

Board of Directors

Mr. Martin Babilas - Chairman
 Dr. Guido Forstbach
 Mr. Stefan Genten - Alternate Director to Mr. Martin Babilas
 Mr. Suresh Talwar
 Mrs. Kishori Udeshi
 Mr. Ravindra Kulkarni
 Mr. Ranjal Laxmana Shenoy
 Mr. Srikumar Ramakrishnan - Managing Director
 Mr. Milind Talathi - WholeTime Director

Executive Management

Mr. Srikumar Ramakrishnan
 Managing Director
 Mr. Milind Talathi
 Director-Manufacturing
 Mr. Sanjay Kulkarni
 CFO, VP-IT & Procurement
 Mr. Abhijit Tikekar
 Head Legal & Company Secretary
 Dr. Yogaraj Nabar
 VP-Market & Technology Development
 Mr. Nirmalkumar Simon
 VP-Sales

Chief Financial Officer

Mr. Sanjay Kulkarni

Company Secretary

Mr. Abhijit Tikekar

Registered & Corporate Office and R&D centre

147, Mumbai-Pune Road,
 Pimpri, Pune 411 018.

Works

- 1) 147, Mumbai-Pune Road,
 Pimpri, Pune 411 018.
- 2) Plot No. 1 (A, B & C) & 122,
 GIDC Industrial Area,
 Ankleshwar 393 002.

Regional Offices

Bengaluru, New Delhi, Kolkata

Website

<http://www.elantas.com/beck-india>

CIN

L24222PN1956PLC134746

Auditors

Price Waterhouse Chartered Accountants LLP
 7th Floor, Tower A - Wing 1,
 Business Bay, Airport Road,
 Yerwada, Pune 411006.

Internal Auditors

Mahajan & Aibara
 1 Chawla House,
 62 Woodhouse Road, Colaba,
 Mumbai 400005.

Secretarial Auditors

Prajot Tungare & Associates
 Practicing Company Secretaries,
 2nd floor, Shraddha Chambers,
 Sinhgad Road, Pune 411030

Cost Auditors

Dhananjay V Joshi & Associates
 'CMA Pride', Ground Floor,
 Plot No. 6, S. No. 16/6,
 Erandwana Co.op. Hsg. Soc.,
 Erandwana, Pune 411004.

Solicitors

Talwar Thakore & Associates
 3rd Floor, Kalpataru Heritage,
 127, M.G. Road, Fort,
 Mumbai 400001.

Bankers

The Bank of Nova Scotia
 HDFC Bank Ltd.

Registrars & Share Transfer Agents

Link Intime India Pvt. Ltd.
 Block No. 202, 2nd Floor, Akshay Complex,
 Off Dhole Patil Road,
 Pune 411001.
 Tel.: (020) 26160084/1629
 Telefax: (020) 26163503
 E-mail: rnt.helpdesk@linkintime.co.in

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Directors' Report

To the Members,
of ELANTAS Beck India Ltd.

Your Directors have pleasure in presenting the Company's Sixty Fifth Annual Report and the Audited Financial Statements for the financial year ended 31 December 2020.

Financial Results

(Currency : ₹ in lakhs)

	Year ended 31.12.2020	Year ended 31.12.2019
Revenue from operations	38,313.35	39,406.64
Other income	2,179.43	1,765.62
Total income	40,492.78	41,172.26
Profit before tax	8,021.33	6,378.77
Profit before tax net of Other comprehensive income	7997.69	6,354.34
Income tax expense	1,844.94	1,422.69
Profit for the year	6,152.75	4,931.65
Retained earnings brought forward	30,735.37	26,233.80
Less: Dividend paid	396.38	356.75
Less: Dividend Distribution Tax	-	73.33
Retained earnings at the end of the year	36,491.75	30,735.37

Performance

The Company posted a turnover of Rs. 38,067.28 Lakhs for the year ended 31 December 2020 against the turnover of Rs. 39,255.00 Lakhs achieved in the previous year ended 31 December 2019. In terms of sales quantity, the tonnage sold during the year ended 31 December 2020 increased by 1.17% over the previous year. The profit before tax stood at Rs. 8021.33 Lakhs, an increase over the profit before tax posted last year i.e. Rs. 6378.77 Lakhs. The Profit before Tax net of other comprehensive income and Profit after Tax were Rs. 7,997.69 Lakhs and Rs.6,152.75 Lakhs respectively.

Share Capital

Share Capital Audit as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) is conducted on a quarterly basis by V.R. Associates, Practicing Company Secretaries. The Share Capital Audit Reports are duly forwarded to BSE Ltd. where the equity shares of the Company are listed. During the year ended 31 December 2020, there was no change in the issued and subscribed capital of the Company, the outstanding capital as on 31 December 2020 was Rs.792.77 Lakhs comprising of 79.28 Lakhs shares of Rs.10/- each.

Dividend

After taking into consideration the capital expenditure on the proposed project and to conserve the resources for that purpose, the Directors are pleased to recommend a dividend of Rs. 5.00/- per equity share of Rs.10/- each, subject to the deduction of tax as applicable, for the year ended 31 December 2020 (previous year Rs. 5.00/- per equity share). The dividend is payable subject to Members' approval at the ensuing Annual General Meeting (AGM). The dividend pay-out, if approved by the Members in the ensuing AGM, will be Rs. 396.38 Lakhs.

The Company has adopted its Dividend Distribution Policy during the year under review, which is available on the Company's website at <https://www.elantas.com/beck-india/financial-documents/compliance-with-corporate-governance.html>. Dividend Distribution Policy is annexed to this Report as '**Annexure G**'.

Reserves

Directors have not recommended transfer of any amount to general reserves during the year under review.

State of the Company's affairs

Please refer to Management Discussion & Analysis Report which forms part of this Report.

Capital Expenditure

Capital expenditure incurred during the year aggregated to Rs. 1,161.38 Lakhs.

Corporate Governance

Pursuant to the provisions of Regulation 34 (2) & (3) and 53(f), read with Schedule V to the Listing Regulations, Management Discussion and Analysis Report, Report on Corporate Governance, Business Responsibility Report and Compliance Certificate on Corporate Governance form part of this Report presented in separate section.

Directors

During the year under review, the Shareholders of the Company through Ordinary Resolution passed in 64th AGM approved the appointment of Mr. Srikumar Ramakrishnan (DIN: 07685069) as a Director and also as a Managing Director of the Company for a period of 3 years w.e.f. 01 August 2019 to 31 July 2022.

Dr. Guido Forstbach, (DIN: 00427508), retires by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 (The Act), read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Articles of Association of the Company and being eligible, has offered himself for reappointment.

The approval of the Members for the appointment of Dr. Guido Forstbach has been sought in the Notice convening the AGM of your Company.

The term of appointment of Mr. Milind Talathi (DIN: 07321958) as Whole Time Director of the Company expires on 26 February 2021. Pursuant to the recommendation of the Nomination & Remuneration Committee, the Board, in its Meeting held on 23 February 2021, subject to the approval of the Members in the ensuing AGM, approved re-appointment of Mr. Milind Talathi as Whole Time Director of the Company for a further period of 2 (two) years w.e.f. 27 February 2021. The approval of the Members has been sought for re-appointment of Mr. Milind Talathi as Whole Time Director in the Notice convening the 65th AGM of the Company.

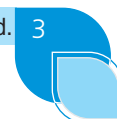
Particulars in pursuance of Regulation 36 of Listing Regulations read with Secretarial Standard-2 on General Meetings relating to Dr. Guido Forstbach and Mr. Milind Talathi are given in the Notice convening the AGM.

None of the Directors is disqualified from being appointed as or holding office as Director, as stipulated under Section 164 of the Act.

Declaration from Independent Directors

All Independent Directors have given Declaration that;

- a. They meet the criteria for independence as laid down under Section 149 (6) of the Act, and Regulation 25 (8) read with Regulation 16(1)(b) of the Listing Regulations.
- b. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act



In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.

Further there has been no change in the circumstances affecting their status as Independent Directors of the Company.

Statement on Compliance with Code of Conduct for Directors and Senior Management

Please refer page 48 of the Report on Corporate Governance annexed to this Report.

Composition of Key Managerial Personnel (KMP)

Pursuant to provisions of Section 203 of the Act, the Company has the following KMPs as on the date of the report:

Name of the KMP	Designation	Date of Appointment
Mr. Srikumar Ramakrishnan	Managing Director	1 August 2019
Mr. Milind Talathi	Whole Time Director	27 February 2018
Mr. Sanjay Kulkarni	CFO, VP- IT & Procurement	18 August 2008
Mr. Abhijit Tikekar	Head Legal & Company Secretary	31 October 2018

Separate Meeting of Independent Directors

The Independent Directors are fully kept informed of the Company's business activities in all areas. A separate Meeting of Independent Directors was held on 23 February 2021 in which the Independent Directors reviewed the performance of (i) non- Independent Directors, (ii) the Board as a whole and (iii) Chairperson of the Company for the year under review.

They also assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that are necessary for the Directors to effectively and reasonably perform their duties. Independent Directors expressed their satisfaction on the working of the Company, Board deliberation and contribution of the Chairman and other Directors in discharge of their duties. All the Independent Directors were present at the Meeting.

Composition of Board of Directors, Audit Committee , Nomination & Remuneration Committee

For details, kindly refer the Corporate Governance Report forming part of this Report.

Nomination and Remuneration Policy

The Nomination & Remuneration Committee reviews the composition of the Board, to ensure that there is an appropriate mix of abilities, experience and diversity to serve the interests of all Members and the Company.

In accordance with the requirements under Section 178 of the Act, the Committee formulated a Nomination and Remuneration Policy to govern the terms of nomination /appointment and remuneration of (i) Directors, (ii) Key Managerial Personnel (KMPs), (iii) Senior Management and (iv) other employees of the Company.

The details of the Remuneration Policy are stated in the Corporate Governance Report. The Policy is available on the website of Company i.e. <http://www.elantas.com/beck-india>.

Board Evaluation

Pursuant to the provisions of the Companies Act and Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the performance of Independent Directors and other Directors individually, as well as the evaluation of the working of its Committees for the Year 2020. The evaluation has been carried out on the basis of criteria defined by the Nomination & Remuneration Committee in its Meeting dated 29 July 2014.

Based on the evaluation, Company expects the Board and the Directors to continue to play a constructive and meaningful role in creating value for all the stakeholders in the ensuing years.

Number of Board Meetings held

During the year 2020, four Board Meetings were convened and held. Details of the same are given in the Corporate Governance Report which forms part of this Report. The intervening gap between any two Meetings was within the period prescribed by the Act and the Listing Regulations.

Related Party Transactions

All Related Party Transactions (RPT) entered into by the Company during the year under review were at arms' length basis and were in the ordinary course of business. There were no materially significant RPT with Parent Company and its subsidiaries, Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict of interest with the Company at large.

All RPT are placed before the Audit Committee for its review and approval. Prior omnibus approval of the Audit Committee is obtained for transactions which are of a foreseen and repetitive nature. Pursuant to the provisions of the Listing Regulations as well as the Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014, Audit Committee, by passing Resolutions in its Meetings held on 5 November 2019, 5 May 2020, 28 July 2020 and 3 November 2020 had granted omnibus approval for the proposed RPT to be entered into by the Company during the year 2020. Since there are no material RPT and also all the transactions with related parties are at arm's length and are in the ordinary course of business, no transactions are required to be reported in Form AOC – 2. In compliance with the Indian Accounting Standards (IND AS) 2015 RPT are shown in Note no. 36 of Financial Statements forming part this Report.

The Board of Directors of the Company, at its Meeting held on 26 February 2019, on the recommendation of the Audit Committee, reframed a policy on materiality to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Act, and Regulation 23 of the Listing Regulations, as amended. The Policy as approved by the Board is uploaded and can be viewed on the Company's website <http://www.elantas.com/beck-india>.

The Non-Executive Directors have no pecuniary relationship or transaction with the Company other than commission and sitting fees paid to them. For details, kindly refer the Corporate Governance Report which forms part of this Report.

Details of Loans, Guarantees and Investments

The Company has not entered into any transaction during the year under review.

Corporate Governance

Report on Corporate Governance and the Auditors' Certificate thereon, as stipulated under Listing Regulations, is given separately in this Report.

Vigil Mechanism/Whistle Blower Policy

The Company has established a vigil mechanism named as 'Whistle Blower Policy' within the Company in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations.

The policy of such mechanism which has been circulated to all employees within the Company, provides a framework to the employees for guided & proper utilization of the mechanism. Under the said Policy, provisions have been made to safeguard persons who use this mechanism from victimization. The Policy also provides access to the Chairman of the Audit Committee by any other person under certain circumstances. The Whistle Blower Policy has been uploaded on the Company's website <http://www.elantas.com/beck-india.html>

Corporate Social Responsibility (CSR)

In the last 6 years, Company has been successful in creating an image of a socially responsible and a vigilant corporate citizen in the minds of the community at large, it serves. There were number of projects and programs undertaken, pursued and sustained very well by the Company as part of CSR initiatives.

The Company considers it as its economic and social responsibility to foster sustainable local development. As a part of such responsibility, it has focused amongst others, on building of educational infrastructure and helping in mitigation of environmental issues in local areas in which it operates. However, due to Covid -19 pandemic, focus of the Company was shifted to health and safety and accordingly has taken necessary steps by contributing generously to the funds set up by the Central Government i.e. Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund and Prime Minister's National Relief Fund for Covid -19 relief measures.

The Company officials are diligently monitoring the implementation of CSR projects through frequent site visits, meeting officials, checking records etc.

The CSR Policy Statement and Report on the activities undertaken during the year is incorporated in '**Annexure B**'.

Business Responsibility Report

Report on Business Responsibility as stipulated under the Listing Regulations and any other applicable law for the time being in force describing the initiatives taken by the Management from an environmental, social and governance perspective, forms an integral part of this Report attached as '**Annexure F**'.

Risk Management Policy

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to the Company. Company's future growth is linked to general economic conditions prevailing in the market. Management has taken appropriate measures for identification of risk elements related to the Industry in which the Company is engaged and is always trying to reduce the impact of such risks. The Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks including the risks associated with cyber security.

Internal Financial Controls and their adequacy

The Company has an established internal financial control framework including internal controls over financial reporting, operating controls and entity level controls. The framework is reviewed regularly by the Management and tested by the global internal audit team and also the Internal Auditors appointed by the Company and presented to the Audit Committee. Based on the periodical testing, the framework is strengthened from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

Subsidiary, Associates and Joint Venture

The Company does not have any Subsidiary or Associate or Joint Venture Company as on date of this Report.

Annual Return

As required under Section 92(3) of the Act and the Rules made thereunder and amended from time to time, the Annual Return of the Company in prescribed Form MGT-7 is available on the website of the Company at <http://www.elantas.com/beck-india>.

Directors' Responsibility Statement

In terms of Section 134 (3)(c) of the Act, the Directors hereby state that:

- a) in the preparation of Annual Accounts for the Year ended 31 December 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at 31 December 2020 and of the profit of the Company for the year ended 31 December 2020.
- c) the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.
- e) the Company has laid down proper Internal Financial Controls and they are adequate and are operating effectively.
- f) the Directors have devised proper systems and processes to ensure compliance with the provisions of all applicable laws and such systems and processes are adequate and operating effectively.

Compliance with Secretarial Standards

The Company has ensured compliance with the applicable Secretarial Standards.

Auditors

a) Internal Auditors

The Internal Auditors, Mahajan & Aibara, Chartered Accountants, Mumbai have conducted internal audits periodically and submitted their reports to the Audit Committee. Their Reports have been reviewed by the Audit Committee from time to time.

b) Statutory Auditors

The Members, in the 60th AGM held on 3 June 2016, appointed Price Waterhouse, Chartered Accountants LLP, Pune as Statutory Auditors of the Company for the financial year 2016. Further, the Members in the 61st AGM held on 10 May 2017 appointed them as Statutory Auditors for the remaining period of four years forming part of the first term of five years i.e. up to the conclusion of AGM for the year 2020.

The Board, on the recommendation of the Audit Committee and subject to the approval of the Members in the ensuing AGM approved appointment of Price Waterhouse, Chartered Accountants LLP, Pune as the Auditors of the Company for a second term of five years from the conclusion of the ensuing 65th AGM till the conclusion of the 70th AGM.

Appropriate resolution seeking your approval to the appointment and remuneration of Price Waterhouse, Chartered Accountants LLP, Pune as the Statutory Auditors is appearing in the Notice convening the 65th AGM of the Company.

There are no qualifications, reservations or adverse remarks or disclaimer made in the audit report for the Financial Year 2020.

c) Cost Auditors

In terms of Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, the cost accounts and records are made and maintained by the Company as specified by the Central Government.

Pursuant to Section 148(1) of the Act, read with the Companies (Cost Records & Audit) Rules, 2014, as amended, the cost records maintained by the Company in respect of its products are required to be audited. Your Directors, on the recommendation of the Audit Committee, appointed Dhananjay V Joshi & Associates, Cost Accountants, to audit the cost records of the Company for the financial year 2020 on a remuneration to be ratified by the Members, in the forthcoming AGM. Accordingly, a resolution for ratification of payment of remuneration to Dhananjay V. Joshi & Associates, Cost Auditors, is included in the Notice convening the AGM for approval of Members.

The Cost Audit Report for the financial year ended 31 December 2019 was filed with the Ministry of Corporate Affairs on 02 June 2020 within the stipulated time mandated in the Companies (Cost Records & Audit) Rules, 2014 as amended.

d) Secretarial Auditors

Prajot Tungare & Associates, Practicing Company Secretaries, Pune were appointed to conduct the Secretarial Audit of the Company for the Financial Year 2020, as required under Section 204 of the Act, read with rules framed thereunder. The Secretarial Audit Report for FY 2020 forms part of this Report as '**Annexure A**'.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditors in their report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

Information as required by Section 134(3)(m) of the Act, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo, is given in '**Annexure C**' to this report.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013

The Company has in place Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013 and the Rules made thereunder. The Company has zero tolerance on Sexual Harassment at workplace. In compliance with the provisions of Companies Accounts Rules, 2014, as amended, the Internal Complaints Committee is set up to redress complaints received regarding sexual harassment. All employees including permanent and contractual, temporary, trainees and other stakeholders are covered under this policy. The following is the summary of sexual harassment complaints received and disposed off during the Financial Year 2020.

No. of Complaints received	Nil
No. of Complaints disposed off	Nil

Particulars of Employees

Details of employees receiving the remuneration required to be disclosed under Section 197 of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as a statement and given in '**Annexure D**'.

Compliance Certificate

Compliance Certificate pursuant to Regulation 17(8) of the Listing Regulations, is given in '**Annexure E**' to this Report.

Deposits

Company has not accepted any deposits and does not have any unclaimed deposits from public / Members under Sections 73 and 74 of the Act, read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

Transfers of Equity Shares to IEPF Demat Account

During the year under review, pursuant to Section 124 (6) of Act, and the Rules & Circulars notified thereunder, 1,330 shares on which dividend was unclaimed/unpaid for seven years have been transferred to a demat account of the Investor Education and Protection Fund (IEPF) Authority.

Except transfer of unclaimed /unpaid dividend of Rs. 39,99,240/- there were no transfers to IEPF Authority during the year under review.

General

Your Directors state that :

1. No material changes or commitments, affecting the financial position of the Company occurred between the end the financial year of the Company i.e. 31 December 2020 and the date of this Report except the following:

The Covid-19 pandemic has severely disrupted business operations due to nation-wide lockdown and other emergency measures imposed by the Central & State Governments. The operations of the Company were impacted due to shutdown of plants and offices following the nation-wide lockdown. The Company recommenced its operations in line with the directives from Central & State Governments & local authorities.

2. No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
3. There were no material frauds reported by Auditors as per Sections 134 (3)(c) and 143 (12) of the Act.

Acknowledgements

The Board wishes to place on record its appreciation to all employees, shareholders and other stakeholders for the excellent support and their continued contribution to the performance of the Company.

For and on behalf of the Board

**Regd. Office: 147, Mumbai –Pune Road,
Pimpri, Pune 411018**

Suresh Talwar

Director

Place : Mumbai

Date : February 23, 2021

Srikumar Ramakrishnan

Managing Director

Place : Pune

Date : February 23, 2021

ANNEXURE A

FORM MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

ELANTAS Beck India Limited,

CIN: L24222PN1956PLC134746

147, Mumbai-Pune Road, Pimpri,

Pune – 411018

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ELANTAS Beck India Limited ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Management is responsible for the preparation and filing of all the forms, returns and documents for the compliances under the Companies Act, 2013, rules made there under and compliances of all the laws and regulations listed hereinafter and to ensure that they are free from material non-compliance, whether due to fraud or error.

Secretarial Audit for the Company is conducted as a process of verification of records and documents on sample basis to check secretarial compliances with the provisions of laws, rules and procedures. The procedure for Secretarial Audit is selected on the Secretarial Auditor's judgment of material facts of the documents submitted. Our responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. We have conducted the audit solely on the basis of secretarial compliances and filing done by the Company, under the below mentioned laws.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby make our report on the basis of our opinion during the audit conducted covering the financial year ended on 31st December 2020, on various secretarial compliances with statutory provisions listed hereunder and on Board processes and compliance mechanism to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 December 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [Not applicable to the Company during the Audit Period];
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not applicable to the Company during the Audit Period];
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the Company during the Audit Period];
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the Company during the Audit Period];
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [Not applicable to the Company during the Audit Period]; and
- (i) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015.

We further report that, having regards to the business operations of the Company, in our view following are the laws specifically applicable to the Company for which we have conducted audit on test-check basis, and on the basis of representation made by the Company and its Officers considering the compliance systems prevailing in the Company:

- (a) Inflammable Substances Act, 1952;
- (b) Petroleum Act, 1934 read with Petroleum Rules, 2002;
- (c) The Hazardous and other waste (Management Handling & Transboundary Movement) Rules, 2015; and
- (d) Manufacture, Storage and Import of Hazardous Chemical Rules, 1989.

We have also examined secretarial compliances with the applicable clauses of the following:

- (i) Secretarial Standard 1 & 2 issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned herein above.

We further report that:

1. Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including Woman Director. Further, there was no change in the composition of the Board of Directors of the Company during the year under review.
2. As per information and representation given, we also report that adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. As per minutes of the meetings duly recorded and signed by the Chairman, no dissenting views have been recorded.

We further report that the compliance by the Company of applicable financial statements and laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of representation provided by the Officers, Company Secretary and Directors of the Company, in my opinion adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines as mentioned above.

For Prajot Tungare & Associates

Company Secretaries

CS Prajot Tungare

Partner

FCS : 5484

CP No : 4449

Date : Febuary 23, 2021

Place : Pune

UDIN : F005484B003313241

ANNEXURE B

REPORT ON CSR ACTIVITIES

- 1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programmes**

CSR Policy Statement

To take up certain CSR activities in areas or subject specified in Schedule VII of the Companies Act, 2013 and implement in the areas surrounding to the Company and to adopt an organized approach for spending money on the CSR activities.

Web link

http://www.elantas.com/fileadmin/elantas/companies/beck-india/financials/compliance_with_corporate_governance/Corporate_Social_Responsibility_Policy.pdf

- 2. Composition of CSR Committee**

Mr. Ranjal Laxmana Shenoy - Non-Executive Independent Director

Mrs. Kishori Udeshi - Non-Executive Independent Director

Mr. Srikumar Ramakrishnan - Managing Director

- 3. Average net profits of the Company for last three financial years** Rs.7,497.95 Lakhs
- 4. Prescribed CSR Expenditure (2% of the amount as in item no. 3 above)** Rs. 149.96 Lakhs
- 5. Details of CSR spent for the financial year** Rs. 150.01 Lakhs
 - Total amount to be spent during the financial year: Rs. 149.96 Lakhs
 - Amount unspent, if any: Rs. Nil

The Board has been updated at regular intervals with the CSR activities and is satisfied about the overall progress about Company's CSR initiatives and spending. The Company focused on spending the CSR funds on the projects only after assessing their overall viability and sustainability to stick to the very spirit of assisting the community and guided by the spirit and essence of the legislation enforcing CSR. It had few sustainable projects running successfully for fourth year along with newly identified projects. However, due to Covid -19 Pandemic, focus for year under review was shifted towards health and sanitation and Company contributed in a big way to Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund and Prime Minister's National Relief Fund (PMNRF) in response to the appeal made by the Government. This led to successfully attaining the required expenditure outlined for the year.

Details of amount spent on CSR activities during the Financial Year 2020

No	CSR Project or Activity Identified	Sector in which project is covered	Location of Project	Amount outlay (Budget) project or program wise (Rs. In Lakhs).	Amount Spent on Project or Programme (Rs. In Lakhs). Sub-Heads: 1.Direct Expenditure on Projects or Programs 2. Overheads*	Cumulative expenditure up to the reporting period (Rs. In Lakhs)	Amount spent directly or through implementing Agency
1	Suhrud Mandal	Value Education	Pune, Maharashtra	0.45	0.45	0.45	Through Suhrud Mandal, NGO
2	PM CARES	Support to Covid -19 Disaster	PAN India	115.52	115.52	115.52	Directly
3	PMNRF	Support to National Disaster	PAN India	30.00	30.00	30.00	Directly
4	MKSSS	Funding towards Educational fees	Pune, Maharashtra	4.04	4.04	4.04	Through Maharshi Karve Stree Shikshan Sanstha
	Total			150.01	150.01	150.01	

Responsibility statement of CSR Committee:

It is hereby confirmed that the implementation and monitoring of CSR policy is in compliance with Company's CSR objective and CSR Policy of the Company.

