**

Soudal Ltd, Thailand

Soudal Holding NV, Belgium (Holding Company of Soudal Ltd, Thailand)

Ultimate Holding Company

Jonelinvest NV, Belgium

Fellow Subsidiaries

Soudal Co. Ltd, Vietnam

Accumetric LLC, USA

Soudal Accumetric, USA

Dongyang Silicone Co., Ltd.

Soudal NV, Belgium

Soudal Sealants Foams and Adhesives Pvt Ltd

McCoy Soudal Sealants, Adhesives & Foams Ltd

Soudal (Shanghai) Trading Co., Ltd.

Soudal (Taicang) Industrial Co., Ltd.

Accumetric Asia Pacific Limited, India

Soudal Ltd. Hong Kong

Soudal Inc, USA

Soudal S.A., Chile

Related parties under AS 18 with whom transactions have taken place during the year

Key management personnel

Digvijay Sharma - Managing Director

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

	31-Mar-20	31-Mar-19
A. Ultimate Holding Company		
B. Holding Company		
Transactions during the year		
Sale of Goods	5,65,82,774	11,17,85,199
Purchase of goods	-	37,59,540
Balance as at year end		
Trade Receivables	2,26,249	1,58,28,682
C. Fellow subsidiaries		
Transactions during the year		
Sale of goods		
Soudal Co. Ltd, Vietnam	7,42,063	16,92,383
Soudal Ltd. Hong Kong	60,70,654	40,85,764
McCoy Soudal Sealants, Adhesives & Foams Ltd	-	60,39,600
Soudal NV, Belgium	55,36,548	2,23,81,057
Soudal S.A., Chile	-	48,35,520
Other Income		
Soudal NV, Belgium	12,00,000	12,00,000
Accumetric Asia Pacific Limited, India	54,000	54,000
Purchase of goods		
McCoy Soudal Sealants, Adhesives & Foams Ltd	4,23,360	-
Dongyang Silicone Co., Ltd.	3,21,331	-
Soudal Co. Ltd, Vietnam	-	95,592
Soudal Ltd. Hong Kong	80,45,547	4,79,18,276
Soudal NV, Belgium	17,39,51,612	14,06,32,133



Accumetric Silicones Private Limited
Notes to the financial statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

	31-Mar-20	31-Mar-19
Other Expenses		
Soudal NV, Belgium		
- Software usage charges	11,91,664	2,66,067
- Insurance	12,02,422	3,18,678
Balance as at year end		
Trade receivables		
Soudal Co. Ltd, Vietnam	7,99,773	33,53,831
Soudal NV, Belgium	70,01,147	1,62,75,644
Soudal Ltd. Hong Kong	52,61,038	40,63,592
Soudal S.A., Chile	-	45,81,821
Advances given		
Accumetric Asia Pacific Limited, India	2,40,466	1,26,98,482
Soudal Sealants Foams and Adhesives Pvt Ltd	13,67,743	13,67,743
Trade payables		
Accumetric LLC, USA	4,15,097	3,80,850
Soudal Accumetric, USA	6,369	5,843
Soudal Inc, USA	1,08,171	1,08,171
Soudal Ltd. Hong Kong	36,59,073	3,90,30,940
Soudal NV, Belgium	17,29,55,237	11,10,00,707

Loans taken and repayment thereof

	Year ended	Loans taken	Repayment	Interest accrued	Amount owed to the related parties
Soudal Holding NV, Belgium (Holding Company of Soudal Ltd, Thailand)	31-Mar-20	13,80,00,000	-	53,76,250	14,33,76,250
	31-Mar-19	-	-	-	-

Remuneration to key managerial personnel

Salaries & Wages	26,43,478	16,50,762
Bonus paid	3,60,884	1,26,474
Total	30,04,362	17,77,236

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.