Srikumar Ramakrishnan
Managing Director

Ranjal Laxmana Shenoy
Member -CSR Committee

**Regd. Office: 147, Mumbai –Pune Road,
Pimpri, Pune 411018**

Place : Pune

Place : Mumbai

Date : February 23, 2021

Date : February 23, 2021

Annexure C

A. CONSERVATION OF ENERGY

(a) Following measures were taken to conserve energy

- Significant reduction in water consumption at Pimpri site through several actions.
- Implementation of automation for several packing lines reduced cycle times & saved power.
- Increase in batch sizes of some products resulted in lower power consumption per ton of product.
- Several kaizens implemented at both sites resulting into lower power and energy consumption.
- Reduction in pressure drop of compressed air which enabled energy savings at the air compressor.
- Further replacement of conventional tube lights with energy efficient LED tube lights for plant & street lighting.

(b) Additional investments and proposals being implemented for reduction of consumption of energy

- Digitalization initiatives for better monitoring & control.
- Emphasis on operational improvements to further reduce energy consumptions of utilities.
- Explore possibility for solar power enhancement.

Total amount spent on energy conservation equipments – Rs. 11 Lakhs

(c) As a consequence of the above measures, there has been a reduction in the energy consumption of 1.4% in electricity & 2.4% in light diesel oil per unit of production.

B. TECHNOLOGY ABSORPTION

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

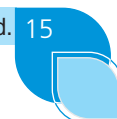
The R&D team is actively engaged in supporting the Company's production process through various activities to maintain a technological as well as a cost edge, provide effective solutions to customers and improve internal productivity through process improvements and introduction of new cost-effective raw materials.

The Company's R&D center is engaged in the development of new insulation materials and in the absorption of technology acquired from overseas affiliates of ELANTAS group for the manufacture of certain wire enamels, varnishes and casting and potting systems to address electrical and electronic applications.

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

Some of the new products introduced and process improvements conducted were:

- Expanded the thermal grease product range for thermal management in electronic applications to strengthen our position in the new market of thermal interface materials.
- Commercialized the locally developed conformal coating product for the protection of circuit boards in the electronics market. Leveraged-in a new, niche conformal coating system to address a new opportunity in the country.
- Focused on developing and commercializing niche, value-added wire enamels to strengthen market leadership.



- Developed new epoxy potting systems for use in new automotive sensors to comply with new BS VI norms.
- Cost reduction and process improvement in manufacturing using low cost raw materials including solvents.

3. Future plan of action

- Continue efforts on efficient customer service and improved speed of product development with the newly formed teams keeping in mind the requirements for RoHS/REACH regulations.
- Continue adaptation of new products from group companies under 'Technology Transfer' in the Company's business segments to cater to the local market.
- Initiate and continue participation in new global R&D projects for the benefit of local and global customers.
- Focus on establishing strength in the portfolio to address strategic markets/applications such as Electronics and E-Mobility.
- Cost reduction based on substitution of raw materials and improvement in process efficiency.
- Incorporation of new raw materials for sustainable product development
- Continue participation in the M. Tech training program for students from local Institute on subjects complementary to the Company's business.
- Focus additional efforts on process optimization and standardization in material production.

4. Technology absorption, adaptation & innovation

The Company is engaged in regular technological exchange with its collaborators / affiliates to understand and implement opportunities for cost reduction, product improvement and product substitution suited to customer needs.

Information regarding technology acquired through purchase/licensing arrangements during the last three years.

Technology imported	Year of import	Has the technology been fully absorbed	If not, when to be absorbed.
Absorption of bond coat wire enamel technology from affiliate company in Italy	2018	Yes	-
Absorption of epoxy varnish technology from affiliate company in Italy to replace wet winding varnish	2018	Yes	-
Absorption of acrylic-based conformal coating technology from affiliate company in United States for entry into new market area	2019	No	2021

5. Expenditure on R & D

(Rs. in Lakhs)

Particulars		Year ended 31.12.2020	Year ended 31.12.2019
(a)	Capital	13.88	13.52
(b)	Recurring	673.99	704.19
(c)	Total	687.87	717.71
(d)	Total R & D expenditure as a percentage of total turnover	1.81%	1.82%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The information regarding foreign exchange earnings and outgo is as follows:

(Rs. in Lakhs)

Particulars	Year ended 31.12.2020	Year ended 31.12.2019
Earnings	515.87	394.62
Outgo	5,471.79	8,351.35

Annexure D

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Top Ten employees in terms of remuneration drawn during the year are as follows:

Name	Designation	Gross Remuneration Subject to tax (Rs.in Lakhs)	Qualifications	Age & Experience (Years)	Date of Commencement of employment	Last employment held, Designation and Organization
Mr. Srikumar Ramakrishnan	Managing Director	203.01	BE, University of Bombay PGCBM, XLRI	48/25	08.05.2019	Momentive Performance Materials India Pvt. Ltd. - Reg. Leader – India, Middle East & Africa
Mr. Milind Talathi	Whole Time Director	91.38	B. Tech (Chemical) DBM	59/34	16.07.2013	Gujarat Fluorochemicals Ltd. - COO
Dr. Yogaraj Nabar	Vice President-Market development & Technology Development	93.43	Bachelor in Chemical Engineering and PHD in Chemical Engineering & Material Science	41/16	06.01.2020	Diversey India Hygiene Pvt. Ltd. - Global R&D Director
Mr. Sanjay Kulkarni	CFO & VP-IT & Procurement	74.16	B. Com, ACA, ACMA	54/31	18.08.2008	Gabriel India Ltd. Divisional Finance Controller – Ride Control Division
Mr. Nirmalkumar Simon	Vice President-Sales	66.32	BE Polymer, MBA	39/14	04.03.2019	Dow Chemical - General Manager-Sales
Mr. Nitin Kembhavi	Head – Accounts & Finance	44.10	B.Com, ACMA	60/35	17.08.1987	Drillco Metal Carbides Ltd.
Mr. M. L. Prabhune	Head Engg. & Maintenance - Pimpri	39.60	BE (Ele.) DBM	56/26	18.07.1994	N.A.
Mr. Mitesh Shah	Head - Procurement	37.77	BE (Mechanical) and MBA in Supply Chain Management.	39/18	14.04.2015	3M India Ltd
Mr. Sunilkumar Patel	Head Projects, Ankleshwar	34.75	BE Chemical ,Post Diploma in Industrial Safety	37/15	29.03.2019	Indofil Industries Ltd - Sr. Project Manager
Mr. Devendra Jadhav	Head Sales & Business Development EL-2 & EC	34.12	BE (Electronics & Telecomm.) + MBA	40/16	17.02.2017	Henkel Adhesives Ind

Note:

1. None of the above employees is a relative of any Director of the Company.
2. The above employee(s) include Mr. Srikumar Ramakrishnan, Managing Director of the Company, drawing salary not less than Rs. 1.02 Crore p.a.
3. All the above employees have executed employment contracts with the Company.
4. None of the above employees is holding more than 2% of the Equity Shares in the Company.

Disclosure as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company and percentage increase in remuneration of the Directors and KMPs in the Financial Year.

Sr. No.	Name of Director / KMP	Designation	Increase (%)	Ratio of Remuneration of each Director & KMP to Median Remuneration of Employees
1	Mr. Martin Babilas	Chairman Non Executive Non Independent Director	-	-
2	Dr. Guido Forstbach	Non Executive Non Independent Director	-	-
3	Mr. Suresh Talwar	Non Executive Independent Director	**9.00	1.14
4	Mr. Ravindra Kulkarni	Non Executive Independent Director	**9.00	1.14
5	Mr. Ranjal Laxmana Shenoy	Non Executive Independent Director	**9.00	1.16
6	Mrs. Kishori Udeshi	Non Executive Independent Director	**9.00	0.87
7	Mr. Stefan Genten	Non Executive Non Independent Director (Alternate Director to Mr. Babilas)	-	-
8	Mr. Srikumar Ramakrishnan	Managing Director	*146.52	24.95
9	Mr. Milind Talathi	Whole Time Director	4.17	11.23
10	Mr. Sanjay Kulkarni	Chief Financial Officer	13.52	9.11
11	Mr. Abhijit Tikekar	Company Secretary	10.21	3.40

* Mr. Srikumar Ramakrishnan was appointed as Managing Director w.e.f. 1 August 2019

** The remuneration to the Independent Directors comprises of Sitting Fees and Commission. There was an increase of 9.00% in the Commission payable to the Independent Directors w.e.f. Financial year 2020.

2. No. of permanent employees on the rolls of the Company as on 31 December 2020 - 181
3. Median Remuneration of the employees for the year 2020 is Rs. 8,13,658 i.e. an increase of 4.28% as compared to Rs. 7,80,255/- for the Year 2019.
4. The average increase already made in the salaries of employees other than managerial personnel was 9.50% whereas the increase in the managerial remuneration was 10.00%. The salary increases are based on external benchmarking, internal parity, Company performance and individual performance.
5. We affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the Remuneration policy of the Company.

Annexure E

COMPLIANCE CERTIFICATE

In accordance with the provisions of Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year 2020 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For ELANTAS Beck India Limited

Srikumar Ramakrishnan

Managing Director

Place: Pune

Date: February 23, 2021

Sanjay Kulkarni

Chief Financial Officer

Place: Pune

Date: February 23, 2021

**Registered Office: 147, Mumbai-Pune Road,
Pimpri, Pune 411018**

Annexure F

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L24222PN1956PLC134746
2. **Name of the Company:** ELANTAS Beck India Limited
3. **Registered address:** 147, Mumbai-Pune Road, Pimpri Pune MH 411018
4. **Website:** <https://www.elantas.com/beck-india/about-us.html>
5. **E-mail id:** Abhijit.Tikekar@altana.com
6. **Financial Year reported:** 01.01.2020- 31.12.2020
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

SL No	Name & Description of main products/services	NIC Code of the Product /service
1	Electrical Insulations	20221
2	Engineering and Electronic Resins and Materials	20221

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
 - a. Electrical Insulations
 - b. Engineering and Electronic Resins and Materials
 - c. Construction Chemicals
9. **Total number of locations where business activity is undertaken by the Company**
 - (a) Number of International Locations (Provide details of major 5): Nil
 - (b) Number of National Locations:

Registered Office & Corporate Office:

147, Mumbai-Pune Road, Pimpri, Pune 411 018.

Works:

ELANTAS Beck India Limited has its manufacturing facilities located at Pune and Ankleshwar at the following places;

- 1) 147, Mumbai-Pune Road, Pimpri, Pune 411 018.
- 2) Plot No. 1 (A, B & C) & 122, GIDC Industrial Area, Ankleshwar 393 002.

The Company also has regional sales offices at Bengaluru, New Delhi, Kolkata

10. Markets served by the Company – Local/State/National/International

The Company serves both national and international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR):** 7,92,76,820/-
2. **Total Turnover (INR):** 380,67,28,000/- (excluding Sale of Raw material, Sale of Scrap and Other Income)
3. **Total profit after taxes (INR):** 61,52,75,000/-
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) :**
Rs. 15.00 Million i.e. 2.44% of Profit after Tax for the year 2020: Rs. 61,52,75,000/-

5. **List of activities in which expenditure in 4 above has been incurred:-**

a. Education:

While the Company continued its support programme for educational activities, due to advent of Covid - 19 pandemic, the focus was shifted to Covid -19 relief measures. Keeping sustainability as a bedrock, the Company supported for the fees of girl students studying with Maharshee Karve Stree Shikshan Sanstha.

b. Healthcare & Sanitation:

The Company has contributed majority of its CSR budget towards Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PMCARES) for Covid –19 and Prime Minister's National Relief Fund (PMNRF) set up by the Central Government.

c. For more details about CSR activities, please refer page No.13 of Annual Report.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies? - No**
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s) - N.A.**
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] - No**

SECTION D: BR INFORMATION

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

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

DIN Number	07685069
Name	Mr. Srikumar Ramakrishnan
Designation	Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	07685069
2	Name	Mr. Srikumar Ramakrishnan
3	Designation	Managing Director
4	Telephone number	(020) 67190602
5	e-mail id	Suchitra.Gokhale@altana.com

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

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

- P1** Business should conduct and govern themselves with Ethics, Transparency and Accountability
- P2** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3** Businesses should promote the wellbeing of all employees
- P4** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- P5** Businesses should respect and promote human rights
- P6** Business should respect, protect, and make efforts to restore the environment
- P7** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8** Businesses should support inclusive growth and equitable development
- P9** Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any National International Standard ? In Yes, Specify ? (50 words)	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y+								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(*) – The policies have been developed on the lines of the 'National Voluntary Guidelines on Social, Environment and Economic responsibilities of businesses' established by the Ministry of Corporate Affairs, Government of India in 2011.

(+) – All the policies are available for employees to view on the Company's intranet. For external stakeholders, wishing to view the policies, a request can be emailed to the Compliance Officer.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options): Not Applicable.

3. Governance related to BR

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

The Board of Directors review the BR performance of the Company. Board meets quarterly and important aspects of the BR i.e. CSR, Stakeholders' complaints are deliberated by the Board.

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

The Company has started publishing Business Responsibility Report from the year 2019 along with the Annual Report. The Company's Business Responsibility Report can be viewed at <http://www.elantas.com/beck-india>.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the Company?**

No

Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Yes

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

During the year no Whistle Blower complaint was received.

Principle 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

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

Instead of using synthetic raw materials, the Company continues to use of natural raw materials like Rosin from Pine trees, vegetable oils & fatty acids for synthesis of some of the resins.

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

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

A reduction in the energy consumption of 1.4% in electricity per unit of production & 2.4 % in LDO per unit of production has been achieved in Y2020.

In addition, waste Heat is recovered from the flue gases which helps reduction of fossil fuels required for producing warm water which is required for process heating.

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

The Company also developed new fast curing varnishes that allowed our customers to reduce their oven curing time by almost 50% thus reduction in energy costs.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. The Company has in place, standard operating procedures related to green procurement through which the Company endeavors to strengthen its procurement processes of energy, water, raw materials, packaging material and finished goods keeping in view the applicable regulatory compliance.

As per Ecovadis standard, majority of Company's input products are sourced sustainably.

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

Yes.

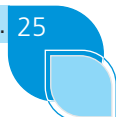
(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company encourages the suppliers to promote following steps at their place through Company's supplier code of communications for sustainable practices:

- Sustainable development
- Monitor, control and upgrade technology to prevent pollution and conserve resources.
- All projects and processes shall be designed keeping in view environmental protection as an integral part to achieve sustainable development.
- Maximum possible recycling.
- Reduction in use of regular water consumption.
- Maximum recovery from waste material.
- Use of treated water inside the factory premises to maintain the plantation of various plants and particularly eucalyptus plants.

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

Solvents used in Wire Enamels are recovered from the process and re-used in subsequent production. Part of the solvent may be sold in the market depending on its quality. In the year 2020, about 236 Tonnes of Solvent was re-consumed and almost 146.2 Metric Tonnes of by-products were sold.



Principle 3

BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Please indicate the total number of employees.

As on 31 December, 2020, there were 181 permanent employees in the Company.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis - 322

3. Please indicate the Number of permanent women employees- 14

4. Please indicate the Number of permanent employees with disabilities - Nil

5. Do you have an employee association that is recognized by management- Yes

6. What percentage of your permanent employees is members of this recognized employee association - 24%

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

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/ involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

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

(a) Permanent Employees: 70%

(b) Permanent Women Employees: 70%

(c) Casual/Temporary/Contractual Employees: 80%

(d) Employees with Disabilities: There are no employees with disability.

Principle 4

BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TO ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE, AND MARGINALIZED.

1. Has the Company mapped its internal and external stakeholders?

Yes.

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

Yes.

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

The Company focuses serving disadvantaged, vulnerable and marginalized stakeholders in core areas near to its manufacturing facilities in Maharashtra and Gujarat through various CSR initiatives enumerated here in above. This year, due to Covid -19 Pandemic and consequent lockdowns, the Company re-focused its activities as detailed in 'Annexure B' to the Directors' Report.

Principle 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

The Company's Human Rights policy covers all its employees across all grades and locations.

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

During the year there was no complaint received pertaining to violation of Human Rights.

Principle 6

BUSINESSES SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

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

The Company's policy applies to all offices and two manufacturing locations in India.

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

ALTANA Group is committed globally to become CO2 neutral by 2025. In accordance with the same, the Company is analysing various initiatives and will implement suitable measures.

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

Yes. ELANTAS Beck India Limited is ISO 14001: 2015 certified Company. The process to identify potential environmental risks as mentioned in Integrated management system.

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

The Company currently does not have any projects related to Clean Development Mechanism.

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

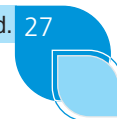
Yes. The Company has installed a Solar Power Plant of 250Kwp capacity. During the year, the Solar Power plant produced energy worth 3,65,665 kWh due to which, there was a reduction of almost 262 Tons of CO2 emission in Y 2020.

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

All Emissions/Waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year & are being reported accordingly.

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

The Company had received a Notice from Gujarat Pollution Control Board (GPCB) regarding alleged contamination of the Ground water source of nearby society from the Company's manufacturing facility at Ankleshwar, Gujarat a couple of years ago. The Company is taking all the necessary and remedial steps to comply with the directions given by the GPCB in this regard.



Principle 7

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

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

Yes. A. Maharashtra Chamber of Commerce, Industries and Agriculture

B. Indo- German Chamber of Commerce

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

Yes. The Company has advocated for economic reforms through Association.

Principle 8

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

Yes. For more details on our CSR Initiatives, please refer 'Annexure B' to the Directors' Report.

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

The Company undertakes its CSR projects, mostly in-house and also collaborates with external NGOs whenever considered expedient in order to make use of their expertise and their reach to the targeted beneficiaries of the respective programme. At the same time, the Company monitors the processes and work carried out by NGOs.

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

No.

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

Please refer 'Annexure B' to the Directors' Report.

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

Yes, our project interventions were need based, cost effective leading to positive results in short term span. Extensive involvement of community in planning and implementation helped in capacity building as well as created ownership of the project. Through regular interaction with the community the positive impact created was shared with them to further enhance adoption level.

Principle 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

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

2.5 % of complaints were pending as on the end of financial year.

- 2. Does the Company display product information on the product label, over and above what is mandated as per local laws /N.A.**

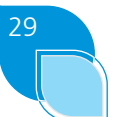
All the products manufactured and marketed by the Company are accompanied by label displaying product information as mandated by applicable law.

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

During the financial year 2020, there were no pending cases filed by any stakeholder against the Company regarding irresponsible advertising or anti competitive behaviour in the last five years.

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

The Company carries out customer satisfaction survey on an Annual Basis from the top Customers and Channel Partners. The key areas of feedback is collated and reviewed for further improvement and progress.



Annexure G

DIVIDEND DISTRIBUTION POLICY OF ELANTAS BECK INDIA LIMITED

1. REGULATORY FRAMEWORK

- 1.1 This policy applies to the distribution of dividend by ELANTAS Beck India Limited (the “Company”) in accordance with the provisions of the Companies Act, 2013 (“Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations).
- 1.2 The Board of Directors shall review the Policy periodically and may amend the same from time to time, as may be deemed necessary.

2. OBJECTIVES OF THIS POLICY

This policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company.

The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy.

3. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

- 3.1 Cash flow is adversely affected due to working capital requirements;
- 3.2 Significantly high capital expenditure or fresh acquisition which are best funded through internal accruals;
- 3.3 Adverse market conditions and business uncertainty
- 3.4 Corporate actions such as Buy-back of securities reduction of capital, which will affect the cash flow of Company;
- 3.5 The Company’s profits are inadequate, or it has incurred losses.

4. FINANCIAL PARAMETERS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND

- 4.1 Operating cash flows required to meet various business contingencies;
- 4.2 Working Capital requirements;
- 4.3 Capital Expenditure requirements;
- 4.4 Outstanding borrowings, if any;
- 4.5 Past dividend payout trend;
- 4.6 Funds required for any acquisitions that the Board of Directors may approve;
- 4.7 Liquidity and return ratios;
- 4.8 Any other significant development that requires cash investments.

5. INTERNAL AND EXTERNAL FACTORS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND

5.1. INTERNAL FACTORS

- 5.1.1. Current year profits and future outlook in line with the development of internal and external environment;
- 5.1.2. Inorganic/organic growth opportunities like new acquisitions or new business;
- 5.1.3. Contractual restrictions;
- 5.1.4. Expectations of shareholders

5.2. EXTERNAL FACTORS

- 5.2.1. Prevailing legal requirements, regulatory conditions, geopolitical considerations, etc. and other statutory requirements, including tax laws;
- 5.2.2. Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
- 5.2.3. Policy decisions of the Government that may affect the business of the Company;
- 5.2.4. Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;

6. UTILIZATION OF RETAINED EARNINGS

The profits earned by the Company can either be retained in the business and used for various purposes as outlined hereinabove or it can be distributed to the shareholders.

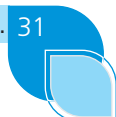
7. DISCLOSURE REQUIREMENT UNDER SEBI LODR

The Company shall disclose this Policy on the Company's website at www.elantas.com and a web link thereto shall be provided in the Board's Report.

(The above policy was reviewed and approved by the Board of Directors at its Meeting held on 5 May 2020)

8. LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this policy.



Management Discussion and Analysis Report

ELANTAS Beck India Limited (the Company) commenced 2020 with the integration of the newly acquired business of wire enamels from Huber which allowed the Company to offer existing and new customers even more individualized solutions besides strengthening its technology leadership in the Wire Enamels segment.

The advent of Covid -19 caused a disruption to the Company's plan for the year. The Company had to quickly reprioritize its efforts to ensure that the safety and well being of its employees, plants and offices were maintained during periods of the extended lock down, while at the same time ensuring that the requirements of its customers who relied on the Company were served despite the challenging scenarios created by the lockdown implementation across the various states.

The resilience demonstrated by your Company's employees and other stakeholders combined with the investments in advanced ERP System & IT platforms; state of the art R&D facilities and the continuing progress in developing process technology allowed the Company to sustain its operations with an optimal cost position while at the same time rebound quickly once the market situation improved. The resolve and the resilience of the Company's employees ensured that the well being of its people and workplaces were protected while at the same time demonstrating diligence in managing costs and cash while operating in an environment with severe constraints compared to the past.

Through this period, at Ankleshwar, the Company continued to work with relevant stakeholders to ensure that the issues raised were addressed appropriately and to the satisfaction of the stakeholders. The Company has invested in the infrastructure at the location and continues to deliver on the commitments made to the stakeholders.

Your Company did its best under these circumstances to retain its position in the market. In 2020, though the Company saw a drop of 3.00% in revenue, the Company's profit before tax increased by 25.75%.

Understanding customer's stated & unstated needs and devising solutions to address them, remain the bedrock of Your Company's business philosophy. Therefore, though the past year reprioritized some of the projects, your Company's continuous efforts to build on its technology leadership, a committed team, efficient operations supporting a customer centered approach should position it well in the new & challenging external environment that may emerge post the pandemic.

The Company has reevaluated its strategy to sustain its position in the market, while at the same time identifying new segments for growth.

Segment wise Performance

Electrical Insulation Business

The Electrical Insulation Business comprising of Wire Enamels and Secondary Insulation products account for approximately 87 % of the Company's sales revenue and constitutes the core business of your Company.

- Wire Enamel business primarily caters to Magnet Wire manufacturers, whose end customer base span the Home Appliances, Transformers, automotive and Industrial Segments. Secondary Insulation products like Varnishes find application in Rotating Machines used in Home Appliances, Automotive Components, Industrial Motors, Generators and Transformers apart from the Repair and Refurbishment industry.
- The year had a major impact due to Covid-19 on all the Business segments which your Company participated and the demand was disrupted from end March 2020.
- Volumes of Wire Enamels and Varnishes were impacted due to the lockdown. Several customers were further forced to extend the lockdown due to non-availability of Manpower. While some Customers went into intermittent lockdowns later even after July 2020 period due to Covid -19 cases.

- The Enamelled Aluminum wires imports from China was affected due to Anti-China sentiments during Covid -19 period and the same has increased the local consumption of the specific /lower Class Enamels in India. While the imports started to regularize in the end of the year again later.
- Huber acquisition was beneficial in terms of Synergy. The same also helped your Company to leverage and introduce those products to our Channel partners and new Customers.
- Business experienced a strong recovery in the last quarter, due to its position in the value chain the wire enamel segment saw the earliest recovery with the Company sustaining its market leadership. The Secondary Insulation business especially the retail segment took a longer time to recover to the pre Covid-19 levels. The addition of the Huber volumes helped minimise the lower volume demand due to Covid-19.

At present, the demand Recovery continues and is strong. Company is closely observing the market trend and looking forward for;

- o Automotive Industry to stabilize and grow with BS VI and EV applications
- o Demand in Rotating Machines to continue after the surge and improvement in consumption of energy efficiency Motors
- o Demand and growth of Home Appliances to stabilize
- o Investment and Tenders from Government to start and regularize in the Transformer segment
- o Initiatives taken by the Government on smart cities, promotion of renewal and sustainable energies.

Electronic & Engineering Materials:

Electronic & Engineering Materials business comprises of Electronic & Electrical Compounds (EL), Hardeners and Construction Chemicals (CC) and accounts for approximately 13% of the Company's sales revenue.

The EL Business has specialty products in Electronics, Auto Electricals, Filters & High Voltage Capacitors application, in addition to emerging opportunities in E Mobility. With sustained focus on new product and application development, the Company was working on new offerings in the Electronics domain, the results of which has started to come. While EL as a business your Company catered, had a major impact due to the Covid -19. Your Company has managed to add new Business and Products which were able to mitigate the drop in the business volumes.

The CC Business has products for Industrial Flooring, Exterior Coating, Structural Repairs, Sealants and Adhesives.

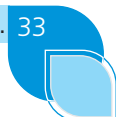
The CC segments too witnessed a significant impact due to Covid -19. CC as an Industry continued with a greater issue in Cash flow and related construction projects slowdown even after other Industries came to Pre-Covid -19 levels. Major RM cost increases also pushed the customers to delay the Flooring Projects in the last quarter of the Year. This had an influence also in your Company's growth. Your Company is in the process of revamping the business from earlier AR issues. Due to the prudent approach taken towards this business, the business and the overall market scenario witnessed a drop of 50% in this segment.

Current year, your Company is confident of growth in the Electronic & Electrical Compounds with its new projects which has been acquired and new Product / customer additions. In case of CC, the Company has started to rebuild the business with caution as the Payment situation in the Construction Industry still remains a challenge.

Overall, the Company continues its strong focus on research, development, Value based solutions & technical support mechanism to ensure complete customer satisfaction in terms of quality, product solution expertise, innovation and service.

Current Future & Outlook

Manufacturing growth in India is generally driven by domestic consumption and investments.



In the current scenario the demand for its products looks positive, though the supply chains have been impacted due to the pandemic.

Following factors are important for the Company in future:

- The recovery of the Indian economy
- Industrial production growth in India; especially due to the Atmanirbhar Bharat focus by the government.
- Global supply chains getting regularized.
- Volatility of raw material prices and supply
- Valuation of Indian Rupee especially with the US Dollar.
- Ability to develop new business in the existing and new markets.

The Company will continue its focus on enhancing its capabilities across all areas in its control and endeavor to continue creating value for its customers while at the same time sustaining its market and financial performance.

Risks, Opportunities and Threats

The capabilities and the skills of organisations were severely tested in the past year due to Covid -19. Your Company was able to leverage its Information Technology, manufacturing, supply chain, technology and financial skills to adapt to the new normal that was brought about by Covid - 19 to deliver products and solutions to all its stakeholders in the markets that it caters as expected from a responsible market player.

The Management of your Company with advise and inputs from your Board of Directors make diligent efforts to anticipate business risk and mitigate it to the best of its ability.

The measures suggested by the Board are implemented and reviewed on a regular basis.

Some of the risks, opportunities and threats as perceived by the Company management at this point of time are mentioned below:

Risks

- Resurgence of Covid-19
- Volatility in market demand
- Regulatory challenges
- Feedstock prices impacting raw material prices
- Currency exchange fluctuations

Opportunities

- Improvement in the industrial production outlook
- Development in e-mobility space
- Rationalization of products post integration of acquired business line
- Opportunities in existing or new lines of business.

Threats

- Imports of Wire Enamels or electrical equipment from other Asian markets.
- Increasing urbanization around manufacturing locations of the Company leading to environmental issues.

Company Performance:

The Accounting treatment of the Company in the preparation of financial statements is in consonance with the Indian Accounting Standards 2015(Ind AS) as amended and there is no deviation in the accounting treatment, different from the said Ind AS.

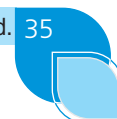
During the year under review, summary of your Company's performance as follows:

- The series of challenging extraneous factors, Covid-19 Pandemic situation, pressure on the rupee, the Company achieved a volume level of 23,181 mts, a 1.7% increase as compared to previous year i.e. 22,914 mts. The Company sales stood at Rs. 38,067 Lakhs for this year as compared to Previous year i.e. 39,255 (decrease of 3.03 % as compared to previous year). The profit before tax stood at Rs. 8,021 Lakhs, representing an increase of 25.75% over previous year 2019.
- Net cash flows from operating activities during the year stood at Rs.7,940 Lakhs as compared to Rs. 4,786 Lakhs during the previous year.

The Net Working Capital, a key performance indicator, improved due to focus on inventory and sales management.

Details of significant changes (i.e. change of 25% or more as compared to the immediately preceding financial year) in Key Financial Ratios along with detailed explanations therefor as required vide part B of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018:

Ratio	2020	2019	Comments
Debtors Turnover	0.18	0.15	-
Inventory Turnover	0.19	0.17	-
Interest Coverage Ratio	368.45	189.78	There was increase in the earning before interest & tax and decrease in interest payment
Current Ratio	5.01	5.11	-
Debt Equity Ratio	0.21	0.19	-
Operating Profit Margin (%)	21.00%	16.30%	Rise in earnings as compared to Y 2019 due to lower material cost and few cost savings in fixed cost due to non - operation in pandemic period
Net Profit Margin (%) or sector specific equivalent ratios, as applicable.	16.10%	12.60%	
details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof	1.10%	-6.70%	-



Internal Financial Controls & their Adequacy

The Company has appointed Mahajan & Aibara as Internal Auditors to oversee and carry out an internal audit of its activities. The audit is based on Internal Audit plan which is reviewed each year in consultation with the Statutory Auditors and Audit Committee. The conduct of the internal audit is oriented towards review of internal controls and risks in the Company's operations such as accounting, finance, procurement, employee engagement, factory operations, travel, its processes etc.

Based on the evaluation, the Audit Committee has concluded that the financial controls of the Company have been adequate and operating effectively.

Technical Management and Infrastructure Development

Continual Improvement has been the major thrust and projects have constantly been taken up as follows:

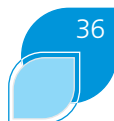
- Technology & knowhow absorption as well as successful implementation of products arising from the successful takeover of Huber's wire enamel business.
- Increased safety of our processes by conducting Safety Audits & Risk Assessments.
- Sustaining and improving the quality levels of the products as seen by lower customer complaints.
- Productivity enhancement while sustaining Quality, Health and Safety Parameters.
- Constantly exploring options to reduce the emissions and effluent discharges.
- Savings in operational costs through various operational improvement programmes including 5S & Lean six sigma.
- Reduction in water consumption and consequently lowering of the effluent discharge.
- 100% above ground industrial effluent discharges at both sites.
- Installation of Roof top ventilators.
- Installation of mixers for the electronic business.
- Optimization of solvent mix compositions.

The Company's leadership in electrical insulation business is a hallmark of its long-valued relationship with its customers. Through our products, we provide technical and technological solutions to the customers manufacturing processes through pre and post technical services. This is done by understanding the technical needs of the customer, as well as by educating the customers on technological upgradations of our products and thereby creating value for them. This support over a period has helped our reputation as consistent and preferred supplier to our satisfied customers.

The Company strives to maintain its leadership position and technological superiority by continuously focusing on operational excellence and cost effectiveness, a fact highlighted by a few examples as mentioned below:

- Understanding the market pulse by close coordination of our Marketing & Technology Department as well as developing and launching new cost-effective products.
- Continuing the business excellence culture across the organization by continuously identifying new projects under "Altana X" a Global programme devised on Lean Six sigma techniques for operational excellence.
- Constantly upgrading of our manufacturing processes through automation, thereby aiding to better productivity and consistency in quality apart from savings in power & fuel.

As usual, benchmarking with our overseas affiliates is undertaken to upgrade and improve our technical capabilities. This is done by regular meetings wherein best practices are shared at various forums formed under the stewardship of ALTANA Group and ELANTAS GmbH, Germany. Outcomes of these forums are utilized for product development, optimizing the production processes as well as safety of our plants and products.



Quality, Environment Management and Occupational Health & Safety

The Company believes in sustainability and inclusive growth has been the overall strategy of the Company. In line with ALTANA directives of being CO2 neutral by 2025, the Company will be focusing on several initiatives.

The Company for many years has been certified to various international standards pertaining to Environment, Health and Safety. The Company is certified to ISO 9001:2015, ISO14001:2015 and ISO 45001:2018. This year in 2020, the surveillance audit was successfully carried out by TÜV NORD at the Manufacturing sites in Ankleshwar & Pimpri as well as Corporate office.

The Company also supports the Quality, Environment and Health & Safety from overall supply chain perspective. One example of this is the introduction of Safety Dialogues where a structured system is followed to identify & correct safety behavior of individuals. Secondly, the Company supports and promotes the implementation of good practices shared by the stakeholders during their visits or formal audits.

The Company rigorously identifies projects for resource conservation and improvement in the work methodologies, that can have an overall impact on the quality, environment and occupational health and safety of the employees. Various projects have been undertaken last year which include automation of new product processes, installation of new environmental monitoring devices such as VOC meters, automated packing machines to reduce the stress and fatigue of workmen.

The Company is committed to maintain its operations and workplace free from incidents and significant risk to the health & safety of its stakeholders through improved engineering practices, channels of communication, safety awareness, robust checking systems and sound training practices. In this connection, the Company has launched initiatives for closer cooperation with Workers through well designed programmes for teamwork. This has resulted in closer cooperation as well as solving of various issues.

In Y2019, GPCB had imposed a closure of our Ankleshwar site for a month for alleged contamination. As a consequence, the Company is actively working with GPCB to enhance the site facilities to a high standard. Examples are, raising all underground industrial effluent piping & treatment tanks to relocate them above ground as well as several other measures at both the sites.

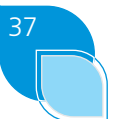
Research & Development

The Company has continued to focus on developing capabilities in new and different areas such as continuous product development and process upgradation. New and continuing efforts have been focused in these areas and for growth into new markets. For instance, a new Thermal Constant Analyzer instrument has been procured this past year to increase our ability to develop new products for thermal interface materials in the growing electronics market.

The Company's active participation in ALTANA's global R&D initiatives also allows it to have ready access to recent technological developments in the processing, application and end use of insulation products. The participation of the Company has been growing this previous year, with two new projects led by the Company gaining approval by the Technical Steering Committee for study under the global R&D structure.

The Market Technology & Development Department (MTD) developmental activity in EL business is showing enhanced responsiveness, with a variety of products developed in the last year for automotive, electrical and electronics market segment. Strengthened the product base and customer base through addressing new opportunities arising out of the recent upgradation from BS4 to BS6 in the automotive industry.

The Research and MTD teams are engaged in a wide range of activities aimed at maintaining a technological edge, providing effective solutions to the customers, improving internal productivity through process improvements and by using alternative raw materials.



Human Resource/ Industrial Relations

These are unprecedented and uncertain times that we are living in today. The world hasn't faced a health crisis of this magnitude. Globally, the Covid-19 pandemic has caused massive disruptions across every sphere of human and business activity. There has been an adverse economic impact on people, communities and countries. It is essential to have quality health of our employees and their loved ones.

Company's approach has always been to keep employees safe and healthy. This situation demanded us to be more resolute, resilient and keen to rebound.

During the year, we focused on acceptance of change & Collaboration through Uddolana, different virtual engagement initiatives for continuous communication with employees through Virtual town hall, teleconferences, mails etc. The Company continued to explore opportunities for sustaining its learning programs using virtual tools and leveraging internal subject matter experts to deliver the same.

We see huge changes as we look at the 'new normal' and we continue to work on the same, so that we are able to sustain our core values and ensure that we take the Company to a different success path.

The Industrial relations were peaceful and harmonious throughout the year. As on the date, the number of employees on roll is 181.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be interpreted as "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to Company's operations include economic conditions affecting demand / supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes.

For and on behalf of the Board

**Regd. Office: 147, Mumbai-Pune Road,
Pimpri, Pune 411018**

Suresh Talwar

Director

Place : Mumbai

Date : February 23, 2021

Srikumar Ramakrishnan

Managing Director

Place : Pune

Date : February 23, 2021

Report on Corporate Governance

1. ELANTAS Beck's philosophy on Corporate Governance :

At ELANTAS Beck, the goal of Corporate Governance is to ensure fairness to every stakeholder. Company believes that sound Corporate Governance is important in order to enhance stakeholder's trust. Company also believes that timely compliances with the requirements of the applicable regulations, including the Companies Act, 2013 (the Act) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are ways and means for attaining this trust.

Company's governance framework is based on its effective independent Board, separation of Board's supervisory role from the executive management team and constitution of the Committees of Board, as required under law. It's Board is constituted in compliance with the provisions of the Act and Listing Regulations as amended, as applicable. The Board functions either directly or through various Committees constituted to oversee specific operational areas. "Corporate Governance" pertains to framework of rules, systems and processes within and by which authority is exercised and controlled within the Company.

The Compliance Report on Corporate Governance herein signifies, amongst others, adherence by the Company of all the mandatory requirements of Regulation 34 (3) and Schedule V of the Listing Regulations.

2. Board of Directors (Board)

(a) Composition and functioning:

The Composition of the Board of your Company is a fair mix of eminent Executive, Non-Executive, and Independent Directors, which is appropriate for the size and operations of your Company and is compliant with the applicable rules and guidelines.

The Board comprises of eight Directors. Mr. Srikumar Ramakrishnan is Managing Director of the Company. Mr. Milind Talathi is Whole-time Director of the Company. Mr. Martin Babilas, Mr. Stefan Genten (acting as alternate Director to Mr. Martin Babilas) and Dr. Guido Forstbach are Non-Executive Directors. Mr. Suresh Talwar, Mr. Ravindra Kulkarni and Mr. Ranjal Laxmana Shenoy are Non-Executive Independent Directors. Mrs. Kishori Udeshi is a Non- Executive Independent Woman Director. The Chairman Mr. Martin Babilas is a Non-Executive Director.

As on the date of this report, all Directors of the Company meet the criteria of maximum number of Directorship(s), Committee Membership(s)/ Chairmanship(s) as laid down in the Act and Listing Regulations.

The Managing Director is involved in the day-to-day management of the Company, while the Non-Executive Directors bring in the external perspective and provide valuable guidance to the management on various aspects of business, policy direction, governance, compliance etc. and independence in decision making.

During the Financial Year ended 31 December 2020 four Board Meetings were held i.e. on 25 February, 5 May, 28 July and 3 November.

This year, due to Covid -19 outbreak and consequent lockdowns, majority of the Meetings were held on Video-Conferencing platform to facilitate Directors residing at other locations to participate in the Meeting.

The names and categories of the Directors on the Board, their attendance at the Board Meeting and at the Annual General Meeting (AGM) held during the year and the number of Directorships and Committee Chairpersonships / Memberships held by them in other Companies as on 31 December 2020 are given below:

Sr. No.	Name of Director	Nature of Directorship	No. of Board Meetings attended	Attendance at the AGM held on 21 July 2020	Directorship in other Companies	No. of Committee positions held in other public Companies #	
						As Chairperson	As Member
1	Mr. Martin Babilas [DIN: 00428631]	NED	1	No	No	-	-
2	Dr. Guido Forstbach [DIN: 00427508]	NED	2	No	No	-	-
3	Mr. Suresh Talwar [DIN: 00001456]	ID	4	Yes	2	2	2
4	Mr. Ravindra Kulkarni [DIN: 00059367]	ID	4	Yes	2	-	2
5	Mr. Ranjal Laxmana Shenoy [DIN: 00074761]	ID	4	Yes	3	3	5
6	Mrs. Kishori Udeshi [DIN: 01344073]	ID	4	Yes	7	2	7
7	Mr. Srikumar Ramakrishnan [DIN: 07685069]	MD	4	Yes	No	-	-
8	Mr. Milind Talathi [DIN: 07321958]	WTD	4	Yes	No	-	-
9	Mr. Stefan Genten [DIN: 07350813]	AD	1	No	No	-	-

{NED -Non –Executive Director, MD – Managing Director, WTD – Whole Time Director, ID – Independent Director, AD – Alternate Director}

For the purpose of reckoning the limit, Memberships of Audit Committee and Stakeholders' Relationship Committee in Public Companies excluding ELANTAS Beck India Limited has been considered.

Note:

- No Director serves as an Independent Director in more than seven listed Companies.
- Directorships in Foreign Companies, Private Limited Companies and Section 8 Companies are excluded in the above table.
- None of the Independent Directors is Whole-Time Director in any other Company.
- None of the Directors holds equity shares or convertible instruments in the Company.
- The Directors of the Company are not inter-se related.

b) Following are the details of Directorship in other Listed Entities

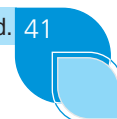
Sr No.	Name of the Director	Name of the listed entities and category of Directorship
1	Mr. Martin Babilas	NIL
2	Dr. Guido Forstbach	NIL
3	Mr. Stefan Genten	NIL
4	Mr. Suresh Talwar	Procter & Gamble Health Limited - Independent Director
5	Mrs. Kishori Udeshi	1) Haldyn Glass Limited - Independent Director 2) ION Exchange (India) Limited - Independent Director 3) Sriram Transport Finance Co. Limited. - Independent Director 4) Thomas Cook (India) Limited - Independent Director
6.	Mr. Ravindra Kulkarni	1) Entertainment Network (India) Limited - Independent Director
7	Mr. Ranjal L. Shenoy	1) Alkem Laboratories Limited - Independent Director 2) Sunshield Chemicals Limited - Independent Director
8	Mr. Srikumar Ramakrishnan	NIL
9	Mr. Milind Talathi	NIL

c) Core skills/ expertise/ Competencies of Board of Directors:

The Board of Directors of your Company consists of eminent personalities from varied disciplines / skills such as in depth experience in all facets of Chemical industry which the Board has identified and which the Board possesses, such as, global business, management, risk assessment and mitigation, governance, manufacturing & supply chain, finance & treasury, human capital, information technology and legal and commercial aspects specifically applicable to chemical industry as well as an effective stakeholder engagement.

The table below expresses the specific areas of focus or expertise of individual Board members. However, absence of a tick mark does not necessarily mean the member does not possess the corresponding skills/ expertise.

	Legal and commercial	Global business	management	risk assessment and mitigation	governance	manufacturing & supply chain	finance & treasury	human capital	information technology	Stakeholder engagement
Mr. Martin Babilas		✓	✓			✓	✓	✓		
Dr. Guido Forstbach		✓	✓	✓			✓	✓		
Mr. Stefan Genten		✓	✓	✓	✓	✓	✓	✓		
Mr. Suresh Talwar	✓				✓					✓
Mrs. Kishori Udeshi	✓				✓		✓			✓
Mr. Ravindra Kulkarni	✓			✓	✓					✓
Mr. Ranjal L. Shenoy	✓		✓	✓	✓	✓				✓
Mr. Srikumar Ramakrishnan		✓	✓	✓		✓		✓	✓	✓
Mr. Milind Talathi			✓	✓		✓			✓	✓



d) Independent Directors:

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

Evaluation of Independent Directors is done by the Board and indicative list of factors on which evaluation was carried out, included participation & contribution by the Directors, commitment, effective deployment of knowledge & expertise, integrity and independent judgement. During the year 2020 there was no change in the constitution of Independent Directors.

e) Remuneration Policy:

Within the overall limits fixed by the Members in a General Meeting, the Nomination & Remuneration Committee recommends the criteria for remuneration of Executive and Non-Executive Directors. Also the Nomination and Remuneration Committee recommends the criterion of remuneration of Key Managerial Personnel. Remuneration comprises of basic salary, perquisites and performance-based incentive, which is decided annually by the Board after taking into consideration the Company's performance against financial targets and non-financial objectives as well as the performance of the individual concerned against objectives agreed upon during the course of the year.

The remuneration levels are governed by industry pattern, qualifications and experience of the employee, responsibilities shouldered, individual performance and Company performance. The objectives of the remuneration policy are to motivate employees to excel, recognize and reward merit and retain talent within the organization.

Details of remuneration of Executive Directors for the year ended 31 December 2020:

(Rs. In lakhs)

Name and Designation	Salary	Perquisites (Benefits)	Performance Linked Incentive	Retirement Benefits P.F. & Superannuation	Total	Term of Appointment
Mr. Srikumar Ramakrishnan (Managing Director)	110.32	19.95	65.24	7.50	203.01	Appointed for 3 years w.e.f. 01 August 2019
Mr. Milind Talathi (Whole Time Director)	58.32	2.45	23.11	7.50	91.38	Appointed for 3 years from 23 February 2016 further appointed for 3 years from 27 February 2018. Approval of the Members is sought for re-appointment from 27 February 2021 till 26 February 2023.
Total	168.64	22.40	88.35	15.00	294.39	

Notes:

- (1) The above excludes accrual for employee benefits viz. Gratuity & leave encashment.
- (2) The Company does not have a Stock Option Scheme.

Remuneration of Non-Executive Independent Directors comprises of sitting fees for attending Board and Committee Meetings and commission based on their overall engagement & contribution to the Company's business and also based on the net profits of the Company. As approved by the Members, commission is limited to 1% of the net profits of the Company. All expenses incurred by such Directors for attending the Meetings are reimbursed by the Company.

Details of remuneration of Non-Executive Directors for the year ended 31 December 2020 :

Name	Sitting fees (Rs.)	Commission (Rs.)
Mr. Suresh Talwar	4,50,000	4,80,000
Mr. Ravindra Kulkarni	4,50,000	4,80,000
Mr. Ranjal Laxmana Shenoy	4,65,000	4,80,000
Mrs. Kishori Udeshi	2,30,000	4,80,000
Total	15,95,000	19,20,000

f) Policy for selection and appointment of Directors and their remuneration.

The Nomination & Remuneration Committee has adopted a policy which inter alia deals with the manner of selection of the Board of Directors i.e. the Executive and Non-Executive Directors, Managing Director and their remuneration. The Remuneration Policy is also hosted on the website of the Company at <http://www.elantas.com/beck-india>.

g) Familiarization Program:

The Company has got an induction program by which the Independent Directors are familiarized of their roles, rights, and responsibilities in the Company, the code of conduct to be adhered to, nature of industry in which the Company operates, business model, structure of the management team etc.

The Board Members are regularly updated on changes in Corporate and allied laws, Taxation laws & matters thereto. In the quarterly Board Meetings, Managing Director and Senior Management conduct a session for the Board Members sharing updates about the Company's business strategy, operations and the key trends in the industry relevant for the Company. These updates help the Board Members to keep themselves abreast with the key changes and their impact on the Company.

The details of such familiarization program have been disclosed on the Company website <http://www.elantas.com/beck-india>.

3. Board Committees:

The Board is responsible for constituting, assigning and co-opting the Members of the following Committees.

(a) Audit Committee:

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Act, read with Regulation 18 of the Listing Regulations.

During the financial year ended 31 December 2020, four Audit Committee Meetings were held i.e. on 25 February, 5 May, 28 July and 3 November.

The Audit Committee comprises of Mr. Ravindra Kulkarni (Chairman /Independent Director), Dr. Guido Forstbach (Director), Mr. Suresh Talwar (Independent Director) and Mr. Ranjal Laxmana Shenoy (Independent Director). All the four Members of the Audit Committee are Non-Executive Directors, two third of the Members being independent, Chairman of the Audit Committee is an Independent Director thus satisfying the conditions on the composition of the Audit Committee mandated by the Listing Regulations.

All the Members of the Audit Committee are financially literate with some having accounting or related financial management expertise.

The Managing Director, CFO & VP – IT & Procurement, representatives of the Statutory Auditors and Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

The Audit Committee ensures that the internal controls within the Company and financial reporting processes are robust. It regularly reviews the Financial Statements on a quarterly and yearly basis and periodically meets to review and discuss, inter-alia, related matters and terms of reference as follows:

- 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.
- recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
 - b. changes, if any, in accounting policies and practices and reasons for the same.
 - c. major accounting entries involving estimates based on the exercise of judgment by management.
 - d. significant adjustments made in the financial statements arising out of audit findings.
 - e. compliance with listing and other legal requirements relating to financial statements.
 - f. disclosure of any related party transactions.
 - g. modified opinion in the draft Audit Report.
- reviewing, with the management, the quarterly/ annual financial statements before submission to the Board for approval.
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- valuation of undertakings or assets of the Company, wherever necessary.
- evaluation of internal financial controls and risk management systems.
- reviewing, with the management, performance of Statutory and Internal Auditors and adequacy of the internal control systems.
- reviewing 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.
- discussion with Internal Auditors of any significant findings and follow up thereon.
- reviewing 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.
- discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- investigating any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- reviewing, 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- looking 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.
- reviewing the functioning of the Whistle Blower Mechanism.
- approval of 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.
- reviewing reports of Statutory Auditors, Internal Auditors, Cost Auditors and Secretarial Auditors.
- status report of 'Actions taken' on the findings and recommendations of the Internal Auditors, agreed and accepted by the Management.
- compliance with regulatory guidelines.
- carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the above, the Audit Committee also mandatorily reviews the following information:

- Management Discussion and Analysis of financial condition and results of operations.
- statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- management letters / letters of internal weaknesses issued by the Statutory Auditors.
- report of Internal Auditors report concerning internal control weaknesses.

The Audit Committee is at liberty to meet the operating management in order to review the operations of the Company. The minutes of the Audit Committee Meetings are circulated to the Board, discussed and taken note of.