Accumetric Silicones Private Limited

Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees, unless otherwise stated)

25 Details of Import and Indigenous raw material, components and spare parts consumed during the year:

2019-20

	31-Mar-20	
	Amount	%
Indigenous	2,88,59,555	5.18%
Imported	52,85,20,019	94.82%
	55,73,79,574	100%

2018-19

	31-Mar-19	
	Amount	%
Indigenous	2,78,80,482	4.64%
Imported	57,24,87,957	95.36%
	60,03,68,439	100%

26 Value of imports calculated on CIF basis

	31-Mar-20	31-Mar-19
Raw materials and components	50,10,27,283	61,76,64,374
Capital goods	12,95,179	14,50,251
	50,23,22,462	61,91,14,625

27 Expenditure in foreign currency (on accrual basis)

	31-Mar-20	31-Mar-19
Credit and Civil Liability Insurance	12,02,422	3,18,678
Software usage charges	11,91,664	2,66,067

28 Earnings in foreign currency (on accrual basis)

	31-Mar-20	31-Mar-19
Exports sales	8,45,88,036	15,08,19,523
Other Income	12,00,000	12,00,000

29 Unhedged Foreign Currency Exposure

Particulars of unhedged foreign currency exposure at the reporting date

2019-20

	Foreign Currency In foreign currency		INR equivalent
Receivables	Euro	€ 84,300	70,01,147
	USD	\$83,394	62,87,060
Payables	Euro	€ 20,82,503	17,29,51,874
	USD	\$5,59,186	4,21,57,003

2018-19

	Foreign Currency In foreign currency		INR equivalent
Receivables	Euro	€ 1,699	1,31,994
	USD	\$6,35,697	4,39,71,149
Payables	Euro	€ 14,28,605	11,10,02,572
	USD	\$12,17,323	8,42,02,260



30 Operating leases

The Company entered into a non-cancellable operating lease arrangement for factory and office premises at Chennai. The lease rentals incurred during the year have been charged as expenses in the statement of profit and loss, the details for the same are given below. Future minimum rentals payable under non-cancellable operating leases are as follows:

	31-Mar-20	31-Mar-19
Within one year	1,40,83,890	1,41,02,664
After one year not more than five years	35,88,252	1,76,72,142
More than five years	-	-
	1,76,72,142	3,17,74,806

31 Contingent Liability

The Company has not accrued any amount for pending litigations and contingencies as at March 31, 2020 in accordance with the accounting policy of provisions and contingencies. Based on the assessment made by the management, no provision is required for the below mentioned contingent liabilities.

	31-Mar-20	31-Mar-19
(i) Income tax dues arising out of transfer pricing and corporate tax litigation pending before Commissioner of Income Tax (Appeals)	20,59,536	-
	20,59,536	-

32 Earnings per Share (EPS)

	31-Mar-20	31-Mar-19
Profit after tax (in Rs.)	3,38,86,273	4,04,77,481
Weighted average number of Shares	1,00,000	1,00,000
Face Value Per Share (in Rs.)	10	10
Earning Per Share (in Rs.)- Basic	338.86	404.77
Earning Per Share (in Rs.)-Diluted	338.86	404.77

33 Segment reporting

	31-Mar-20	31-Mar-19
Sales to external customers (Sale of products)		
India	63,31,69,978	55,77,63,182
Outside India	8,45,88,036	15,08,19,523
Total revenue	71,77,58,014	70,85,82,705

Other segment information

Segment assets		
Assets within India	38,78,35,763	35,48,33,695
Assets outside India	1,32,88,207	4,41,03,143
Total assets	40,11,23,970	39,89,36,838

Capital Expenditure		
Property, Plant and Equipment and Intangible assets	63,11,095	20,13,316



Accumetric Silicones Private Limited

CIN : U24242TN2011PTC078744

No 16/1, Corporation Road, Seevaram, Perungudi, Chennai – 600096, TN

Notes to the financial statements for the year ended March 31, 2020

(All amounts are in Indian Rupees, unless otherwise stated)

34 Transfer Pricing

The Company has entered into transactions with related parties. For the year ended March 31, 2019, the Company had obtained the Accountant's Report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961. For the year ended March 31, 2020, management confirms that it maintains documents as prescribed by the Income-tax Act, 1961 to prove that these transactions are at arm's length, however the study/ audit has not yet been completed. The management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation for period upto March 31, 2020.

35 Events after the reporting period

There has been no significant subsequent events after the reporting period requiring disclosure to the reported financial statements.

36 Prior period comparatives


Prior year comparatives have been regrouped wherever necessary to conform to current year's classification.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP


Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Aravind K
Partner
Membership No. : 221268
Place : Chennai
Date : October 1, 2020



For and on behalf of board of Directors
Accumetric Silicones Private Limited


Dirk Alois Coorevits
Director
DIN No 02393334
Place: Belgium
Date : October 1, 2020


Emmanuel De Smedt
Director
DIN No 03014649
Place: Belgium
Date : October 1, 2020


Digvijay Sharma
Director
DIN No 07667169
Place : Chennai
Date : October 1, 2020