The Members attended the Meetings as follows:

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ravindra Kulkarni	4	4
Dr. Guido Forstbach	4	2
Mr. Suresh Talwar	4	4
Mr. Ranjal Laxmana Shenoy	4	4

(b) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee (SRC) of the Board of Directors meets the criteria laid down under Section 178 of the Act, read with Regulation 20 of the Listing Regulations.

SRC comprises of Mr. Ranjal Laxmana Shenoy (Non-Executive-Independent Director), Mr. Srikumar Ramakrishnan (Managing Director), Mr. Milind Talathi (Whole-time Director) and Mr. Abhijit Tikekar (Company Secretary).

SRC is headed by Mr. Ranjal Laxmana Shenoy.

Mr. Abhijit Tikekar, Company Secretary is designated as the Compliance Officer w.e.f. 31 October 2018.

During the year ended 31 December 2020, one Meeting of SRC was held on 3 November 2020. As of 31 December 2020, there were no unresolved investor complaints.

The Members attended the SRC Meetings as follows:

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ranjal Laxmana Shenoy	1	1
Mr. Srikumar Ramakrishnan	1	1
Mr. Milind Talathi	1	1
Mr. Abhijit Tikekar	1	1

The status of shareholder complaints received and resolved during the financial year 2020 is as under

Number of Investor Complaints pending as on 31 December 2019	0
Number of Investor Complaints received during the period 1 January 2020 to 31 December 2020	0
Number of Investor Complaints resolved to the satisfaction of shareholders during the period 1 January 2020 to 31 December 2020	0
Number of Investor Complaints pending as on 31 December 2020	0

Terms of Reference of the Stakeholders' Relationship Committee

- to oversee the performance and service standards adhered to by the Registrar & Share Transfer Agents and recommend measures to improve investor services.
- to resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, General Meetings etc.
- to review of measures taken for effective exercise of voting rights by shareholders.
- to review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(c) Share Transfer Committee

The Share Transfer Committee comprises of Mr. Ranjal Laxmana Shenoy (Non-Executive- Independent Director), Mr. Srikumar Ramakrishnan (Managing Director), Mr. Milind Talathi (Whole-time Director) and Mr. Abhijit Tikekar (Company Secretary).

During the year ended 31 December 2020, two Meetings of Share Transfer Committee were held on 19 June 2020 and 28 December 2020 to inter alia approve transfer of shares to IEPF on which the dividend had remained unclaimed for 7 consecutive years and approving change in the name of shareholder due to marriage.

The Members attended the Share Transfer Committee Meetings as follows:

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ranjal Laxmana Shenoy	2	0
Mr. Srikumar Ramakrishnan	2	0
Mr. Milind Talathi	2	2
Mr. Abhijit Tikekar	2	2

The Share Transfer Committee of the Company normally meets at fortnightly intervals for approval of share transfers, received if any, and other related matters. As on 31 December, 2020, no request for transfer of shares was pending.

(d) Committee for issue of duplicate share certificates

The Board has constituted a Special Committee for the purpose of issuance of duplicate share certificates. The Committee comprises of Mr. Ranjal Laxmana Shenoy (Non-Executive Independent Director), Mr. Srikumar Ramakrishnan (Managing Director), and Mr. Milind Talathi (Whole Time Director). Mr. Abhijit Tikekar, acts as the Secretary to implement the decisions of the Committee.

During the year ended 31 December 2020, Three Meetings of Committee for issue of duplicate share certificates were held on 11 February 2020, 19 June 2020 and 23 November 2020 .

The Members attended the Meeting of Committee for issue of Duplicate Share Certificate as follows:

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ranjal Laxmana Shenoy	3	0
Mr. Srikumar Ramakrishnan	3	2
Mr. Milind Talathi	3	3
Mr. Abhijit Tikekar	3	3

Scope:

- to look into the requests received for issue of duplicate share certificates on account of loss/mutilated certificates etc. and ensure the compliance of regulatory requirements for such issuance.
- to issue share certificates upon consolidation or sub-division of shares of the Company.

(e) Nomination & Remuneration Committee

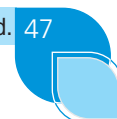
The Nomination & Remuneration Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013, read with Regulation 19 of the Listing Regulations. As on 31 December 2020, the Nomination & Remuneration Committee of the Company comprises of four Non-Executive Directors namely Mr. Suresh Talwar (Non-Executive Independent Director, Chairman of the Committee), Mr. Ravindra Kulkarni (Non – Executive Independent Director), Mr. Ranjal Laxmana Shenoy (Non – Executive Independent Director) and Dr. Guido Forstbach (Non – Executive Director).

One Meeting of the Committee was held during the year on 25 February 2020.

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Suresh Talwar	1	1
Mr. Ravindra Kulkarni	1	1
Mr. Ranjal Laxmana Shenoy	1	1
Dr. Guido Forstbach	1	1

The Nomination & Remuneration Committee has the following objectives:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Recommending to the Board on the basis of criteria laid down in the Policy, all remuneration, in whatever form, payable to Directors & Senior Management.



- Whether to extend or continue the term of appointment of the Independent Director, on the basis of report of performance evaluation of Independent Directors.

(f) Risk Management Committee

The Board has constituted a Risk Management Committee comprising Mr. Srikumar Ramakrishnan (Managing Director), Mr. Ranjal Laxmana Shenoy (Non-Executive Independent Director), Dr. Guido Forstbach (Non-Executive Director), Mr. Milind Talathi (WholeTime Director) and Mr. Sanjay Kulkarni (CFO,VP- IT & Procurement). During the year, one Meeting of Risk Management Committee was held on 03 November 2020 which was attended by the Members as follows:

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ranjal Laxmana Shenoy	1	1
Dr. Guido Forstbach	1	0
Mr. Srikumar Ramakrishnan	1	1
Mr. Milind Talathi	1	1
Mr. Sanjay Kulkarni	1	0

The Risk Management Committee meets the criteria laid down under Regulation 21 of Listing Regulations.

The Company has a robust Business Risk Management framework to identify, evaluate business risks and opportunities. The framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The Risk Management Committee also deals with the matters with respect to Cyber Security.

The Company has in place a comprehensive Enterprise Risk Management Manual which contains an in-depth evaluation and assessment of the adequacy of its risk management systems in various areas of risks. The Manual identifies risks, its likelihood, impact and mitigation methods. It undergoes up-dation and modification depending on the changes in business and market conditions. The job of the Committee is to review risks on a periodical basis. The Company also has in place Risk Management Policy.

(g) Corporate Social Responsibility Committee

The Board has constituted a Corporate Social Responsibility Committee consisting of two Non-Executive Independent Directors viz. Mr. Ranjal Laxmana Shenoy & Mrs. Kishori Udeshi and one Executive Director viz, Mr. Srikumar Ramakrishnan, Managing Director.

A Corporate Social Responsibility Policy is hosted on the website of the Company at <http://www.elantas.com/beck-india>.

One Meeting of the Committee was held on 03 November 2020 during the year, which was attended by all the Members as follows;

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ranjal Laxmana Shenoy	1	1
Mrs. Kishori Udeshi	1	1
Mr. Srikumar Ramakrishnan	1	1

4. Other Information:

(a) Code of Conduct and Code for prevention of Insider Trading:

The Company has laid down a Code of Conduct for all Directors and Senior Management, which is posted on the Company's website <http://www.elantas.com/beck-india>. All Directors and Senior Management personnel have affirmed their compliance with the said Code. A declaration signed by the Managing Director to this effect is appended at the end of this Report.

As per SEBI (Prohibition of Insider Trading) Regulations 2015, (as amended from time to time) the Company has adopted Code of conduct for Fair Disclosures of Un-published Price Sensitive Information and Regulating Monitoring and Reporting of Trading by Designated Persons to deter the insider trading in the securities of the Company based on the Un-published Price Sensitive Information.

The trading window is closed during the time of declaration of results and occurrence of any material event as per the Code for such duration as may be decided by the Compliance Officer. In line with the amendments introduced by SEBI in the Insider Trading Regulations vide notification no. SEBI/LAD-NRO/GN/2020/23, the Code was amended suitably to align it with the amendments which were effective 17 July 2020. The Board of Directors has appointed Mr. Abhijit Tikekar, Head Legal & Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the Code for trading in Company's securities. During the year under review there has been due compliance with the Insider Trading Regulations, as amended.

(b) CEO/CFO Certificate

A certificate from the Managing Director and CFO, VP - IT and Procurement, on the integrity of the financial statements and other matters of the Company for the financial year ended 31 December 2020, annexed and forms part of the Annual Report, was placed before the Board at its Meeting held on 23 February 2021.

(c) General Body Meetings:

(i) Location & time of Annual General Meetings :

Financial Year ended	Date	Time	Place	Special Resolutions passed
31 December 2017	10 May 2018	2.30 pm.	Hall No.4, 'A' Wing, 5th Floor, MCCA Trade Tower, ICC Complex, Senapati Bapat Road, Pune - 411016.	Payment of remuneration by way of Commission to the Non-Executive Directors.
31 December 2018	7 May 2019	2.30 pm.		Nil
31 December 2019*	21 July 2020	11.30 am.	Through Video Conference (VC)/ Other Audio Visual Means (OAVM) on NSDL platform.	Nil

* Due to Covid -19 pandemic, Annual General Meeting of the Company was held through VC/OAVM as per the circulars issued by the Ministry of Corporate Affairs.

(ii) All Resolutions moved at the Annual General Meetings were passed by the requisite majority of Members who attended the Meetings.

(d) Postal Ballot

During the year under review, one Special Resolution was passed with requisite majority through Ballot on 20 May 2020 as follows:

Description of Resolution	Type of Resolution	No of Votes Polled	Votes cast in favor		Votes cast against	
			No. of Votes	%	No. of Votes	%
Approval for continuation of Directorship of Mr. Ravindra Kulkarni (DIN 00059367), as Non-Executive Independent Director of the Company after attainment of the age of 75 years on 23 May 2020 during the current term of his office	Special Resolution	62,31,427	62,30,444	99.9842	983	0.0158%

The Company approached the Members through Ballot (through e-voting only) results of which were declared on 20 May 2020. In compliance with provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 and in the light of the General Circular Nos. 14/2020 and 17/2020 dated 8 April 2020 and 13 April 2020 respectively, issued by the Ministry of Corporate Affairs , the Notice was sent via e-mail to the Members whose names along with Email IDs appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 17 April 2020 and available in the records of the Company's Registrar and Share Transfer Agents (in case of physical shareholding) as on that date. The said Members were considered eligible for the purposes of electronic voting. The Company also published the notice in the newspaper(s) declaring the details and requirements as mandated by the Act and applicable rules.

The details of the Ballot through E –Voting are as follows:

Date of Ballot Notice : **15 April 2020** Voting Period : **21 April 2020 to 20 May 2020**

Date of Approval: **20 May 2020** Date of Declaration of Results: **20 May 2020**

Conducted by: **Prajot Tungare, Partner Prajot Tungare & Associates, Practising Company Secretaries, Pune as the Scrutinizer**

(e) Disclosures:

- In terms of the requirements of Accounting Standard (INDAS) 24 on Related Party Disclosures issued by the Companies Indian Accounting Standards 2015, transactions with related parties have been adequately disclosed in Note No. 36 in Notes to accounts forming part of the Balance Sheet as at 31 December 2020. There were no transactions of material nature with the Directors or the Management or relatives during the year that might have potential conflict with the interests of the Company.
- No strictures, penalties have been imposed on the Company by the Stock Exchange or by the Securities Exchange Board of India or any other statutory authority on any matters related to capital markets during the last three years.
- No personnel has been denied the access to the Audit Committee.
- The Company has been complying with the mandatory and discretionary requirements under part E of Schedule II of Listing Regulations.
- The Company complies with the requirements of corporate governance as specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- The Company requires its Officers and Employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. For this purpose the Board of Directors of the Company has adopted "Whistle Blower Policy" to encourage and enable employees and volunteers of the Company to report any action or suspected action taken within the Company that is illegal, fraudulent or in violation of any adopted policy and to build and strengthen a culture of transparency and trust within the organization. The person making a report of the violation can keep his/her identity anonymous and choose to submit the violation report on a confidential basis. If an individual reasonably believes that a violation has occurred, the individual is encouraged to share his or her questions, concerns, suggestion or complaints to person designated by the Company. Specific telephone number and email ID is mentioned in the Whistle Blower Policy. In addition to the above, under exceptional circumstances a complainant can complain directly to the Chairman of the Audit Committee. No personnel of the Company has been denied access to either the Designated Person or to the Audit Committee. The Whistle Blower Policy has been placed on the Company's website and can be accessed through <http://www.elantas.com/beck-india/financials/compliance-with-corporate-governance.html>
- The Board has accepted all the recommendations of Committees of the Board during the year under review.

- Web link of Related Party Transactions policy :<http://www.elantas.com/beck-india/financials/compliance-with-corporate-governance.html>
- A certificate has been received from Prajot Tungare and Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority which is annexed to this report.

(f) Discretionary requirements under Regulation 27 read with Part E of Schedule II of Listing Regulations

Status relating to following specific requirements:

- **Maintenance of office for Non-Executive Chairman :** Because of the very good communication facilities it was felt that separate Chairman's office would not be essential.
- **Shareholders' Rights :** Half yearly and quarterly financial results are forwarded to the Stock exchanges and also uploaded on the Company's website and published in news papers.
- **Modified opinion(s) in Audit Report :** During the year under review, there was no modified opinion in the Auditors' Report on the Company's financial statements.
- **Reporting of the Internal Auditors :** The Internal Auditors attend the Audit Committee Meetings and submit their Report to the Audit Committee with details and actions to be taken.
- **Total fees for all services paid by the Company to the statutory auditors Price Waterhouse Chartered Accountants LLP, Chartered Accountants is as follows:**

Auditors Remuneration (exclusive of GST):

The remuneration paid to statutory auditors of the Company during the year ended 31 December 2020, is Rs. 40,00,000/- (forty lakhs only).

(g) Sexual Harassment Complaints:

There is none. For disclosure in relation to complaints of Sexual Harassment please refer page no. 8 of this Report.

(h) Independent Directors' Meeting was held on 23 February 2021.

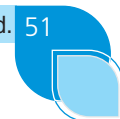
(i) Means of Communication:

The Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the on-line portal of the Stock Exchanges, press releases, the Annual Reports and uploading relevant information on its website.

a. Financial Results and Statements:

The unaudited quarterly results are announced within forty-five days from the end of the quarter. The audited annual results are announced within sixty days from the closure of financial year as required under Listing Regulations. The aforesaid financial results are communicated to the Stock Exchange within thirty minutes from the close of the Board Meeting at which these were considered and approved. The results are generally published in Free Press Journal (English edition in Mumbai) and Loksatta (Marathi edition in Pune) & Navashakti (Marathi edition in Mumbai), which is a regional (Marathi) daily newspaper. The audited financial statements form part of the Annual Report which is sent to the Members within the statutory period and well in advance of the AGM.

The Annual Report of the Company, the quarterly / half yearly and the yearly financial results and the yearly financial statements and the press releases of the Company are also disseminated on the Company's website <http://www.elantas.com/beck-india> and can be downloaded and also informed to the Stock Exchange.



b. Presentations, Press Releases:

The presentations on the performance of the Company and press releases are placed on the Company's website immediately after these are communicated to the Stock Exchange for the benefit of the Institutional Investors and analysts and other shareholders.

c. Material Information:

The Company discloses to the Stock Exchange, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations including material information having a bearing on the performance / operations of the listed entity or other price sensitive information. This information is also available on the website of the Company.

d. Online filing:

All information is filed electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre).

e. SCORES:

Facility has been provided by SEBI for investors to place their complaints / grievances on a centralized web-based complaints redressal system viz. SEBI Complaints Redress System (SCORES). The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

5. General Shareholders' Information:

(a) Company Registration details:

The Company is registered in the State of Maharashtra, India, under the jurisdiction of Registrar of Companies, Pune. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24222PN1956PLC134746.

(b) 65th Annual General Meeting:

Day, Date & Time	Tuesday, 4 May 2021 at 10.00 a.m.
Place	Through Video Conference
Dates of Book Closure	From Wednesday 28 April 2021 to Tuesday 4 May 2021 (both days inclusive).
Dividend payment date	On or before Tuesday, 1 June, 2021 if declared in the Annual General Meeting on 4 May 2021, within the stipulated statutory period.

(c) Unclaimed dividends

i) Pursuant to Sections 124 and 125 of the Act 2013, all unclaimed/unpaid dividend/s remaining unclaimed/unpaid for a period of seven years from the date it becomes due for payment, has to be transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government.

Furthermore, the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 mandate companies to transfer such shares on which dividends remain unpaid / unclaimed for a period of 7 consecutive years to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of the Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

ii) Following table gives information relating to outstanding dividend amount and date when it becomes due for transfer to IEPF.

Financial Year	Dividend declaration date	Unclaimed/unpaid dividend as on 31.12.2020	Proposed date for transfer to IEPF
2013	06.05.2014	Rs. 27,31,630.00	04.07.2021
2014	06.05.2015	Rs. 2,52,040.50	04.07.2022
2015	03.06.2016	Rs. 2,98,840.00	03.08.2023
2016	10.05.2017	Rs. 2,83,239.00	08.07.2024
2017	10.05.2018	Rs. 1,92,775.50	10.07.2025
2018	07.05.2019	Rs. 1,88,901.00	10.07.2026
2019	21.07.2020	Rs. 2,11,996.00	25.09.2027

*This amount may undergo change in case of any claims received / processed by the Company after 31.12.2020.
 ** Indicative date and actual date may vary.

iii) In case of non-receipt/ non-encashment of dividend warrants pertaining to the above dividend payment date and thereafter, Members are requested to correspond with the Company.

(d) Company's financial year: 01 January to 31 December

(e) Listing on Stock Exchanges:

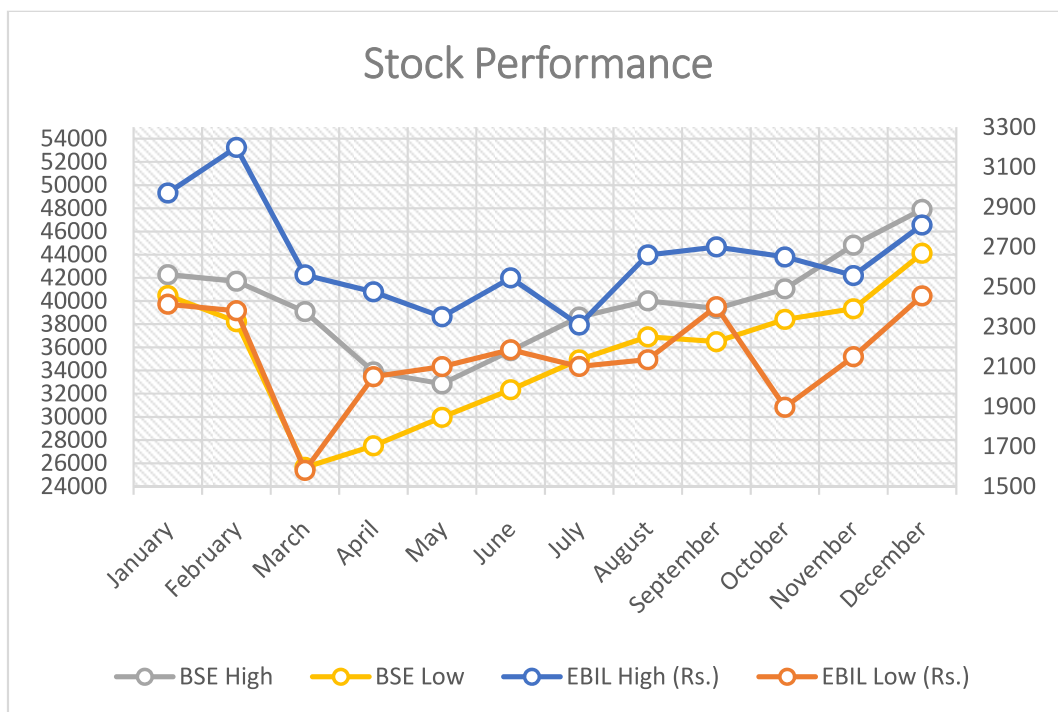
The Company's shares are listed on BSE Ltd. The Company has paid the listing fees for the period 01 April 2020 to 31 March 2021.

Stock Code: BSE – 500123. ISIN Number for NSDL & CDSL - INE 280B01018

(f) Stock Performance:

The monthly High / Low of the equity shares of the Company:

Year 2020	Price of Equity Shares of the Company		Sensex	
	High (Rs.)	Low (Rs.)	High	Low
January	2970.00	2413.10	42273.87	40476.55
February	3199.00	2380.00	41709.30	38219.97
March	2560.00	1580.00	39083.17	25638.90
April	2475.00	2050.00	33887.25	27500.79
May	2349.95	2100.00	32845.48	29968.45
June	2545.00	2185.00	35706.55	32348.10
July	2309.00	2101.00	38617.03	34927.20
August	2660.00	2135.00	40010.17	36911.23
September	2700.00	2401.00	39359.51	36495.98
October	2650.00	1897.00	41048.05	38410.20
November	2556.80	2150.00	44825.37	39334.92
December	2810.00	2455.00	47896.90	44118.10



(g) Share Transfer System:

The share transfers received in physical form are processed by the Registrar and Transfer Agents and approved by the Share Transfer Committee of the Company which usually meets depending upon the volume of transfers. The share certificates are returned to the Member/s within the stipulated period, subject to the documents being valid and complete in all respects. The details of transfer/ transmission of shares of the Company so approved are placed at every Board Meeting.

(h) Registrars and Share Transfer Agents:

Link Intime India Pvt. Ltd. is the Share Transfer Agents (STA) of the Company who are having their office at Pune. The STA also handles transactions of shares in electronic form as depository interface for the Company.

(i) Dematerialization:

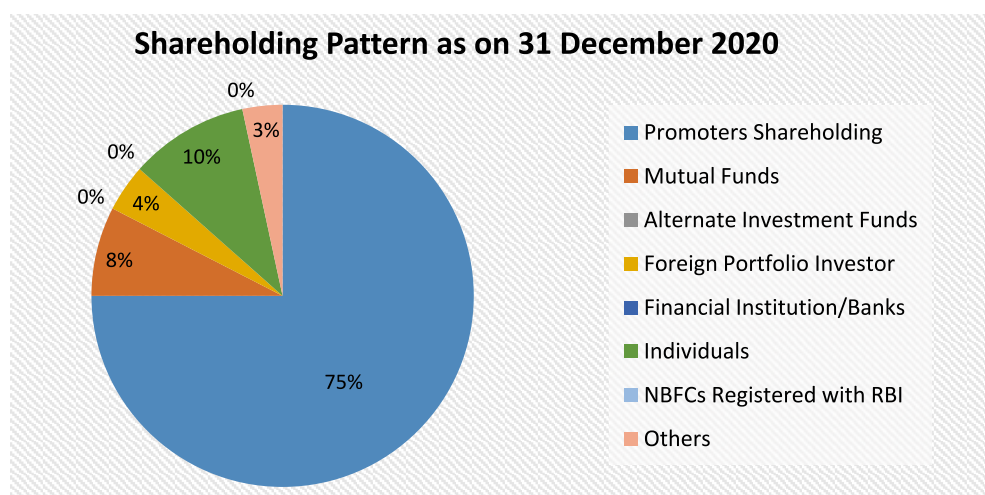
As of 31 December 2020, 78,51,111 shares i.e. 99.03% of the Company’s total issued, subscribed and paid-up capital were held in dematerialized form.

(j) Distribution of Shareholding as of 31 December 2020 :

Shareholding of Nominal Value (Rs. In INR)	No. of shareholders	No. of shares	% to total
1 to 5000	7,045	4,55,421	5.75
5001 to 10000	123	95,471	1.20
10001 to 20000	65	97,341	1.23
20001 to 30000	16	41,190	0.52
30001 to 40000	6	22,019	0.28
40001 to 50000	4	17,761	0.22
50001 to 100000	13	87,959	1.11
100001 and above	18	71,10,520	89.69
Total:	7,290	79,27,682	100.00

(k) Shareholding Pattern as on 31 December, 2020

Class of Shareholder	No. of shares	% to total
Promoters Shareholding	59,45,761	75.00%
Public Shareholding		
Mutual Funds	5,98,855	7.55%
Alternate Investment Funds	-	-
Foreign Portfolio Investor	3,16,580	4.00%
Financial Institutions / Banks	50	0.00%
Insurance Companies	-	-
Individuals	7,98,531	10.07%
NBFCs registered with RBI	200	0.00%
Others	2,67,706	3.38%
Total:	7,92,7682	100.00



(l) Plant Locations, Registered Office and address for correspondence:

(i) Plant Locations: The Company's plants are located at two places as indicated below:

- 147, Mumbai-Pune Road, Pimpri, Pune 411018, Maharashtra. [Tel: (020) 67190666]
- Plot No. 1 (A, B & C) & 122, GIDC Industrial Area, Ankleshwar 393002
Dist.: Bharuch, Gujarat. [Tel: (02646) 662736]

(ii) Registered Office:

147, Mumbai-Pune Road, Pimpri, Pune 411018.

Tel: (020) 67190600/605/606

(iii) Address for correspondence:

In respect of transactions relating to shares:

Link Intime India Pvt. Ltd.

Pune Office:

Block No. 202, 2nd Floor, Akshay Complex

Off Dhole Patil Road,

Pune - 411001

Tel. (020)26160084/1629

Telefax (020) 26163503

In respect of any other matter:

Mr. Abhijit Tikekar

Head Legal & Company Secretary and Compliance Officer

ELANTAS Beck India Ltd.

147, Mumbai-Pune Road, Pimpri, Pune 411018.

Tel: (020) 67190606

(m) Name of the Stock exchange and address:

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai 400 001

www.bseindia.com

For and on behalf of the Board

Suresh Talwar

Director

Place : Mumbai

Date : February 23, 2021

Srikumar Ramakrishnan

Managing Director

Place : Pune

Date : February 23, 2021

**Regd. Office: 147, Mumbai – Pune Road,
Pimpri, Pune 411018**

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of **ELANTAS Beck India Limited**

We have examined the compliance of conditions of Corporate Governance by Elantas Beck India Limited, for the year ended December 31, 2020 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For and on behalf of
Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No: 109846
UDIN: 21109846AAAABR2797

Place: Pune
Date: February 23, 2021

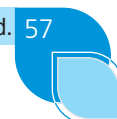
Declaration by the Managing Director pursuant to Schedule V (D) read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding compliance with Code of Conduct.

In accordance with the provisions of Schedule V (D) read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended 31 December 2020.

For ELANTAS Beck India Ltd.

Place : Pune
Date : February 23, 2021
Regd. Office: 147, Mumbai – Pune Road, Pimpri, Pune 411018

Srikumar Ramakrishnan
Managing Director



Certificate of Practicing Company Secretary

The Members,
ELANTAS Beck India Limited
147, Mumbai – Pune Road, Pimpri,
Pune 411018

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ELANTAS Beck India Limited having CIN L24222PN1956PLC134746 and having its Registered Office at 147, Mumbai Pune Road, Pimpri, Pune 411018 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31 December 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director
1	Mr. Martin Babilas
2	Dr. Guido Forstbach
3	Mr. Suresh Narsappa Talwar
4	Mr. Ravindra Krishna Kulkarni
5	Mr. Ranjal Laxmana Shenoy
6	Mrs. Kishori Jayendra Udeshi
7	Mr. Milind Madan Talathi
8	Mr. Srikumar Ramakrishnan
9	Mr. Stefan Genten [Alternate Director to Mr. Martin Babilas]

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Prajot Tungare & Associates
Company Secretaries**

**CS Prajot Tungare
Partner
FCS: 5484
CP No: 4449
UDIN: F005484B003313888**

**Place: Pune
Date: February 23, 2021**

Independent Auditor's Report

To the Members of ELANTAS Beck India Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Elantas Beck India Limited ("the Company"), which comprise the balance sheet as at December 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

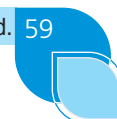
Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of Purchase Price Allocation (PPA) in case of acquisition of 'Wire Enamel' business of Hubergroup India Private Limited in accordance with Ind-AS 103 Business Combination</p> <p>(Refer note 1(v) and note 5 to the Financial Statements)</p> <p>The Company had acquired the 'Wire Enamel' business of Hubergroup India Private Limited (the "transferor") for a lump sum consideration of Rs. 4,500 lakhs. The Company's Management determined that the acquisition qualifies as a business combination in accordance with the Ind AS 103, Business Combinations.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Understanding and evaluating the design and testing the operating effectiveness of the controls on accounting of business combination; • Evaluating management's assessment that the acquisition of 'Wire Enamel' business qualifies to be accounted for as a business combination in accordance with the principles set out in Ind AS 103; • Assessing the appropriateness and completeness of the identifiable assets acquired in accordance with the terms of the purchase laid out in the agreement with the transferor;



<p>During the year, the Management engaged an independent professional valuer (management's expert) for determination of the fair values of the assets acquired for the purpose of allocation of the purchase price to the various assets (hereinafter referred to as 'the purchase price allocation' or 'the PPA'). The Management determined that the fair values of the net identifiable assets acquired was Rs. 4,394.24 lakhs as part of the PPA and accordingly, the consideration paid in excess of the net assets acquired resulted in recognition of Goodwill of 105.76 lakhs.</p> <p>Significant assumptions and estimates were used by the Management and the professional valuer in the determination of the fair values of the identifiable assets acquired and thus we considered this area to be a key audit matter.</p>	<ul style="list-style-type: none"> • Evaluating the competence, capabilities and objectivity of the independent professional valuer engaged by the management for doing the PPA and discussing their scope of work and terms of engagement. • Involving auditor's experts to assess appropriateness of the valuation methodology adopted and reasonableness of the underlying assumptions relating to discount rate etc. used by the management's expert to estimate the fair values of identifiable assets; • Verifying the mathematical accuracy of the calculations including the computation of Goodwill. • Considering adequacy of the disclosures made in the financial statements in accordance with applicable accounting standards. <p>Based on the above procedures performed, no significant observations were noted on the purchase price allocation for the said business combination.</p>
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Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual 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 the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

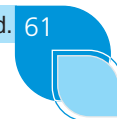
Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. 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

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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.
10. 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.
11. 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.



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

Report on other legal and regulatory requirements

13. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. 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, except that the back up of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on December 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, refer to our remarks in paragraph 14 (b) above.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;
 - ii. The Company has long-term contracts as at December 31, 2020 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at December 31, 2020.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended December 31, 2020.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar

Partner

Membership Number 109846

UDIN: 21109846AAAABQ5319

Place: Pune

Date: February 23, 2021



Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Elantas Beck India Limited on the financial statements for the year ended December 31, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Elantas Beck India Limited ("the Company") as of December 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

2. 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made

only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at December 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar

Partner

Membership Number 109846

UDIN: 21109846AAAABQ5319

Place: Pune

Date: February 23, 2021

Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Elantas Beck India Limited on the financial statements as of and for the year ended December 31, 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3, 4 and 15 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and accordingly, to this extent, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance, profession tax, goods and service tax, labour welfare fund though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, service tax, duty of customs, duty of excise, income tax, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

Further, for the period March 1, 2020 to April 30, 2020, the Company has paid Goods and Service Tax and filed GSTR 3B after the due date but within the timelines allowed by Central Board of Indirect Taxes and Customs (Ministry of Finance) under the Notification Numbers 31/2020 and 32/2020 dated April 3, 2020 on fulfilment of conditions specified therein.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, duty of customs, value added tax, sales tax and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of service tax and duty of excise as at December 31, 2020 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Disallowance of modvat credit	0.93	-	1997	Additional Commissioner, Surat
	Education cess on exports	0.21	-	2004	Dy Commissioner, Pune
	Modvat on repacking activity	49.56	-	1994-1997	Dy Commissioner, Pune
Finance Act, 1944	CENVAT credit claimed on the basis of letters	75.05	-	2005-2008	Asst. Commissioner GST, Pune & Baroda
	Disallowance of service tax credit on outward freight	42.21	-	2005-2008	Asst. Commissioner GST, Pune & Baroda
	Disallowance of service tax credit on project management consultancy	35.54	17.75	2011-2015	Commissioner of Central Tax (Appeals), Pune

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 15 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar

Partner

Membership Number 109846

UDIN: 21109846AAAABQ5319

Place: Pune

Date: February 23, 2021

Balance Sheet

(Currency : ₹ in lakhs)

	Notes	December 31, 2020	December 31, 2019
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	5,426.86	5,612.23
Right-of-use assets	15	7.26	-
Capital work-in-progress	3	1,691.60	994.94
Investment properties	4	504.62	513.18
Goodwill	5	105.76	105.76
Other Intangible assets	5	4,226.05	4,792.92
Intangible assets under development	5	74.77	33.89
Financial assets			
(a) Loans	7	454.25	480.99
(b) Other financial assets	8	2,717.95	1,968.43
Income-tax assets (net)	16 (b)	557.15	241.40
Other non-current assets	13	579.34	99.06
Total non-current assets		16,345.61	14,842.80
II. Current assets			
Inventories	12	5,268.10	4,977.39
Financial assets			
(a) Investments	6	21,771.98	15,983.73
(b) Trade receivables	9	7,050.68	6,109.28
(c) Cash and cash equivalents	10 (a)	1,191.74	583.63
(d) Bank balances other than (c) above	10 (b)	1,470.06	1,857.79
(e) Loans	7	3.48	3.22
(f) Other financial assets	11	136.43	224.26
Income-tax assets (net)	16 (b)	48.18	48.18
Other current assets	14	339.12	1,005.39
Total current assets		37,279.77	30,792.87
Total assets		53,625.38	45,635.67
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17 (a)	792.77	792.77
Other equity	17 (b)	43,366.50	37,610.13
Total equity		44,159.27	38,402.90
LIABILITIES			
I. Non-Current liabilities			
Financial liabilities			
Security Deposits	19	46.34	46.34
Employee benefit obligations	22	484.62	406.35
Deferred tax liabilities (net)	16 (a)	917.84	754.63
Total non-current liabilities		1,448.80	1,207.32
II. Current liabilities			
Financial liabilities			
(a) Trade payables			
- Total outstanding dues of micro and small enterprises	18	389.68	266.75
- Total outstanding dues of creditors other than micro and small enterprises	18	5,678.96	3,381.99
(b) Other financial liabilities	20	1,332.31	1,987.63
Provisions	21	130.98	152.98
Employee benefit obligations	23	51.61	37.29
Current tax liabilities	16 (b)	364.36	-
Other current liabilities	24	69.41	198.81
Total current liabilities		8,017.31	6,025.45
Total liabilities		9,466.11	7,232.77
Total equity and liabilities		53,625.38	45,635.67

The accompanying notes are an integral part of these financial statements. This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N500016

For and on behalf of the Board of Directors
of Elantas Beck India Limited

Amit Borkar
Partner
Membership No.: 109846
Place : Pune
Date : February 23, 2021

R.L. Shenoy
Director
DIN: 00074761
Place : Mumbai
Date : February 23, 2021

Srikumar Ramakrishnan
Managing Director
DIN: 07685069
Place : Pune
Date : February 23, 2021

Sanjay Kulkarni
Chief Financial Officer
Place : Pune
Date : February 23, 2021

Abhijit Tikekar
Company Secretary
Place : Pune
Date : February 23, 2021

Statement of Profit and Loss

(Currency : ₹ in lakhs)

	Notes	December 31, 2020	December 31, 2019
Revenue from operations	25	38,313.35	39,406.64
Other income	26	2,179.43	1,765.62
Total income		40,492.78	41,172.26
Expenses			
Cost of materials consumed	27	21,398.61	25,568.82
Purchases of stock in trade	28	1,754.22	50.18
Changes in inventories of finished goods, work-in-progress and stock in trade	29	(10.37)	(247.82)
Employee benefits expense	30	2,812.22	2,735.38
Finance costs	31	21.83	33.79
Depreciation and amortisation expense	32	1,170.25	735.37
Other expenses	33	5,324.69	5,917.77
Total expenses		32,471.45	34,793.49
Profit before tax		8,021.33	6,378.77
Income tax expense			
Current tax	16	1,673.78	1,605.89
Deferred tax	16	171.16	(183.20)
Total tax expense		1,844.94	1,422.69
Profit for the year		6,176.39	4,956.08
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations	23 (B)	(31.59)	(34.46)
Income tax relating to these items	16	7.95	10.03
		(23.64)	(24.43)
Total other comprehensive income for the year, net of tax		(23.64)	(24.43)
Total comprehensive income for the year		6,152.75	4,931.65
Earnings per share			
Basic and Diluted (In Rupees)	34	77.91	62.52

The accompanying notes are an integral part of these financial statements. This is the Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/ N500016

For and on behalf of the Board of Directors

of Elantas Beck India Limited

Amit Borkar

Partner

Membership No.: 109846

Place : Pune

Date: February 23, 2021

R.L. Shenoy

Director

DIN: 00074761

Place : Mumbai

Date: February 23, 2021

Srikumar Ramakrishnan

Managing Director

DIN: 07685069

Place : Pune

Date: February 23, 2021

Sanjay Kulkarni

Chief Financial Officer

Place : Pune

Date: February 23, 2021

Abhijit Tikekar

Company Secretary

Place : Pune

Date: February 23, 2021

Statement of changes in equity

Equity Share Capital

	Notes	
As at 1 January 2019		792.77
Change in equity share capital	17 (a)	-
As at 31 December 2019		792.77
Change in equity share capital	17 (a)	-
As at 31 December 2020		792.77

Other Equity

	Note	Securities Premium	Reserves & Surplus		Total
			General reserve	Retained Earnings#	
As at January 1, 2019		695.18	6,179.58	26,233.80	33,108.56
Profit for the year		-	-	4,956.08	4,956.08
Other comprehensive income		-	-	(24.43)	(24.43)
Transactions with owners in their capacity as owners:					
Dividends paid	17 (b)	-	-	(356.75)	(356.75)
Dividend distribution tax thereon	17 (b)	-	-	(73.33)	(73.33)
As at December 31, 2019		695.18	6,179.58	30,735.37	37,610.13

Other Equity

	Note	Securities Premium	Reserves & Surplus		Total
			General reserve	Retained Earnings#	
As at January 1, 2020		695.18	6,179.58	30,735.37	37,610.13
Profit for the year		-	-	6,176.39	6,176.39
Other comprehensive income		-	-	(23.64)	(23.64)
Transactions with owners in their capacity as owners:					
Dividends paid	17 (b)	-	-	(396.38)	(396.38)
As at December 31, 2020		695.18	6,179.58	36,491.74	43,366.50

Retained earnings include balance of government grants amounting to Rs. 40 lakhs amortised in accordance with the requirement of Ind AS 20. These grants were received between 1982 to 2002 for setting up manufacturing units in specified areas under various incentive schemes. There are no unfulfilled conditions or other contingencies attached to these grants. Under Companies Act, grants of such nature are treated as capital reserve and cannot be distributed as dividend.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/ N500016

Amit Borkar

Partner

Membership No.: 109846

Place : Pune

Date : February 23, 2021

R.L. Shenoy

Director

DIN: 00074761

Place : Mumbai

Date : February 23, 2021

**For and on behalf of the Board of Directors
of Elantas Beck India Limited**

Srikumar Ramakrishnan

Managing Director

DIN: 07685069

Place : Pune

Date : February 23, 2021

Sanjay Kulkarni

Chief Financial Officer

Place : Pune

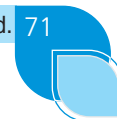
Date : February 23, 2021

Abhijit Tikekar

Company Secretary

Place : Pune

Date : February 23, 2021



Statement of Cash Flows

(Currency : ₹ in lakhs)

	December 31, 2020	December 31, 2019
A) Cash flows from operating activities		
Profit before tax	8,021.33	6,378.77
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	1,170.25	735.37
Net gain on disposal of property, plant and equipment	(17.96)	(13.75)
Net (gain)/ loss on financial assets measured at fair value through profit or loss	(1,411.17)	(30.46)
Interest income classified as investing cash flows	(252.96)	(253.45)
Dividend income classified as investing cash flows	(130.16)	(975.21)
Finance cost	21.83	33.79
Bad debts and advances written off	15.90	12.35
Provision for doubtful debts	11.87	315.92
Liabilities no longer required written back	-	(182.63)
Change in operating assets and liabilities		
(Increase) / Decrease in Trade Receivables	(969.17)	1,919.41
(Increase) / Decrease in Inventories	(290.71)	135.50
(Increase) / Decrease in Other financial assets	91.77	(25.67)
(Increase) / Decrease in Other assets	666.27	(743.83)
Increase / (Decrease) in Trade Payables	2,422.19	(1,045.36)
Increase / (Decrease) in Other financial liabilities	306.21	117.65
Increase / (Decrease) in Provisions	(22.00)	(13.60)
Increase / (Decrease) in Employee benefit obligations	61.00	(53.24)
Increase / (Decrease) in Other liabilities	(129.40)	57.74
Cash generated from operations	9,565.09	6,369.30
Income taxes paid (net of refunds received)	(1,625.17)	(1,583.40)
Net cash inflow from operating activities	7,939.92	4,785.90
B) Cash flows from investing activities		
Payments for purchase of Property, plant and equipment, Intangible assets & Investment properties	(1,664.76)	(1,254.06)
Purchase of business (refer note 5)	(900.00)	(3,600.00)
Proceeds from disposal of Property, plant and equipment and Intangible assets	25.09	30.77
Purchase of Investments	(12,989.87)	(10,863.69)
Proceeds from sale of investments	8,612.79	12,276.35

Statement of Cash Flows

(Currency : ₹ in lakhs)

	December 31, 2020	December 31, 2019
Fixed deposits (above 3 months) placed	(4,894.47)	(5,716.31)
Fixed deposits (above 3 months) matured	4,492.54	3,973.30
Loans and advances granted	26.48	(55.65)
Interest received	250.73	272.51
Dividend received	130.16	975.21
Net cash outflow from investing activities	(6,911.31)	(3,961.57)
C) Cash flows from financing activities		
Dividends paid	(396.38)	(356.75)
Dividend distribution tax	-	(73.33)
Interest paid	(24.12)	(35.75)
Net cash outflow from financing activities	(420.50)	(465.83)
Net increase / (decrease) in cash and cash equivalents	608.71	358.50
Cash and cash equivalents at the beginning of the year	583.63	225.13
Cash and cash equivalents at the end of the year	1,191.74	583.63
D) Components of cash and cash equivalents		
Cash on hand	1.07	2.02
Balances with banks		
In current accounts	1,190.67	581.29
In EEFC accounts	-	0.32
Total cash and cash equivalents (refer note 10 (a))	1,191.74	583.63

This is the Cash Flow Statement referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Amit Borkar

Partner

Membership No.: 109846

Place : Pune

Date : February 23, 2021

R.L. Shenoy

Director

DIN: 00074761

Place : Mumbai

Date : February 23, 2021

For and on behalf of the Board of Directors of Elantas Beck India Limited

Srikumar Ramakrishnan

Managing Director

DIN: 07685069

Place : Pune

Date : February 23, 2021

Sanjay Kulkarni

Chief Financial Officer

Place : Pune

Date : February 23, 2021

Abhijit Tikekar

Company Secretary

Place : Pune

Date : February 23, 2021

Notes to the Financial Statements

Background:

Elantas Beck India Limited ("the Company") is a public limited Company domiciled in India and was incorporated on March 15, 1956 under the provisions of the Companies Act, 1956. It is listed on the Bombay Stock Exchange (BSE). The Company is a subsidiary of Elantas GmbH Company based in Germany. Elantas GmbH is part of Altana Group whose Ultimate Holding Company is SKion GmbH. The registered office of the Company is situated at 147, Mumbai-Pune Road, Pimpri, Pune, Maharashtra - 411 018.

The Company manufactures a wide range of specialty chemicals for electrical insulation and construction industries. It has manufacturing plants at Pimpri and Ankleshwar in India.

1. Significant accounting policies:

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

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Board of Directors have authorized these financial statements for issue on February 23, 2021.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

(iii) Current/ Non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the Company's Managing Director. Refer note 37 for segment information presented.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

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

(d) Revenue recognition

(i) Revenue from contracts with customers

Ind AS 115, Revenue from contracts with customers has been issued with effect from annual period beginning on or after April 1, 2018. The new standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. A new five-step process must be applied before revenue can be recognized:

- Identify contracts with customers
- Identify the separate performance obligation
- Determine the transaction price of the contract
- Allocate the transaction price to each of the separate performance obligations, and
- Recognize the revenue as each performance obligation is satisfied.

Transition

Using the modified retrospective approach, there was no adjustments required to the retained earnings as at January 1, 2019 due to adoption of Ind AS 115. Adoption of the Ind AS 115 did not have any material impact on the recognition and measurement of revenue and related items in the financial statements of the Company.

Revenue recognition policy

Revenue is recognised at point in time when control of goods is transferred to the customer - based on delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above; at an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods.

The timing of when the Company transfers the goods may differ from the timing of the customer's payment. Amounts disclosed as revenue are net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties such as Goods and Services Tax (GST).

The Company does not expect to have any contracts where the period between the transfer of goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(ii) Export incentives

Export incentives are accounted for in the year of export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

(e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(f) Leases

Accounting policies till December 31, 2019:

As a lessee

Leases of property, plant and equipment, where the Company, as lessee has substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Accounting policies with effect from January 1, 2020:

Effective January 1, 2020, the Company has adopted Ind AS 116 -Leases. Using the modified retrospective approach, there was no adjustment required to the retained earnings as at January 1, 2020. Also the adoption of Ind AS 116 did not have any material impact on the recognition and measurement of leases and related items in the financial results of the Company.

As a Lessee:

From January 1, 2020, leases are recognised as a Right of use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right of use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the Right of use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets mainly comprise small items of office equipment.

As a lessor

Lease income from operating leases where the company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet on their nature.

(g) Impairment of assets

Property, Plant and Equipment and Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amounts exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(i) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

(j) Inventories

Inventories are stated at lower of costs and net realizable value. Cost of inventories comprises cost of purchase determined on weighted average basis. Cost of work-in-progress and finished goods comprises of direct

materials, direct labour and all manufacturing overheads. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Investments and other Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss statement.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments as follows:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

The company subsequently measures equity investment at fair value. The Company's Management elects to present fair value gains and losses on equity investments in the statement of profit and loss on an instrument by instrument basis. Dividends from such investments are recognized in profit or loss as other income when the company's right to receive payment is established.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets

carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer note 39 for details of how the company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Income recognition

Dividend income from investments is recognized when the right to receive payment is established.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(m) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the straight-line method over the useful lives of assets as determined based on internal technical evaluation. Useful lives of assets are as follows:

Assets	Useful life followed by the Management (years)	Useful life prescribed in Schedule II (years)
Building and roads		
Office Building	60	60
Factory Building	30	30
Plant and Machinery (based on single shift)	15-20	15-20
Office Equipment	5	5
Laboratory Equipment	10	10
Electrical Installations	10	10
Computers	3-6	3-6
Furniture and Fixtures	10	10
Motor Vehicle	5	8

Leasehold improvements are depreciated over the period of the lease agreement.

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expenses respectively.

(n) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that the future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment property includes freehold land and office building. Freehold land is determined to have an indefinite useful life which is reviewed at the end of each financial year. Accordingly, the freehold land is not depreciated. Office building generally have useful life of 60 years. Depreciation for office building is provided for on the straight-line method over the useful life as determined based on internal technical evaluation.

(o) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use it
- there is an ability to use the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Technical Know-How, Customer Lists and Non-Compete Rights acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortization.

Goodwill recognised on acquisition is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses

All other separately acquired intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortization.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the profit or loss.

Intangible assets are amortized on the straight line method as follows :

Asset	Useful life (Years)
Computer Software	3
Computer Software (developed internally)	5
Technical Know-How	10
Customer Lists	10
Non-Compete Rights	5

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within twelve months determined by the Company after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(q) Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources will be required to settle the obligations, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed by way of a note to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(r) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned and sick leaves and long-term service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The classification of other long-term employee benefit obligations into current and non-current as shown in financial statements is as per actuarial valuation report.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plan – gratuity and cash rewards at retirement
- (b) Defined contribution plans – superannuation fund and provident fund

(a) Defined benefit plans - Gratuity and cash rewards at retirement

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. This plan is funded.

The Company also has 'Cash reward at retirement' plan which provides a payment of Rs. 2,500 for each year of service rendered at the time of normal retirement. This plan is unfunded.

The liability or asset recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (as applicable). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(b) Defined contribution Plans – Superannuation Fund and Provident Fund

The Company contributes on a defined contribution basis to Employees' Provident Fund and Superannuation Fund. The contributions towards Provident Fund is made to regulatory authorities and contribution towards Superannuation Fund is made to Life Insurance Corporation of India. Such benefits are classified as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Contributions are recognized as employee benefit expense when they are due.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employer accepts voluntary redundancy in exchange for these benefits. The company recognizes termination benefits in the Statement of Profit and Loss in the year as an expense as and when incurred.

(s) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(t) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(v) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of business comprises the fair values of the assets transferred.

Identifiable assets acquired are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

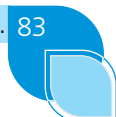
The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

(w) Exceptional items:

Exceptional items comprise items of income and expense, including tax items, that are material in amount and not likely to recur and which merit separate disclosure in order to provide an understanding of the Company's underlying financial position.

(x) Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.



2. Critical judgements and estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i. Legal contingencies

The Company has received various orders and notices from tax and regulatory authorities. The outcome of these matters may have a material effect on financial position, results of operations of cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expenses to resolve the matters. In making the decisions regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate. Refer note 35 for details of contingent liabilities as at year end.

ii. Segment reporting

Ind-AS 108 Operating Segments requires management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Company's Managing Director, based on its internal reporting structure and functions. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Managing Director to assess performance and allocate resources. Refer note 37 for further details of the operating segments identified.

iii. Business Combinations

In accounting for business combinations, judgement is required for valuation of assets and identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable asset acquired involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions, such as discount rate, growth rate, etc. that have been deemed reasonable by management. Changes in these judgements, estimates and assumptions can materially affect the results of operations.

Critical estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and

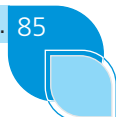
assumptions about future developments, however may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

iv. Fair value of Investment Properties

The fair value of land and building recognized under investment property is appraised each year by independent external valuer. The best evidence of fair value are current prices in an active market for similar investment property. In the absence of such information, the company determines the amount within a range of reasonable fair value estimates. The underlying assumptions of these estimates are explained in more detail in note 4.

v. Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter which is most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on Indian Assured Lives Mortality (IALM) (2006-08) (modified) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. For further details about gratuity obligations are given in note 22 and 23.



3. Property, plant and equipment

Particulars	Freehold land	Leasehold land	Buildings & roads	Plant & equipment*	Office equipment	Computers	Furniture & fixtures	Motor vehicles	Total	Capital work in progress
Opening gross carrying amount as on January 1, 2019	3.63	8.06	3,149.33	2,669.25	193.56	310.55	437.55	227.72	6,999.65	43.36
Additions	-	-	-	-	-	-	-	-	-	1,212.96
Transfers	-	-	5.34	152.35	13.85	5.58	8.61	75.65	261.38	(261.38)
Disposals	-	-	-	(7.71)	(5.38)	(2.03)	(5.60)	(22.51)	(43.23)	-
Gross carrying amount as on December 31, 2019	3.63	8.06	3,154.67	2,813.89	202.03	314.10	440.56	280.86	7,217.80	994.94
Accumulated depreciation	-	0.40	125.52	527.76	84.01	107.39	89.18	111.46	1,045.72	-
Charge for the year	-	0.20	82.71	287.90	39.02	65.42	60.59	50.22	586.06	-
Disposals	-	-	-	(6.74)	(3.67)	(2.03)	(2.70)	(11.07)	(26.21)	-
Closing accumulated depreciation as at December 31, 2019	-	0.60	208.23	808.92	119.36	170.78	147.07	150.61	1,605.57	-
Net carrying amount as on December 31, 2019	3.63	7.46	2,946.44	2,004.97	82.67	143.32	293.49	130.25	5,612.23	994.94
Particulars	Freehold land	Leasehold land	Buildings & roads	Plant & equipment*	Office equipment	Computers	Furniture & fixtures	Motor vehicles	Total	Capital work in progress
Opening gross carrying amount as on January 1, 2020	3.63	8.06	3,154.67	2,813.89	202.03	314.10	440.56	280.86	7,217.80	994.94
Additions	-	-	-	-	-	-	-	-	-	1,076.87
Transfers	-	-	10.03	215.26	15.35	30.70	10.82	98.05	380.21	(380.21)
Disposals	-	-	(8.17)	(3.63)	(0.58)	-	(0.06)	(32.60)	(45.04)	-
Reclassification as per requirement of Ind AS 116 (refer note 15)	-	(8.06)	-	-	-	-	-	-	(8.06)	-
Gross carrying amount as on December 31, 2020	3.63	-	3,156.53	3,025.52	216.80	344.80	451.32	346.31	7,544.91	1,691.60
Accumulated depreciation	-	0.60	208.23	808.92	119.36	170.78	147.07	150.61	1,605.57	-
Charge for the year	-	-	75.02	286.71	33.27	45.39	60.53	50.07	550.99	-
Disposals	-	-	(1.45)	(3.22)	(0.58)	-	(0.06)	(32.60)	(37.91)	-
Reclassification as per requirement of Ind AS 116 (refer note 15)	-	(0.60)	-	-	-	-	-	-	(0.60)	-
Closing accumulated depreciation at as December 31, 2020	-	-	281.80	1,092.41	152.05	216.17	207.54	168.08	2,118.05	-
Net carrying amount as on December 31, 2020	3.63	-	2,874.73	1,933.11	64.75	128.63	243.78	178.23	5,426.86	1,691.60

* Plant and equipment includes Plant and Machinery, Laboratory Equipment and Electrical Installations.

Notes:

- 1 Refer to note 35 (b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 2 Leasehold land pertains to land taken from Gujarat Industrial Development Corporation wherein the lease term is 99 years with a renewal option for a further period of 99 years.
- 3 Capital work in progress mainly comprises of Plant & Machinery.

4. Investment properties

Particulars	December 31, 2020	December 31, 2019
Opening gross carrying amount	524.48	524.48
Additions	-	-
Closing gross carrying amount	524.48	524.48
Accumulated Depreciation		
Opening accumulated depreciation	11.30	3.32
Depreciation charge	8.56	7.98
Closing accumulated depreciation	19.86	11.30
Net carrying amount	504.62	513.18

(i) Amounts recognized in profit or loss for investment properties

	December 31, 2020	December 31, 2019
Rental Income	151.92	151.92
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	12.70	10.76
Income from investment properties before depreciation	139.22	141.16
Depreciation	(8.56)	(7.98)
Net income from investment properties	130.66	133.18

(ii) Contractual Obligations

There are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iii) Leasing arrangements

Certain investment properties are leased to related parties under long-term operating lease with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	December 31, 2020	December 31, 2019
Within one year	155.71	151.92
Later than one year but not later than 5 years	247.25	402.96
Later than 5 years	-	-
Total	402.96	554.88

(iv) Fair Value

	December 31, 2020	December 31, 2019
Investment properties	3,300.73	2,600.54

Estimation of fair value

The company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- discounted cash flow projections based on reliable estimates of future cash flows

- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by an independent valuer. The fair value is measured using external expert appraisals, by applying input factors for comparable assets not traded on active markets (fair value hierarchy level 2).

5 Intangible assets

Particulars	Computer Software	Technical Know-How	Customer Lists	Non-Compete Rights	Goodwill	Total	Intangible assets under development
Opening gross carrying amount as on January 1, 2019	665.92	-	-	-	-	665.92	-
Additions	-	-	-	-	-	-	65.31
Transfers	31.42	-	-	-	-	31.42	(31.42)
Assets acquired in business combination (refer note below)	-	652.52	3,414.51	327.21	105.76	4,500.00	
Disposals	(0.38)	-	-	-	-	(0.38)	-
Gross carrying amount as on December 31, 2019	696.96	652.52	3,414.51	327.21	105.76	5,196.96	33.89
Accumulated Amortisation		-	-	-	-	-	
Balance as at January 1, 2019	157.33	-	-	-	-	157.33	-
Amortisation charge for the year	131.13	1.62	7.92	0.66	-	141.33	-
Disposals	(0.38)	-	-	-	-	(0.38)	-
Closing accumulated amortisation as at December 31, 2019	288.08	1.62	7.92	0.66	-	298.28	-
Net carrying amount as on December 31, 2019	408.88	650.90	3,406.59	326.55	105.76	4,898.68	33.89

Particulars	Computer Software	Technical Know-How	Customer Lists	Non-Compete Rights	Goodwill	Total	Intangible assets under development
Opening gross carrying amount as on January 1, 2020	696.96	652.52	3,414.51	327.21	105.76	5,196.96	33.89
Additions	-	-	-	-	-	-	84.51
Transfers	43.63	-	-	-	-	43.63	(43.63)
Gross carrying amount as on December 31, 2020	740.59	652.52	3,414.51	327.21	105.76	5,240.59	74.77
Accumulated Amortisation		-	-	-	-	-	
Balance as at January 1, 2020	288.08	1.62	7.92	0.66	-	298.28	-
Amortisation charge for the year	145.53	73.70	361.33	29.94	-	610.50	-
Closing accumulated amortisation as at December 31, 2020	433.61	75.32	369.25	30.60	-	908.78	-
Net carrying value as on December 31, 2020	306.98	577.20	3,045.26	296.61	105.76	4,331.81	74.77

Note on business combination:

The Company accounts for business combinations as of the date when control over the financial transactions and operating policies is effectively obtained. Fair value measurement of assets acquired in a business combination is as performed in the course of the allocation of the consideration transferred by using standard discounted cash flow methods based on input factors of fair value hierarchy level 3.

Acquisitions in 2020

In 2020, there were no acquisitions.

Acquisitions in 2019

On December 24, 2019 (the "Acquisition date"), the Company acquired the wire enamel business of Hubergroup India Private Limited was acquired in the form of an asset deal. Of the purchase price of Rs. 4,500 lakhs an amount of Rs. 3,600 lakhs was paid immediately and remaining amount of Rs. 900 lakhs has been paid in the month of January 2020. Accordingly, the figures of the year/period are not comparable with those of the previous year/period.

In the previous year, the Company did an allocation of the consideration on a provisional basis to various intangible assets. During the year (measurement period), the Company assessed the purchase price allocation using the services of an independent valuer and concluded that the fair values of the net identifiable intangible assets acquired are not materially different than the provisional allocations in the previous year. The Company retrospectively adjusted the provisional amounts recognised at the acquisition date in accordance with IndAS 103, Business Combinations. The following table provides an overview of the final purchase price allocation to the assets acquired at the acquisition date:

Assets	Rs. In lakhs
Technical Know-How	652.52
Customer Lists	3,414.51
Non-Compete Rights	327.21
Goodwill	105.76
Net identifiable asset required	4,500.00

Acquisition related costs

Acquisition related cost of Rs. Nil (Previous Year: Rs. 9 lakhs) is included in Other expenses in the Statement of Profit and Loss.

6 Investments

As at December 31, 2020 Units	As at December 31, 2019 Units	Face value per unit Rs.		As at December 31, 2020 Rs. lakhs	As at December 31, 2019 Rs. lakhs
			Investment in mutual funds		
			Unquoted mutual funds valued at FVPL		
-	2,37,044.31	1,000.00	Axis Banking & PSU Debt Fund - Monthly Dividend - Reinvest	-	2,422.16
1,29,056.21	-	1,000.00	Axis Banking & PSU Debt Fund-Regular Growth	2,647.10	-
3,78,853.17	7,52,464.95	100.00	Aditya Birla Sun Life Liquid Fund - Daily Dividend - Regular Plan	379.57	753.93
10,88,916.84	-	100.00	Aditya Birla Sun Life Floating Rate Fund -Growth-Regular Plan	2,885.30	-
5,20,648.52	-	100.00	ICICI Prudential Saving Fund - Growth	2,157.32	-
-	1,93,10,086.24	10.00	ICICI Prudential Banking & PSU Debt Fund-Weekly Dividend Reinvest	-	1,980.29
-	2,18,51,620.22	10.00	IDFC Corporate Bond Fund - Monthly Dividend	-	2,298.92
1,70,29,151.38	-	10.00	IDFC Corp Bond Fund Regular Plan - Growth	2,559.63	-
-	2,21,975.15	1,000.00	KOTAK Corp Bond Fund Short Term - Monthly Dividend Reinvest	-	2,330.67
1,12,554.41	-	1,000.00	KOTAK Corp Bond Fund Standard Growth(Regular Plan)	3,259.47	-
-	87,35,569.17	10.00	L&T Ultra ShortTerm Fund - Regular - Daily Dividend Reinvest	-	897.88
34,73,097.94	-	10.00	L&T Ultra ShortTerm Fund - Regular Growth	1,179.42	-
-	2,08,53,239.22	10.00	Nippon India Banking & PSU Debt Fund - Monthly Dividend Plan	-	2,194.14
1,51,13,490.39	-	10.00	Nippon India Banking & PSU Debt Fund-Growth Plan	2,430.28	-
-	2,01,802.48	1,000.00	SBI Banking & PSU Fund - Regular Plan - Monthly Dividend	-	2,207.85
-	67,905.29	1,000.00	Tata Liquid Fund Regular Plan - Daily Dividend	-	680.08
68,873.69	-	1,000.00	Tata Liquid Fund Regular Plan-Growth	2,204.48	-
62,191.74	-	1,000.00	UTI Liquid Cash Plan-Regular Plan- Growth	2,069.41	-
-	21,366.89	1,000.00	UTI Liquid Cash Plan - Daily Dividend Plan - Reinvest	-	217.81
			Total (mutual funds)	21,771.98	15,983.73
			Total current investments	21,771.98	15,983.73
			Aggregate amount of unquoted investments	21,771.98	15,983.73

7 Loans

Non- current	As at December 31, 2020	As at December 31, 2019
Unsecured, considered good		
Housing loans to employees	3.61	7.15
Security deposits	120.17	143.37
Loan to related party (Refer note 36)*	330.47	330.47
Total	454.25	480.99

Current	As at December 31, 2020	As at December 31, 2019
Unsecured, considered good		
Housing loans to employees	3.48	3.22
Total	3.48	3.22

* Loan given to BYK India Private Limited (a fellow subsidiary) carries interest @ 8.50% p.a. The loan is repayable in monthly installments, after 12 months of moratorium period which ended in March 2019. The moratorium period was further extended by 36 months through amended agreement dated October 30, 2020 which would end in March 2022.

8 Other financial assets - Non - current

	As at December 31, 2020	As at December 31, 2019
Fixed deposits with banks (refer note below)	2,668.12	1,916.89
Interest accrued but not due on deposits	49.83	51.54
Total	2,717.95	1,968.43

Note : Out of the Fixed deposits mentioned above, Rs. 2.12 lakhs (December 31, 2019 : Rs. 0.65 lakhs) are given as security for Bank Guarantee for a period of more than one year.

9 Trade receivables

	As at December 31, 2020	As at December 31, 2019
Trade Receivables	7,497.54	6,503.13
Receivables from related parties (Refer note 36)	-	41.14
Less: Allowance for doubtful debts	(446.86)	(434.99)
Total	7,050.68	6,109.28

Break-up of security details

	As at December 31, 2020	As at December 31, 2019
Unsecured, considered good	7,050.68	6,109.28
Trade receivables - credit impaired	446.86	434.99
Less: Allowance for doubtful debts	(446.86)	(434.99)
Total	7,050.68	6,109.28

10 (a) Cash and cash equivalents

	As at December 31, 2020	As at December 31, 2019
Cash on hand	1.07	2.02
Balances with banks		
In current accounts	1,190.67	581.29
In EEFC accounts	-	0.32
Total	1,191.74	583.63

10 (b) Bank balances other than 10 (a) above

	As at December 31, 2020	As at December 31, 2019
Balances with banks		
- in deposits with original maturity of more than three but less than twelve months	1,428.47	1,777.77
In earmarked accounts		
Unpaid dividend accounts (refer note below)	41.59	80.02
Total	1,470.06	1,857.79

Note : Unclaimed dividend accounts are held for dividend remittance and hence are not available for use.

11 Others financial assets - current

	As at December 31, 2020	As at December 31, 2019
Interest accrued on fixed deposits	18.20	14.26
Others (refer note below)	118.23	210.00
Total	136.43	224.26

Note : Others primarily include cross charges/ recoveries from relates parties, employee advances, etc. Refer note 36 for other balances receivable from related parties which are included above.

12 Inventories

	As at December 31, 2020	As at December 31, 2019
Raw materials	2,964.22	2,703.44
Intermediates and Work in progress	797.38	709.59
Packing Materials	195.25	182.42
Finished goods	1,195.85	1,312.01
Stock - in - trade	53.00	14.26
Stores and spares	62.40	55.67
Total	5,268.10	4,977.39

The goods in transit pertaining to raw materials during the year ended December 31, 2020 were Rs. 462.24 lakhs (December 31, 2019 : Rs. 211.24 lakhs).

Amounts recognized in profit or loss

Provision for excess and obsolete inventory amounted to Rs. 137 lakhs (December 31, 2019 : Rs. 167.07 lakhs). Increase/(decrease) in provisions were recognized in respective years in statement of profit or loss and included in 'Cost of materials consumed'.

13 Other non current assets

	As at December 31, 2020	As at December 31, 2019
Capital Advances	534.94	54.66
Balances with government authorities	44.40	44.40
Total	579.34	99.06

14 Other current assets

	As at December 31, 2020	As at December 31, 2019
Prepaid expenses	188.52	153.19
Balances with government authorities - current	56.73	714.04
Advances to Employees	7.23	6.85
Advances to Suppliers	86.64	131.31
Total	339.12	1,005.39

15 Right-of-use of assets

	As at December 31, 2020	As at December 31, 2019
Right-of- use of Assets as on 1st Jan 2020	7.46	-
Depreciation during the year	0.20	-
Total	7.26	-

The Company does not possess any material leased assets other than leasehold land rights for which the total lease payment for the period of lease has been made.

16 (a) Deferred tax assets/ (liabilities)

The balance of deferred tax comprises temporary differences attributable to:

Particulars	As at December 31, 2020	As at December 31, 2019
Deferred tax asset		
Provision for doubtful trade receivables	112.48	126.67
Provision for compensated absences and other employee benefits	110.56	110.40
Others	149.13	98.23
	372.17	335.30
Deferred tax liability		
Property, plant and equipment and intangible assets	1,032.85	1,089.93
Changes in fair value of investments	257.16	-
	1,290.01	1,089.93
Total deferred tax assets/ (liabilities) (net)	(917.84)	(754.63)

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Changes in Deferred Tax Assets/ (Liabilities) in Statement of Profit and Loss (charged)/ credited during the year)

Particulars	Year Ended	
	December 31, 2020	December 31, 2019
Provision for doubtful trade receivables	(14.19)	85.06
Provision for compensated absences and other employee benefits	0.16	(39.28)
Property, plant and equipment and intangible assets	57.08	211.41
Changes in fair value of investments	(257.16)	-
Others	50.90	(73.99)
Total	(163.21)	183.20

16 (b) Income Taxes

(i) Movement in income tax balances

	As at December 31, 2020	As at December 31, 2019
Closing income tax balance (net)		
- Income-tax assets		
- Current	48.18	48.18
- Non current	557.15	241.40
- Current tax liabilities	(364.36)	-
Tax Assets/(Liabilities) (net of provision)	240.97	289.58

	As at December 31, 2020	As at December 31, 2019
Opening Balance (Tax Asset/(Liability) (net))	289.58	312.07
Current tax payable for the year	(1,673.78)	(1,605.89)
Taxes paid/(Refund Received)	1,625.17	1,583.40
Closing Balance	240.97	289.58

(ii) The major components of income tax expense for the year ended December 31, 2020 and December 31, 2019 are:

Statement of profit and loss

Profit and Loss section	Year ended December 31, 2020	Year ended December 31, 2019
Current income tax charge		
Current income tax		
- Current tax on profit for the year	1,756.42	1,603.68
- Adjustments for current tax of prior periods	(82.64)	2.21
Deferred tax	171.16	(183.20)
Income tax expense reported in the statement of profit or loss	1,844.94	1,422.69

Other comprehensive income section	Year ended December 31, 2020	Year ended December 31, 2019
Deferred tax related to items recognised in OCI during the year	7.95	10.03
Income tax charged to Other comprehensive income	7.95	10.03

(iii) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for December 31, 2020 and December 31, 2019:

	Year ended December 31, 2020	Year ended December 31, 2019
Accounting profit/ (loss) before tax	8,021.33	6,378.77
At Statutory income tax rate of 25.17%* (December 31, 2019 : 29.12%)	2,018.97	1,857.50
Tax Effects of amounts which are not taxable in calculating taxable income	(26.56)	(381.62)
Tax Effects of amounts which are not deductible in calculating taxable income	26.24	37.89
Tax relating to prior period	(82.64)	2.21
Impact of changes in tax rate during the year	(102.36)	(59.22)
Others	11.29	(34.07)
At the effective tax rate	1,844.94	1,422.69
Income tax expense reported in the statement of profit or loss	1,844.94	1,422.69

During the year, the Company has opted for reduced corporate tax rate of 22% (excluding surcharge and cess), specified under Section 115BAA of the Income Tax Act, 1961 as amended by the Taxation Laws (Amendment) Act, 2019. Accordingly, the current and deferred tax expenses have been recorded / remeasured, as the case may be, using such reduced tax rate

17 (a) Equity share capital

	As at December 31, 2020	As at December 31, 2019
Authorised equity share capital:		
15,000,000 (December 31, 2019 : 15,000,000) Equity Shares of Rs. 10 each	1,500.00	1,500.00
Total	1,500.00	1,500.00
Issued, subscribed and Paid up :		
7,927,682 (December 31, 2019 : 7,927,682) Equity Shares of Rs. 10 each	792.77	792.77
Total	792.77	792.77

(i) Reconciliation of number of equity shares

	As at December 31, 2020	As at December 31, 2019
Shares outstanding at the beginning and end of the year	79,27,682	79,27,682

(ii) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Shares held by Holding Company/ Ultimate Holding Company and/ or their subsidiaries/ associates

	As at December 31, 2020	As at December 31, 2019
Elantas GmbH (Holding Company)	59,45,761	59,45,761

(iv) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at December 31, 2020		As at December 31, 2019	
	% holding	No. of shares	% holding	No. of shares
Elantas GmbH	75.00%	59,45,761	75.00%	59,45,761

(v) The Company has not issued any bonus shares in 5 years immediately preceding year ended December 31, 2020.

(vi) There were no shares bought back nor allotted either as fully paid-up bonus shares or under any contract without payment being received in cash during five years immediately preceding December 31, 2020.

17 (b) Other equity

(i) Other than retained earnings (balance at the beginning and end of the year)	December 31, 2020	December 31, 2019
Securities premium account	695.18	695.18
General reserve	6,179.58	6,179.58
Total (A)	6,874.76	6,874.76

Nature and purpose of reserves

Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is to be utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

General reserve represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act 1956.

(ii) Retained earnings	December 31, 2020	December 31, 2019
Opening balance	30,695.37	26,193.80
Net profit for the year	6,176.39	4,956.08
	36,871.76	31,149.88
Less: Dividend paid	(396.38)	(356.75)
Less: Dividend distribution tax on above	-	(73.33)
Items of other comprehensive income recognised directly in retained earnings		
Re-measurements of post-employment benefit obligations (net of tax)	(23.64)	(24.43)
Sub-total :	36,451.74	30,695.37
Retained earnings - Amortised Government Grants (refer note below)		
Balance at the beginning and end of the year	40.00	40.00
Sub-total :	40.00	40.00
Total Retained earnings (B)	36,491.74	30,735.37
Total Other equity (A+B)	43,366.50	37,610.13

Note:

Retained earnings include balance of government grants amortised in accordance with requirement of Ind AS 20. These grants were received between 1982 to 2002 for setting up manufacturing units in specified areas under various incentive schemes. There are no unfulfilled conditions or other contingencies attached to these grants. Under the Companies Act, grants of such nature are treated as capital reserve and cannot be distributed as dividend.

18 Trade payables

	As at December 31, 2020	As at December 31, 2019
Total outstanding dues of micro and small enterprises	389.68	266.75
Total outstanding dues of creditors other than micro and small enterprises		
(i) Related Parties (Refer note 36)	86.71	89.34
(ii) Others	5,592.25	3,292.65
Total	6,068.64	3,648.74

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

Based on the information and records available with the Company, the disclosures required pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED ACT'). The Disclosure pursuant to the said MSMED Act are as follows:

Particulars	December 31, 2020	December 31, 2019
a) Principal amount outstanding towards suppliers registered under MSMED Act and remaining unpaid as at the year end	385.86	261.58
b) Interest due to suppliers registered under the MSMED Act, on the principal amount due as at the year end and remaining unpaid as at the year end	0.09	0.03
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	539.08	858.21
d) Interest paid for amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
e) Interest due and payable on amounts paid to suppliers registered under the MSMED Act	3.73	5.14
f) Interest accrued and remaining unpaid at the end of each accounting year	3.82	5.17
g) Further interest remaining due and payable for earlier years	-	-

19 Financial liabilities - non-current

	As at December 31, 2020	As at December 31, 2019
Security Deposits from Related party (Refer note 36)	41.29	41.29
Security Deposits - Others	5.05	5.05
Total	46.34	46.34

20 Other financial liabilities - current

	As at December 31, 2020	As at December 31, 2019
Capital creditors (refer note (iii) below)	62.08	985.18
Security deposits	557.56	379.56
Payable to employees	627.36	523.56
Unpaid dividend (refer note (i) below)	41.59	80.02
Other payables (refer note (ii) below)	43.72	19.31
Total	1,332.31	1,987.63

Notes:

- (i) There is no amount due and outstanding as on December 31, 2020 to be credited to Investor Education and Protection Fund u/s 125 of the Companies Act, 2013.
- (ii) Other payables include commission payable to directors, retention money payable, etc. Also refer note 36 for other balances payable to related parties which are included above.
- (iii) Includes payable of Rs. Nil (Previous Year: Rs. 900 lakhs) in relation to business acquisition in the previous year year as referred to in note 5.

21 Current provisions

	As at December 31, 2020	As at December 31, 2019
Provision for sales tax (Refer note below)	130.98	152.98
Total	130.98	152.98

Note: The Company has made provision for expected sales tax liability (including interest) on account of sales tax assessments in process under the Central Sales Tax Act, 1956.

Movement in provisions

	December 31, 2020	December 31, 2019
Balance as at the beginning of the year	152.98	166.58
Charged/(Credited) to profit or loss	-	-
Additional provision recognised		
Unused amounts reversed	-	
Amounts used during the year	(22.00)	(13.60)
Balance as at the end of the year	130.98	152.98
Non current	130.98	152.98
Current	-	-

22 Non-current employee benefit obligations

	As at December 31, 2020	As at December 31, 2019
Provision for employee benefits		
- Provision for compensated absences	382.72	320.57
- Provision for service awards	47.04	43.53
- Provision for gratuity	37.64	26.93
- Provision for cash rewards	17.22	15.32
Total	484.62	406.35

23 Current employee benefit obligations

	As at December 31, 2020	As at December 31, 2019
Provision for employee benefits		
- Provision for compensated absences	43.23	28.09
- Provision for service awards	5.98	6.70
- Provision for cash rewards	2.40	2.50
Total	51.61	37.29

A Defined contribution plan

Provident and superannuation fund

The Company has certain defined contribution plans. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations as well as to superannuation fund. The contributions are made to registered provident fund administered by the government and superannuation trust administered through Life Insurance Corporation of India (LIC). The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan (provident fund) is Rs. 110.10 lakhs (December 31, 2019 - Rs. 110.89 lakhs) and defined contribution plan (superannuation fund) is Rs. 120.43 lakhs (December 31, 2019 - Rs. 112.48 lakhs).

B Defined benefit plan

I Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and is administered through group gratuity scheme with Life Insurance Corporation of India.

II Cash rewards at retirement

The Company has a defined benefit plan of cash rewards whereby at the time of normal retirement, Rs. 2,500 is payable to employees for each year of service rendered. The scheme is unfunded.

Movement in balances - Gratuity

- (i) The amounts recognised in balance sheet and movements in the net benefit obligation - Gratuity, over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net Amount
January 1, 2019	577.70	(559.15)	18.55
Current service cost	44.26	-	44.26
Past service cost	-	-	-
Interest expense/(income)	44.21	(44.73)	(0.52)
Total amount recognised in Profit or Loss	88.47	(44.73)	43.74
Return on plan assets	-	(1.17)	(1.17)
(Gain)/loss from experience change	33.76	-	33.76
(Gain)/loss from change in financial assumption	3.04	-	3.04
Total amount recognised in Other Comprehensive Income	36.80	(1.17)	35.63
Employer contributions	-	(70.99)	(70.99)
Benefits paid	(97.62)	97.62	-
December 31, 2019	605.35	(578.42)	26.93

	Present value of obligation	Fair value of plan assets	Net Amount
January 1, 2020	605.35	(578.42)	26.93
Current service cost	46.43	-	46.43
Interest expense/(income)	40.13	(40.48)	(0.35)
Total amount recognised in Profit or Loss	86.56	(40.48)	46.08
Return on plan assets	-	8.02	8.02
(Gain)/loss from experience change	(17.34)	-	(17.34)
(Gain)/loss from change in financial assumption	40.20	-	40.20
Total amount recognised in Other	22.86	8.02	30.88
Comprehensive Income			
Employer contributions	-	(66.25)	(66.25)
Benefits paid	(27.60)	27.60	-
December 31, 2020	687.17	(649.53)	37.64

Fair value of the planned assets represents the balance as contributed by the Company to the fund.

(ii) The net liability disclosed above relates to funded plans are as follows :

	December 31, 2020	December 31, 2019
Present value of funded obligation	687.17	605.35
Fair value of plan assets	(649.53)	(578.42)
Deficit	37.64	26.93

The Company has no legal obligation to settle the deficit in the funded plan with an immediate contribution or additional one-off contributions.

(iii) Significant estimates

The significant actuarial assumptions were as follows :

	December 31, 2020	December 31, 2019
Discount rate	6.10%	7.00%
Salary growth rate	9.00%	9.00%

(iv) Sensitivity of actuarial assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	December 31, 2020	December 31, 2019
Discount rate		
0.50% increase	(22.89)	(19.75)
0.50% decrease	24.37	20.98
Salary growth rate		
0.50% increase	10.37	8.66
0.50% decrease	(10.54)	(8.97)

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Projected benefits payable from the fund in future years from the date of reporting:

	December 31, 2020	December 31, 2019
Less than a year	80.37	64.26
Between 2 to 5 years	300.35	320.47
Between 6 to 10 years	402.09	361.04
Total	782.81	745.77

The weighted duration of the defined benefit obligation is 7 years (December 31, 2019 : 7 years).

(v) The major categories of plan assets are as follows:

	December 31, 2020	December 31, 2019
Funds managed by insurer	100%	100%

(vi) Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. All plan assets are maintained in a trust fund managed by a public sector insurer i.e., LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence, 100% liquidity is ensured. Also, interest rate and inflation risk are taken care of.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in higher present value of liabilities. Further, unexpected salary increases provided at the discretion of the management may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence, companies are encouraged to adopt asset-liability management.

Movement in balances - Cash rewards at retirement
(i) The amounts recognised in balance sheet and movements in the net benefit obligation - Cash rewards, over the year are as follows :

	Present value of obligation
January 1, 2019	16.82
Current service cost	0.87
Interest expense/(income)	1.30
Total amount recognised in Profit or Loss	2.17
(Gain)/loss from experience change	(2.20)
(Gain)/loss from change in financial assumption	1.03
Total amount recognised in Other Comprehensive Income	(1.17)
Benefits paid	-
December 31, 2019	17.82

	Present value of obligation
January 1, 2020	17.82
Current service cost	0.88
Interest expense/(income)	1.16
Total amount recognised in Profit or Loss	2.04
(Gain)/loss from experience change	(0.34)
(Gain)/loss from change in financial assumption	1.05
Total amount recognised in Other Comprehensive Income	0.71
Benefits paid	(0.95)
December 31, 2020	19.62

(ii) Significant estimates

The significant actuarial assumptions were as follows :

	December 31, 2020	December 31, 2019
Discount rate	6.10%	7.00%

(iii) Sensitivity of actuarial assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	December 31, 2020	December 31, 2019
Discount rate		
0.50% increase	(0.60)	(0.53)
0.50% decrease	0.63	0.56

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Projected benefits payable from the fund in future years from the date of reporting :

	December 31, 2020	December 31, 2019
Less than a year	2.40	2.50
Between 2 to 5 years	9.54	10.06
Between 6 to 10 years	9.15	8.04
Total	21.09	20.60

The weighted duration of the defined benefit obligation is 7 years (December 31, 2019 : 7 years).

(iv) Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which is detailed below:

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

24 Other current liabilities

	As at December 31, 2020	As at December 31, 2019
Statutory dues	60.01	194.14
Advances from customers	9.40	4.67
Total	69.41	198.81

25 Revenue from operations

	Year ended December 31, 2020	Year ended December 31, 2019
Sale of products		
- Finished goods	35,801.27	39,138.97
- Traded goods	2,266.01	116.17
	38,067.28	39,255.14
Other Operating Revenue		
- Sale of raw materials	177.34	25.27
- Sale of scrap	68.73	126.23
	246.07	151.50
Revenue from Operations	38,313.35	39,406.64

Note: Reconciliation of Revenue with contract price

	December 31, 2020	December 31, 2019
Revenue as per statement of profit and loss account	38,067.28	39,255.14
Adjustments for : Incentives Rebates, discounts etc	-	-
Contract price	38,067.28	39,255.14

26 Other income

	Year ended December 31, 2020	Year ended December 31, 2019
Interest income from financial assets carried at amortised cost		
Interest income on deposits	201.06	180.64
Interest Income on loan to related party	28.13	27.45
Interest Income - others	23.77	45.36
Dividend income from investments	130.16	975.21
Rental income	151.92	151.92
Net gains on foreign currency transactions and translations	15.63	-
Government Grants (refer note (i) below)	13.28	5.37
Net gain on disposal of property, plant and equipment	17.96	13.75
Net gain on financial assets measured at fair value through profit or loss	1,411.17	30.46
Other non-operating income (refer note (ii) below)	186.35	335.46
Total	2,179.43	1,765.62

Notes:

- (i) Government grants are in the form of export incentives available to the Company. There are no unfulfilled conditions or other contingencies attached to these grants. The Company did not benefit directly from any other forms of government assistance.
- (ii) Includes Rs. Nil (Previous Year : Rs. 182.63) of provision for certain legal matters no longer required written back.

27 Cost of raw materials consumed

	Year ended December 31, 2020	Year ended December 31, 2019
Consumption of raw materials		
Inventory at the beginning of the year	2,703.44	3,041.28
Purchases	20,097.30	23,474.66
Inventory at the end of the year	(2,964.22)	(2,703.44)
	19,836.52	23,812.50
Consumption of packing materials		
Inventory at the beginning of the year	182.42	202.33
Purchases	1,574.92	1,736.41
Inventory at the end of the year	(195.25)	(182.42)
	1,562.09	1,756.32
Total	21,398.61	25,568.82

28 Purchases of stock in trade

	Year ended December 31, 2020	Year ended December 31, 2019
Purchases of stock in trade	1,754.22	50.18
Total	1,754.22	50.18

29 Change in inventories of finished goods, work-in-progress and stock in trade

	Year ended December 31, 2020	Year ended December 31, 2019
Opening Inventory		
- Finished goods	1,312.01	1,026.47
- Work in progress	709.59	721.79
- Stock - in - trade	14.26	39.78
	2,035.86	1,788.04
Less: Closing Inventory		
- Finished goods	1,195.85	1,312.01
- Work in progress	797.38	709.59
- Stock - in - trade	53.00	14.26
	2,046.23	2,035.86
Net change in inventory	(10.37)	(247.82)

30 Employee benefits expense

	Year ended December 31, 2020	Year ended December 31, 2019
Salaries, wages and bonus	2,378.67	2,302.78
Contribution to provident and other funds	230.81	223.69
Other employee benefits	50.92	41.09
Staff welfare expenses	151.82	167.82
Total	2,812.22	2,735.38

31 Finance costs

	Year ended December 31, 2020	Year ended December 31, 2019
Interest to bank on cash credit facilities	-	0.20
Others	21.83	33.59
Total	21.83	33.79

32 Depreciation and amortisation expense

	Year ended December 31, 2020	Year ended December 31, 2019
Depreciation on property, plant and equipment	550.99	586.06
Depreciation on investment properties	8.56	7.98
Amortisation of intangible assets	610.50	141.33
Depreciation of right-of-use assets	0.20	-
Total	1,170.25	735.37

33 Other expenses

	Year ended December 31, 2020	Year ended December 31, 2019
Consumption of Stores and Spares	264.63	397.10
Power and Fuel	529.36	581.61
Delivery Charges	1,202.96	1,211.93
Rent	18.05	28.79
Rates and taxes	105.81	68.94
Insurance	67.03	66.24
Repairs and maintenance		
- Buildings	12.17	5.49
- Machinery	392.87	390.10
- Others	22.96	14.63
Repacking Charges	47.57	80.80
Royalty	226.28	233.89
Telephone and communication	38.01	47.89
Travelling and conveyance	45.72	161.62
IT allocation charges	254.84	231.98
Sharing of Global R&D Charges	250.85	193.01
Commission and sitting fees to directors	35.15	38.20
Bad Debts and advances written off	15.90	12.35
Provision for Doubtful debts	11.87	315.92
Commission on sales	4.75	2.38
Net losses on foreign currency transactions and translations	-	4.13
Legal and Professional Charges	355.63	612.00
Payment to auditors (Refer Note 33 (a))	42.17	38.79
Corporate Social Responsibility expenses (Refer Note 33 (b))	150.01	158.88
Miscellaneous expenses	1,230.10	1,021.10
Total	5,324.69	5,917.77

33 (a) Payment to auditors (exclusive of GST)

	Year ended December 31, 2020	Year ended December 31, 2019
As auditor		
Statutory Audit	23.50	21.00
Limited Reviews	10.50	10.50
In other capacities		
Other audit related services	6.00	4.20
Reimbursement of out of pocket expenses	2.17	3.09
Total	42.17	38.79

33 (b) Corporate Social Responsibility expenses (CSR)

	Year ended December 31, 2020	Year ended December 31, 2019
Gross amount required to be spent by the Company during the year	150.01	158.88
Total	150.01	158.88

Amount spent during the year	In cash	
	December 31, 2020	December 31, 2019
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	150.01	158.88
Total	150.01	158.88

33 (c) Research and development expenses

	Year ended December 31, 2020	Year ended December 31, 2019
a. Expenses of revenue nature (debited to statement of profit and loss)	673.99	704.19
b. Expenses of capital nature (addition to Property, Plant and Equipment)	13.88	13.52
Total	687.87	717.71

The research and development expenses disclosed herewith refers to the expenses incurred for the R & D unit situated at Pimpri works (recognised by Department of Scientific & Industrial Research "DSIR") and Ankleshwar works (not recognised by DSIR).

34 Earnings per share (EPS)

	Year ended December 31, 2020	Year ended December 31, 2019
Net profit attributable to the equity shareholders of the company	6,176.39	4,956.08
Weighted average number of equity shares	79,27,682	79,27,682
Basic & diluted earnings per share (in Rupees)	77.91	62.52

Note: The Company does not have outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

35 Contingencies and commitments

a) Contingent liabilities

	As at December 31, 2020	As at December 31, 2019
(i) Excise and service tax matters	302.97	294.17
Total	302.97	294.17

(ii) On March 6, 2019, the Company was directed for the closure of its operations in Ankleshwar by the Gujarat Pollution Control Board (GPCB) due to a suspected water contamination issue. The GPCB, through its subsequent orders, had granted a temporary revocation of the closure order. As per the latest order received from the GPCB on July 8, 2020, the Company was provided with a temporary revocation upto January 8, 2021. The Company filed an application for further extension on December 14, 2020 on which the GPCB requested certain clarifications on January 30, 2021. The Company has responded to those requests and further extension is now awaited. The Company is representing to the GPCB for a permanent revocation of the closure order and is doing all the necessary acts, deeds and formalities in that connection.

Note:

The Company's pending litigations comprise of proceedings pending with Excise and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for cases where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

b) Capital commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 5,386.59 lakhs (December 31, 2019 : Rs. 384.66 lakhs)

c) Lease commitments

There were no non-cancellable operating leases as on December 31, 2020 and December 31, 2019.

36 Related party transactions

Name of the related parties and nature of relationship

(i) where control exists :

Sr. No.	Name of the entity	Place of business/ Country of Incorporation	Ownership Interest		Relationship
			December 31, 2020	December 31, 2019	
1	Elantas GmbH	Germany	75.00%	75.00%	Holding Company
2	Altana Management Services GmbH	Germany	0.00%	0.00%	Holding Company of Elantas GmbH
3	Altana AG	Germany	0.00%	0.00%	Holding Company of Altana Management Services GmbH
4	SKion GmbH	Germany	0.00%	0.00%	Ultimate Holding Company

(ii) Other Related Parties with whom transactions have taken place during the year:

(I) Fellow Subsidiaries:

- 1 BYK-Chemie GmbH
- 2 Elantas PDG Inc.
- 3 Elantas Europe s.r.l.
- 4 Elantas (Tongling) Co Ltd
- 5 Elantas (Zhuhai) Co., Ltd
- 6 Elantas Europe GmbH
- 7 Elantas Malaysia Sdn Bhd
- 8 EckartAsia Limited
- 9 ActegaTerra GmbH
- 10 BYK India Private Limited
- 11 BYK Korea LLC

(II) Key Management Personnel:

- 1 Mr. Ravindra Kumar (Managing Director upto July 31, 2019)
- 2 Mr. Sri Kumar Ramakrishnan (President from May 8, 2019 to July 31, 2019 and Managing Director from August 1, 2019)
- 3 Mr. Milind Talathi (Director)
- 4 Mr. Suresh Talwar (Independent Director)
- 5 Mr. Ravindra Kulkarni (Independent Director)
- 6 Mr. Ranjal Laxmana Shenoy (Independent Director)
- 7 Mrs. Kishori Udeshi (Independent Director)
- 8 Mr. Stefan Genten (Director)
- 9 Mr. Martin Babilas (Director)
- 10 Dr. Guido Forstbach (Director)

36 Transactions with related parties

	Name of the Party and nature of transaction	December 31, 2020	December 31, 2019
	Intermediate Holding Companies		
(a)	Altana AG		
	Services received	61.24	48.09
	Reimbursements paid	46.10	39.69
	Reimbursements received	-	1.36
(b)	Altana Management Services GmbH		
	IT allocation charges	254.84	231.98
	Reimbursements received	-	2.46
	Holding Company		
	Elantas GmbH		
	Reimbursements received	96.92	4.11
	Sharing of Global R&D Charges	250.85	193.01
	Services received	193.62	148.27
	Royalty expenses	49.14	61.24
	Dividend paid	297.29	267.56
	Fellow subsidiaries		
(a)	Elantas Europe s.r.l.		
	Commission Income	4.95	8.67
	Reimbursements received	-	7.48
	Purchase of raw materials	140.26	173.55
	Royalty expenses	152.29	146.52
(b)	Elantas PDG Inc.		
	Reimbursements received	-	1.07
	Purchase of raw materials	20.71	7.34
	Services received	62.41	121.00
	Royalty expenses	10.51	9.33
(c)	BYK-Chemie GmbH		
	Reimbursements received	1.07	1.24
(d)	Elantas (Tongling) Co Ltd		
	Sale of goods	-	2.90
	Purchase of raw materials	17.39	275.66
(e)	Elantas (Zhuhai) Co., Ltd		
	Sale of goods	79.52	61.58
	Royalty income	3.62	5.38
(f)	Eckart Asia Limited		
	Reimbursements received	214.16	289.74
(g)	Elantas Europe GmbH		
	Purchase of raw materials	8.97	-
	Royalty expenses	14.34	16.80

	Name of the Party and nature of transaction	December 31, 2020	December 31, 2019
(h)	Elantas Malaysia Sdn Bhd		
	Sale of goods	14.74	17.47
	Commission on sales	-	1.89
	Reimbursements received	-	13.37
(i)	Actega Terra GmbH		
	Reimbursements received	31.38	35.74
(j)	BYK India Private Limited		
	Rental income	151.92	151.92
	Loan given	-	50.00
	Interest Income on loan	28.13	27.45
	Reimbursements received	35.40	27.06
(k)	BYK Korea LLC		
	Services received	0.06	0.18
	Key Management Personnel		
	Short-term employee benefits	257.89	295.95
	Post-employment benefits	36.50	58.83
	Directors Sitting fees	15.95	20.60
	Directors Commission	19.20	17.60

Notes:

- (1) Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not presented above.
- (2) Transactions during the year reported above include impact of increase/(decrease) in provision for expenses accounted for as on year end.

II Outstanding Balances from sale/ purchase of goods and services

	Name of the Party and nature of transaction	December 31, 2020	December 31, 2019
(i)	Trade Receivables		
	Elantas (Zhuhai) Co., Ltd	-	34.14
	Elantas (Tongling) Co Ltd	-	2.90
	Elantas Malaysia Sdn Bhd	-	4.10
	Total	-	41.14
(ii)	Trade Payables		
	Elantas Europe s.r.l.	27.85	-
	Elantas GmbH	41.77	-
	Elantas PDG Inc.	7.50	52.80
	Altana management Services GmbH	-	14.58
	Altana AG	2.46	17.36
	BYK Korea LLC	0.04	0.07
	BYK Asia Pacific Pte. Ltd	-	4.53
	Elantas Europe GmbH	7.09	-
	Total	86.71	89.34

	Name of the Party and nature of transaction	December 31, 2020	December 31, 2019
(iii)	Security Deposits received		
	BYK India Private Limited	41.29	41.29
	Total	41.29	41.29
(iv)	Loan given and interest accrued thereon		
	BYK India Private Limited	330.47	330.47
	Total	330.47	330.47
(v)	Other receivables		
	Elantas GmbH	28.91	158.28
	Elantas (Zhuhai) Co., Ltd	0.94	-
	Altana AG	4.29	1.07
	Eckart Asia Limited	-	19.14
	Actega Terra GmbH	2.37	1.96
	Elantas Europe s.r.l.	-	11.56
	Total	36.51	192.01
(vi)	Other current liabilities		
	Payable to employees	89.17	96.43
	Commission payable	19.20	17.60
	Total	108.37	114.03
	Mr. Ravindra Kumar	-	25.40
	Mr Srikumar Ramakrishnan	63.50	45.14
	Mr. Milind Talathi	25.67	25.89
	Total	89.17	96.43

III Terms and conditions for outstanding balances

Transactions with related parties were made on normal commercial terms and conditions.

All outstanding balances are unsecured and payable in cash.

37 Segment reporting

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Managing Director of the Company have been identified as the chief operating decision maker.

The CODM evaluates the performance based on the revenues and operating profit for the two segments, the composition of which is explained

below:

Segment

Electrical Insulations

Products covered

The Electrical Insulation System business line comprises three product groups: wire enamels, insulating varnishes and resins, and casting and potting compounds. These products are used in the light and heavy electrical industries.

Engineering & Electronic Resins

This comprises of complete solutions for printed circuit boards (PCBs), PCB protection solutions, and Materials construction chemicals used for post-construction coating applications and flexible electrical insulations.

Information about business segments

Particulars	December 31, 2020	December 31, 2019
Segment Revenue (Includes Other Income allocable to segments)		
Electrical Insulations	34,050.34	34,595.46
Engineering & Electronic Resins and Materials	4,484.27	5,160.51
Net Sales / Income From Operations (including other income)	38,534.61	39,755.97
Segment results		
Electrical Insulations	5,786.52	4,766.42
Engineering & Electronic Resins and Materials	672.58	588.79
Less: Finance Cost	(21.83)	(33.79)
Add : Other unallocable income	1,958.17	1,416.29
Less : Other unallocable expenditure	(374.11)	(358.94)
Profit before tax	8,021.33	6,378.77
Segment Assets		
Electrical Insulations	23,166.75	22,112.08
Engineering & Electronic Resins and Materials	4,049.44	4,035.86
Others	26,409.19	19,487.73
Total Assets	53,625.38	45,635.67
Segment Liabilities		
Electrical Insulations	6,590.00	5,088.86
Engineering & Electronic Resins and Materials	823.00	735.42
Others	2,053.11	1,408.49
Total Liabilities	9,466.11	7,232.77
Capital expenditure		
Electrical Insulations	1,052.95	5,642.99
Engineering & Electronic Resins and Materials	82.70	115.92
Others	25.73	19.36
Total capital expenditure	1,161.38	5,778.27
Depreciation and amortisation expense		
Electrical Insulations	990.71	551.25
Engineering & Electronic Resins and Materials	151.85	155.51
Others	27.69	28.61
Total depreciation and amortisation expense	1,170.25	735.37

(b) Information about geographical segments

Revenue from customers

Particulars	December 31, 2020	December 31, 2019
India	38,025.40	39,373.49
Outside India	509.21	382.48
Total	38,534.61	39,755.97

Entire non-current assets are located in India. There are no major customers contributing 10% or more of the Company's revenue.

38 Fair value measurements

Financial instruments by category

	December 31, 2020		December 31, 2019	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
Mutual Funds	21,771.98	-	15,983.73	-
Loans	-	457.73	-	484.21
Trade receivables	-	7,050.68	-	6,109.28
Cash and bank balances	-	2,661.80	-	2,441.42
Long term deposits with banks	-	2,717.95	-	1,968.43
Other financial assets	-	136.43	-	224.26
Total financial assets	21,771.98	13,024.59	15,983.73	11,227.60
Financial liabilities				
Trade payables	-	6,068.64	-	3,648.74
Security Deposits	-	603.90	-	425.90
Capital Creditors	-	62.08	-	985.18
Payable to Employees	-	627.36	-	523.56
Unpaid Dividend	-	41.59	-	80.02
Other Payables	-	43.72	-	19.31
Total financial liabilities	-	7,447.29	-	5,682.71

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At December 31, 2020					
Financial assets					
Investments					
Mutual Funds	6	-	21,771.98	-	21,771.98

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At December 31, 2019					
Financial assets					
Investments					
Mutual Funds	6	-	15,983.73	-	15,983.73

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchange is valued using the closing price as at the end of the reporting period.

Level 2: Level 2 valuations are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. This includes mutual funds whose closing NAV is provided by Asset Management Company (AMC) and is also available on Association of Mutual Funds in India (AMFI) website.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices or dealer quotes for similar instruments

iii) Valuation process

The finance department of the company performs the valuation of financial assets and liabilities required for financial reporting purposes including level 3 fair values. Changes in fair values are analyzed at the end of each reporting period and an explanation for the reason for fair values are discussed.

iv) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, security deposits, loans and advances to employees, fixed deposits with banks, interest accrued on fixed deposits, cash and cash equivalents, other bank balances, trade payables, security deposits received, capital creditors, payable to employees, unpaid dividend and others are considered to be reasonable approximation of their fair values.

39 Financial risk management

The Company's activities exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, loans given to related parties, loans given to employees, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision has been created for expected credit loss for credit risk arising from these financial assets. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, for eg, external credit rating (to the extent available), actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to borrower's ability to meet its obligations.

Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly.

The ageing of trade receivable as on balance sheet date is given below. The age analysis has been considered from the date when the invoices were due for payment.

Period	As at December 31, 2020			As at December 31, 2019		
	Gross	Allowance	Net	Gross	Allowance	Net
Not due	6,765.03	-	6,765.03	5,577.42	-	5,577.42
Overdue up to 3 months	346.22	(60.57)	285.65	535.09	(3.23)	531.86
Overdue 3-6 months	67.91	(67.91)	-	156.98	(156.98)	-
Overdue more than 6 months	318.38	(318.38)	-	274.78	(274.78)	-
Total	7,497.54	(446.86)	7,050.68	6,544.27	(434.99)	6,109.28

Movement of allowance for doubtful debts

	Amount
Allowance for doubtful debts as on December 31, 2019	434.99
Change during the year	11.87
Allowance for doubtful debts as on December 31, 2020	446.86

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk, being the total of the carrying amount of balances with bank, short term deposits with banks, trade receivables and other financial assets is disclosed at the end of the each reporting period. Refer relevant notes for details. At the reporting date, there were no significant arrangements which reduced the maximum credit risk.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. To assure the solvency and financial flexibility, the Company retains a liquidity reserve through cash and cash equivalents and lines of credit. The tables below analyse the Company's financial liabilities into relevant maturity group based on their contractual maturities for :

Period	As at December 31, 2020		As at December 31, 2019	
	< 1 year	>1 year	<1 year	>1 year
Trade payables	6,068.64	-	3,648.74	-
Security Deposits	557.56	46.34	379.56	46.34
Capital Creditors	62.08	-	985.18	-
Payable to Employees	627.36	-	523.56	-
Unpaid Dividend	41.59	-	80.02	-
Other Payables	43.72	-	19.31	-
Total	7,400.95	46.34	5,636.37	46.34

(C) Market risk

1) Foreign currency risk

The company is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The Company's exposure to foreign currency arises from short term receivables and payables where fluctuations in the foreign exchange rates are generally not significant and consequently limiting the company's exposure.

(i) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows :-

	December 31, 2020		December 31, 2019	
	EUR	USD	EUR	USD
Financial assets				
Trade and other receivables	31.17	61.29	193.07	66.99
Bank balances	-	-	-	0.32
Exposure to foreign currency risk (assets)	31.17	61.29	193.07	67.31
Financial liabilities				
Trade payables	13.12	552.33	56.10	491.40
Exposure to foreign currency risk (liability)	13.12	552.33	56.10	491.40
Net exposure to foreign currency risk - assets/ (liability)	18.05	(491.04)	136.97	(424.09)

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

	Impact on profit before tax	
	December 31, 2020	December 31, 2019
EUR sensitivity		
INR/EUR - Increase by 5% (31 December 2019-5%)	0.90	6.85
INR/EUR - Decrease by 5% (31 December 2019-5%)	(0.90)	-6.85
USD sensitivity		
INR/USD - Increase by 5% (31 December 2019-5%)	-24.55	-21.20
INR/USD - Decrease by 5% (31 December 2019-5%)	24.55	21.20

II) Interest rate risk

The Company's main interest rate risk arises from deposits placed over a period of time on frequent basis thereby exposing the Company to interest rate risk. The Company's policy is to have fixed interest rate at the time of deal execution.

The loan to related party is carried at amortised cost. The Company recovers interest as per the terms of the agreement. The interest rate approximates the market rate of interest and hence the interest risk for loan given to related party is not considered to be substantial.

The exposure of Company's loans to interest rate change at the end of the reporting period is described below

	December 31, 2020	December 31, 2019
Fixed rate loan to related party	330.47	330.47

The impact of interest rate sensitivity on the statement of profit and loss is given in the table below:

	December 31, 2020	December 31, 2019
Interest rate - increase by 1%	3.30	3.30
Interest rate - decrease by 1%	(3.30)	(3.30)

40 Capital Management

a) Risk management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2020 and December 31, 2019.

b) Dividends

		December 31, 2020	December 31, 2019
(i) Equity shares			
	Final dividend for the year ended December 31, 2019 of Rs. 5 (December 31, 2018 of Rs. 4.5) per fully paid share	396.38	356.75
	Dividend Distribution tax thereon	-	73.33
(ii) Dividends not recognised at the end of the reporting period			
	The directors have recommended the payment of a final dividend of Rs. 5.0 per fully paid equity share (December 31, 2019 - Rs. 5 per fully paid equity share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	396.38	396.38

41 At the year end, the Company has long term contracts for which there were no material foreseeable losses. The Company does not have any derivative contracts as at December 31, 2020.

42 The Company has considered the possible effects that may result from the Covid -19 pandemic in the preparation of the annual financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, Management has taken into account internal and external sources of information including economic forecasts and related information and expects that the carrying amount of these assets are fair and reasonable. The impact of the pandemic might be different from that estimated as on the date of approval of this results.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/ N500016

For and on behalf of the Board of Directors of Elantas Beck India Limited

Amit Borkar

Partner

Membership No.: 109846

Place : Pune

Date : February 23, 2021

R.L. Shenoy

Director

DIN: 00074761

Place : Mumbai

Date : February 23, 2021

Srikumar Ramakrishnan

Managing Director

DIN: 07685069

Place : Pune

Date : February 23, 2021

Sanjay Kulkarni

Chief Financial Officer

Place : Pune

Date : February 23, 2021

Abhijit Tikekar

Company Secretary

Place : Pune

Date : February 23, 2021

NOTICE

Notice is hereby given that the Sixty Fifth Annual General Meeting (AGM) of the Members of ELANTAS Beck India Limited (CIN: L24222PN1956PLC134746) will be held on Tuesday, 04 May 2021 at 10.00 a.m. through Video Conference (VC)/ Other Audio-Visual Means (OAVM) facility to transact following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements for the year ended December 31, 2020 along with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares for the year 2020.
3. To appoint a Director in place of Dr. Guido Forstbach (DIN:00427508) who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. PriceWaterhouse Chartered Accountants LLP as Statutory Auditors and in this connection, to consider, and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 139, 141 and 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. PriceWaterhouse Chartered Accountants LLP, Chartered Accountants (Registration No. 012754N/N500016), be and are hereby re-appointed as the Statutory Auditors of the Company for another term of five (5) years and to hold the office from the conclusion of the 65th Annual General Meeting till the conclusion of 70th Annual General Meeting at a remuneration plus applicable taxes and out of pocket expenses as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors and the Statutory Auditors from time to time."

SPECIAL BUSINESS:**5. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Act, read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, if any, for the time being in force, the remuneration not exceeding Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand only) as Audit fees plus out of pocket expenses at actuals plus applicable taxes, payable to Dhananjay V. Joshi & Associates, Cost Accountants, Pune (Firm Registration No. 000030) appointed by the Board of Directors as Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ending on December 31, 2020 be and is hereby ratified and confirmed."

6. To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in

force and applicable provisions of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the re-appointment and terms of remuneration of Mr. Milind Talathi (DIN : 07321958) as Whole-Time Director of the Company for a period of 2 years with effect from 27 February 2021 to 26 February 2023 as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors in their respective Meetings held on 23 February, 2021 on such terms & conditions including those relating to the remuneration as set out in the Agreement dated 23 February 2021 entered into between him and the Company, an extract of which is set out in the explanatory statement attached hereto with the liberty to the Board of Directors to alter and vary the terms and conditions of re-appointment and/or remuneration, subject to the limits as approved by the Shareholders in such manner as may be agreed upon between the Board and Mr. Milind Talathi.

RESOLVED FURTHER THAT any Director of the Company and / or Company Secretary be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution. "

By order of the Board of Directors

Place: Pune

Date: February 23, 2021

ELANTAS Beck India Limited

CIN: L24222PN1956PLC134746

Registered Office:

147, Mumbai - Pune Road, Pimpri, Pune 411018,

Maharashtra., India

Tel: (020) 67190605

Abhijit.Tikekar@Altana.com

<http://www.elantas.com/beck-india>

Abhijit Tikekar

Head Legal & Company Secretary

(Membership No. : ACS 20213)

NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out material facts in respect of the item nos. 4, 5 and 6 is annexed hereto.
2. In view of the outbreak of the Covid-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020, 20/2020 and 02/2021 dated 8 April 2020, 13 April 2020, 5 May 2020 and 13 January 2021, respectively issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No.s SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 65th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue.
3. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 65th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting and for participation in the 65th AGM through VC/OAVM Facility and e-Voting during the 65th AGM.
4. In line with the MCA and SEBI Circulars, the Notice of the 65th AGM will be available on the website of the Company at www.elantas.com, on the website of BSE Limited at www.bseindia.com and also on the website of NSDL (agency for providing the Remote-Voting Facility) i.e. at www.evoting.nsdl.com.
5. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed to this Notice.
6. Members may join the 65th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 9.30 a.m. IST i.e. 30 minutes before the time scheduled to start the 65th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 65th AGM.
7. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, auditors etc. can attend the 65th AGM without any restriction on account of First-come First-served principle.
8. The attendance of the Members participating in the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at Abhijit.Tikekar@altana.com.
10. Details of Directors seeking re-appointment:

Particulars	Dr. Guido Forstbach (DIN: 00427508)	Mr. Milind Talathi (DIN: 07321958)
Date of birth	29 March 1956	27 May 1961
Date of first appointment on the Board	26 October 2012	28 October 2015
Qualifications	Graduate in chemistry with a doctorate	BE (Chemical)
Expertise in specific area	Thorough knowledge of chemical industry and management expertise	Chemical Industry
Directorships held in other Companies	Nil	Nil
Membership/ Chairmanships of Committees of Other Companies	Nil	Nil
Shareholding in the Company as on 31 December 2020	NIL	NIL
No. of Board Meetings attended	2	4
Remuneration Last drawn	Nil	Rs. 91,38,113 /-
Terms & Conditions of Appointment/ Re-appointment	As per the Resolution at item no. 3 of the Annual General Meeting Notice dated 23 February 2021	As per the Resolution at item no. 6 of the Annual General Meeting Notice dated 23 February 2021 read with Explanatory Statement thereto.
Remuneration Proposed to be paid	Nil	As may be decided by the Members.
Relationship with Other Directors, & KMP	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel

11. The Register of Members and Share Transfer books of the Company will remain closed from Wednesday, 28 April 2021 to Tuesday, 04 May 2021 (both days inclusive), for the purpose of payment of Dividend, if approved by the Members in the AGM.
12. Members holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with the share certificates to the Company's Registrar and Transfer Agents i.e. Link In time India Private Limited, so as to enable the Company to consolidate their holdings into one folio.
13. Pursuant to Sections 123, 124 and 125 of the Act, the Company will be transferring in July 2021, the unclaimed dividend and shares, if any for the Financial year ended 31 December 2013 to the Investor's Education and Protection Fund (IEPF) of the Central Government.
14. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend liable to be transferred to IEPF administered by the Central Government. Members are requested to refer the web site of the Company for the details made available by the Company pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017.
15. As per Section 124(6) of the Act read with the IEPF Rules as amended from time to time, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more as on due date of the transfer, are required to be transferred to an IEPF Demat Account. In case the dividends are not claimed by the respective Members, necessary steps will be initiated by the Company to transfer shares held by the Members to IEPF along with dividend remaining unpaid/unclaimed thereon.

16. Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF authorities by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.
17. It may also be noted that once the unclaimed dividend and shares are transferred to the credit of the said Fund, as above, no claim shall lie in respect thereof with the Company.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company by clicking on the link https://linkintime.co.in/EmailReg/Email_Register.html or by sending an email containing scanned copy of request letter and self attested copy of PAN card to pune@linkintime.co.in.
19. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1 April 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
20. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as for e-voting during the AGM will be provided by NSDL. The procedure for e-voting on the day of the AGM is same as that of the remote e-voting.
21. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM are Ms. Pallavi Mhatre, Manager National Securities Depository Limited, Trade world, "A" wing, 4th Floor, Kamla Mills Compound , Senapati Bapat marg, Lower parel, Mumbai - 400013, at the designated email address : e-voting@nsdl.co.in or at Telephone No. +91 2224994545.
22. The e-voting period commences from Saturday 1 May 2021 at 9.00 a.m. and ends on Monday 3 May 2021 at 5.00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently. The e-voting module will be activated during the proceedings of the 65th AGM and Members who have cast their vote using remote e-voting platform, may cast their vote through VC/ OAVM facility during the proceedings of the AGM. The e-voting will be closed with the formal announcement of closure of the 65th AGM.
23. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday 27 April 2021.
24. Mr. Prajot Tungare, (Membership No. FCS 5484), Partner of Prajot Tungare and Associates, Pune, has been appointed as the Scrutinizer to scrutinize the remote e voting process and casting vote through the e-Voting system during the Meeting in a fair and transparent manner.

25. The Scrutinizer shall after the conclusion of e-Voting at the 65th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favor or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 65th AGM, who shall then countersign and declare the result of the voting forthwith.
26. The results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.elantas.com/beck-india>, Notice Board of the Registered Office and on the website of NSDL www.evoting.nsdl.com immediately after the results are declared by the Chairman and also communicated to BSE Limited.
27. Pursuant to the MCA and SEBI Circulars, in view of the prevailing Covid -19 situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 65th AGM, the Annual Report for the year 2020 including therein the Audited Financial Statements for year 2020, is being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 65th AGM and the Annual Report for the year 2020 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:
- (a.) For Members holding shares in physical form, please send scanned copy of a signed request letter mentioning the folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's Registrar & Share Transfer Agents at pune@linkintime.co.in.
- (b.) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
- Alternately, Members can also update the details by clicking on :
- https://linkintime.co.in/EmailReg/Email_Register.html and following the procedure mentioned therein.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

A. How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in Demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your Demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned in the notice to get the email ID registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (OneTime Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on ActiveVoting Cycles.
2. After click on ActiveVoting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as theVoting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS :-

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF / JPG format) of the relevant Board resolution / authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to prajot@prajottungarecs.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details / Password?' or the 'Physical User Reset Password?' option available on www.evoting.nsdl.com, to reset the password.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and the e-voting user manual for shareholders available in the download section of www.evoting.nsdl.com, or call on the toll-free no.: 1800 1020 990 and 1800 22 44 30, or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Manager, National Securities Depository Ltd., TradeWorld, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email address: evoting@nsdl.co.in or at telephone no. +91 22 2499 4545, who will also address grievances connected with voting by electronic means.
4. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 65th AGM by email and holds shares as on the cut-off date i.e. 27 April, 2021, may obtain the User ID and password by sending a request to the Company's email address Abhijit.Tikekar@altana.com.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) Members will be able to attend the 65th AGM through VC/OAVM Facility through the NSDL e-Voting system at <https://www.evoting.nsdl.com> under shareholders login by using the remote e-Voting credentials and selecting the EVEN for the Company's 65th AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice of the 65th AGM to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.

- b) Further, Members will be required to use Internet with a good speed to avoid any disturbance during the meeting.
- c) Please note that Members connecting from mobile devices or tablets or through laptops etc. connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- d) Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 65th AGM through VC/OAVM Facility.

INSTRUCTIONS FOR INCOME TAX COMPLIANCE WITH RESPECT TO DIVIDEND :-

- 1) Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1 April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by clicking on https://linkintime.co.in/EmailReg/Email_Register.html and following the procedure mentioned therein latest by 27 April 2021.
- 2) The dividend, if approved by the Members, will be paid as per the mandate registered with the Company or with their respective Depository Participants.
- 3) Further, in order to receive dividend/s in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the details /documents by email to reach at pune@linkintime.co.in or by clicking on https://linkintime.co.in/EmailReg/Email_Register.html and following the procedure mentioned therein latest by 27 April 2021.
- 4) For the Members holding shares in demat form, please update your Electronic Bank Mandate through your Depository Participant/s.
- 5) In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, at the earliest once the normalcy is restored.
- 6) No withholding of tax is applicable to resident individual Shareholders having valid PAN and if the dividend payable is less than Rs. 5,000/- per Financial year and in cases of resident Insurance Companies and resident Mutual Fund category Shareholders.
- 7) In order to receive the relevant information from Shareholders to determine the rate of tax deduction as applicable to them, we request all Shareholders to kindly verify the correctness of their respective residential status and category of holding and update the same with their respective depository participant or with the Registrar and Share Transfer Agent of the Company – Link Intime India Private Limited ("Link Intime"), at the earliest. To facilitate this, the Company with Link Intime India Private Limited ("Link Intime"), Company's Registrar and Share Transfer Agent has enabled a Shareholder web-portal for submission of tax exemption forms/requested documents. Shareholders can submit their tax exemption forms and supporting documents directly on portal for purposes of tax deduction at source by clicking the below link and selecting "ELANTAS Beck India Limited" in the Company dropdown. <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>

- 8) We request shareholders to upload the relevant documents on aforesaid link on or before 27 April 2021. Any submissions received after 27 April 2021 will not be considered for payment of Final dividend for FY 2020, if approved
- 9) If the documents are found in accordance with the provisions of the IT Act the same shall be considered while deducting the taxes.

Annexure to the Notice

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4

The Members of the Company at the 61st Annual General Meeting (AGM) held on 3 June 2016 approved the appointment of PriceWaterhouse, Chartered Accountants LLP, as the Auditors of the Company for the Year 2016 and in 62nd AGM, Members approved appointment of PriceWaterhouse, Chartered Accountants LLP for a period of Four years forming part of the First Term of Five Years. i.e. up to the conclusion of AGM to be held for the financial year ended 2020.

The present remuneration of Price Waterhouse, Chartered Accountants LLP for conducting the audit for the financial year 2020 is Rs. 40,00,000/- (Rupees Forty Lakh Only) plus Goods and Services Tax as applicable and reimbursement of out-of-pocket expenses incurred. The proposed remuneration for conducting the audit for the financial year 2021 is Rs. 40,00,000/- (Rupees Forty Lakh Only) plus Goods and Services Tax as applicable and reimbursement of out-of-pocket expenses incurred.

Price Waterhouse (the Firm) was constituted on 1 April 1991 having Firm Registration No. 012754N. It was converted into Limited Liability Partnership, i.e., PriceWaterhouse Chartered Accountants LLP with effect from July 25, 2014, thereby having a new Firm Registration No. 012754N/ N500016. The registered office of the Firm is at Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi - 110 002. PriceWaterhouse Chartered Accountants LLP is a separate, distinct and independent member firm of the Network - PriceWaterhouse Et Affiliates which consists of 12 separate, distinct and independent member firms, each of which is incorporated in accordance with the local legal requirements and are registered with the Institute of Chartered Accountants of India. PriceWaterhouse & Affiliates cumulatively are more than 100 years old in India and have offices in 10 cities in India - Mumbai, Ahmedabad, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, New Delhi and Jamshedpur. The Firm audits various companies listed on stock exchanges in India. The Chartered Accountant profession in India is governed by the Chartered Accountants Act, 1949.

The Board of Directors of the Company (the Board), on the recommendation of the Audit Committee (the Committee), recommended for the approval of the Members, the reappointment of PriceWaterhouse, Chartered Accountants LLP as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 70th AGM. While making such a recommendation, the Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found Price Waterhouse, Chartered Accountants LLP to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. PriceWaterhouse, Chartered Accountants LLP have given their consent to act as the Auditors of the Company and have confirmed that the said reappointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends passing of the Ordinary Resolution as set out at item no. 4 of the Notice for your approval.

Item No. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its Meeting held on 25 February 2020 approved the payment of a remuneration not exceeding Rs. 1.50 Lakh as Audit fees plus out of pocket expenses at actuals and taxes as may be applicable subject to the approval of the Members to Dhananjay V Joshi & Associates, Cost Auditors, Pune (Firm Registration No. 000030) to conduct the audit of the cost records of the Company for the financial year ending 31 December 2020.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends passing of the Ordinary Resolution as set out at item no. 5 of the Notice for your approval.

Item No. 6

Pursuant to the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its Meeting held on 23 February 2021, approved the reappointment of Mr. Milind Talathi as the Whole Time Director of the Company pursuant to Sections 196, 197, 203 and other applicable provisions, if any of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 with effect from 27 February 2021 for a period of 2 years i.e. up to 26 February 2023.

Mr. Milind Talathi is associated with the Company since 16 July 2013. Mr. Milind Talathi is currently heading Manufacturing functions of the Company at both the plants i.e. Pimpri, Pune and Ankleshwar, Gujrat.

Mr. Milind Talathi, who is 59 years old, has done his graduation in Chemical Engineering from UDCT Mumbai. He started his career with Rallis India (a Tata Group Company) & subsequently joined Century Enka Ltd (a Birla Group Company) where he rose to the position of Joint President (Operations). He later shifted to Gujarat Fluorochemicals Ltd. & was designated as COO, after which he joined ELANTAS Beck India Ltd. He has been the past Hon. President of Indian Institute of Chemical Engineers, Pune & is currently the Hon. Chairman of UDCT Alumni Association, Pune.

The information in respect of terms of remuneration & perquisites of Mr. Milind Talathi is given as below:

Remuneration, benefits and perquisites:

A. Salary:

Salary including Grade allowance not exceeding Rs. 63.62 lakh per annum, as may be decided by the Board of Directors from time to time.

B. Performance Salary:

Performance Salary not exceeding Rs. 26 lakh per annum, as may be decided by the Board of Directors from time to time.

C. Perquisites:

- a. Housing: Furnished accommodation or House Rent Allowance in lieu thereof.
- b. Other perquisites: Gas, electricity, water, furnishing, medical reimbursement, leave travel allowance (for self and family), club fees, medical insurance, other benefits and amenities as per the rules of the Company as applicable from time to time. Monetary value of the above perquisites is restricted to Rs. 20 lakh per annum. Company's contribution to Provident Fund and Superannuation fund shall not be included in the computation of limits for remuneration or perquisites as aforesaid.

D. An annual increase not exceeding 15% on the said remuneration as may be determined by the Board.

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of Leave at the end of the tenure as per the Rules of the Company shall not be included in the computation of limits of remuneration or perquisites.

Explanation: Perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable and in the absence of any such rule, perquisites shall be evaluated on the basis of actual cost thereof to the Company.

Use of car for official duties and telephone at residence (including payments of local and long distance official calls) will not be included in the computation of perquisites.

The Board of Directors may, at its discretion pay to Mr. Milind Talathi lower remuneration than the maximum remuneration stipulated above and revise the remuneration from time to time, within the maximum limits stipulated above.

Except Mr. Milind Talathi, none of the other Directors and other Key Managerial Personnel or their respective relatives is concerned or interested financially or otherwise in this Resolution.

A copy of the Agreement entered in to between Mr. Milind Talathi and the Company is open to inspection by Members at the Registered Office of the Company between 10.00 a.m. to 1.00 p.m. on all days except Saturdays and Sundays and Public Holidays, upto and including the day of Annual General Meeting.

The Board recommends passing of the Special Resolution as set out at item no. 6 of the Notice for your approval.

Place: Pune

Date: February 23, 2021

**Regd. Office: 147, Mumbai-Pune Road, Pimpri,
Pune 411018**

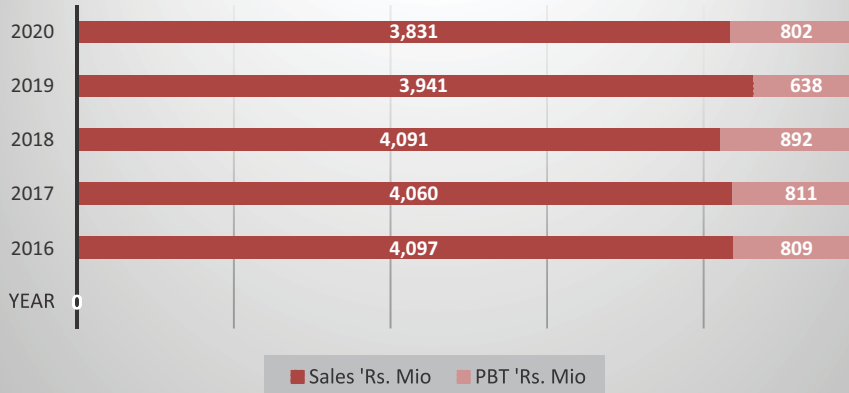
By order of the Board of Directors

Abhijit Tikekar

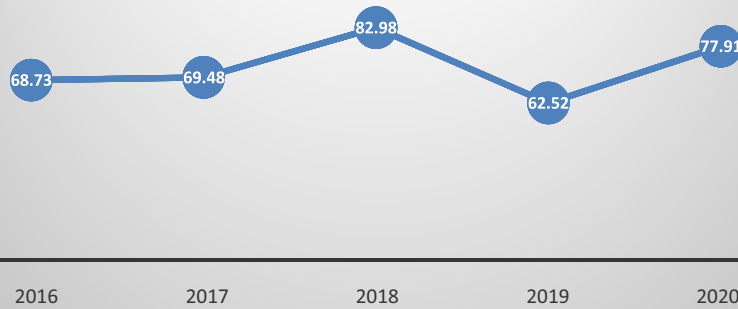
Head Legal & Company Secretary

(Membership No. : ACS 20213)

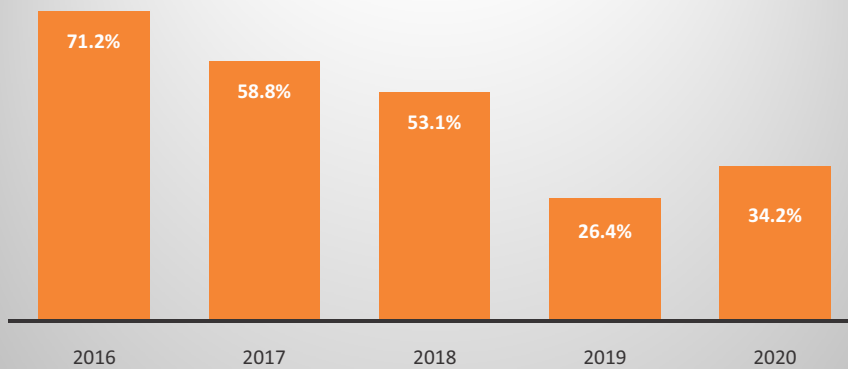
Sales & Pre tax profit



Earning per share



Return on capital employed



ELANTAS Beck India Ltd.

147, Mumbai-Pune Road, Pimpri, Pune-411018, INDIA
www.elantas.com/beck-india

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