



ELANTAS Beck India Ltd.

ANNUAL REPORT 2021



ELANTAS Beck India Ltd.
A Member of  **ALTANA**

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 L. Shenoy
Mr. Nandkumar Dhekne
Mr. Srikumar Ramakrishnan - Managing Director
Mr. Milind Talathi -Whole Time 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

Statutory 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,
2 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
3 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, 2 Floor, Akshay Complex,
Off Dhole Patil Road,
Pune 411001.
Tel.: (020) 26160084/1629
Telefax: (020) 26163503
E-mail: rnt.helpdesk@linkintime.co.in

CONTENTS

PAGE

Directors' Report	02
Management Discussion & Analysis Report	32
Report on Corporate Governance	40
Independent Auditors' Report	62
Balance Sheet	70
Statement of Profit & Loss	71
Cash Flow Statement	74
Notes to Financial Statements	76

Directors' Report

To the Members,

ELANTAS Beck India Ltd.

Your Directors have pleasure in presenting the Company's Sixty Sixth Annual Report and the Audited Financial Statements for the financial year ended 31 December 2021.

Financial Results:

(Rs. In Lakhs)

	Year ended 31.12.2021	Year ended 31.12.2020
Revenue from operations	52,213.10	38,313.35
Other income	1,633.28	2,179.43
Total income	53,846.38	40,492.78
Profit before exceptional items and tax	8,223.48	8,021.33
Exceptional Items	914.28	-
Profit before tax	9,137.76	8,021.33
Income tax expense	2,449.59	1,844.94
Other comprehensive income	16.22	(23.64)
Profit for the year	6,704.39	6,152.75
Retained earnings brought forward	36,491.74	30,735.37
Less: Dividend paid	396.38	396.38
Retained earnings at the end of the year	42,799.75	36,491.74

Performance

The Company posted a turnover of Rs.52,066.99 Lakhs for the year ended 31 December 2021 against the turnover of Rs. 38,067.28 Lakhs achieved in the previous year ended 31 December 2020. In terms of sales quantity, the tonnage sold during the year ended 31 December 2021 increased by 16.45% over the previous year. The profit before exceptional items and tax stood at Rs. 8,223.48 Lakhs, an increase over the profit before tax posted last year i.e. Rs.8,021.33 Lakhs. The Profit before Tax net of other comprehensive income and Profit after Tax were Rs.9,153.98 Lakhs and Rs. 6,704.39 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 2021, there was no change in the issued and subscribed capital of the Company, the outstanding capital as on 31 December 2021 was Rs.79,276,820 comprising of 7,927,682 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 2021 (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 2020, which is available on the Company's website at https://www.elantas.com/fileadmin/elantas/companies/elantas_bekc_india/financial_documents/compliance_with_corporate_governance/dividend_distribution_policy_approved_on_05.05.2020.pdf

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 Management Discussion & Analysis Report which forms part of this Report.

Capital Expenditure:

Capital expenditure incurred during the year aggregated to Rs. 1,109.98 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.

Directors

During the year under review, Members in the 65th AGM, approved the re-appointment of Mr. Milind Talathi (DIN: 07321958) as Whole Time Director of the Company for a further period of 2 (two) years w.e.f. 27 February 2021 by passing Special Resolution.

Pursuant to the recommendation of the Nomination & Remuneration Committee, the Board in its Meeting held on 27 July 2021 appointed Mr. Nandkumar Dhekne (DIN 02189370) as Additional Director in the capacity of an Independent Director for a period of five years w.e.f. 27 July 2021 to 26 July 2026 constituting the first term.

Members approved appointment of Mr. Nandkumar Dhekne as Director and also as an Independent Director by passing a Special Resolution by way of ballot through electronic voting concluded on 24 September 2021 the result of which was declared on 27 September 2021.

Mr. Ranjal L. Shenoy (DIN: 00074761) will be attaining age of 75 years on 16 January 2023. Pursuant to the provisions of Regulation 17(1A) of Listing Regulations, it is necessary to seek Members' approval by way of Special Resolution for continuation of Mr. Ranjal L. Shenoy as Director. Pursuant to the recommendation of Nomination & Remuneration Committee, the Board in its Meeting held on 22 February 2022 has, subject to the approval of Members, approved continuation of appointment of Mr. Ranjal L. Shenoy as Independent Director.

The approval of the Members for the continuation of appointment of Mr. Ranjal L. Shenoy as an Independent Director has been sought in the Notice convening the AGM of your Company.

Pursuant to the recommendation of the Nomination and Remuneration Committee, Board in its Meeting held on 22 February 2022 re-appointed Mr. Srikumar Ramakrishnan (DIN : 07685069) as Managing Director for a term of 5 (Five) Years w.e.f. 1 August 2022 to 31 July 2027 subject to the approval of Members in ensuing AGM.

The approval of the Members for re-appointment of Mr. Srikumar Ramakrishnan as Managing Director has been sought in the Notice convening the AGM of your Company.

Mr. Martin Babilas, (DIN: 00428631), 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 re-appointment.

The approval of the Members for the re-appointment of Mr. Martin Babilas has been sought in the Notice convening the AGM of your Company.

Particulars in pursuance of Regulation 36 of Listing Regulations read with Secretarial Standard-2 on General Meetings relating to Mr. Martin Babilas, Mr. Ranjal L. Shenoy and Mr. Srikumar Ramakrishnan 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 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

And 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 51 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 and 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 22 February 2022 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 the growth of the Company. All the Independent Directors were present at the Meeting.

Composition of Audit Committee and 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 and also as per Listing Regulations, 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 2021. The evaluation has been carried out on the basis of criteria defined by the Nomination & Remuneration Committee in its Meeting dated 29 July 2014 and as amended from time to time.

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 2021, five 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 Resolution in its Meeting held on 3 November 2020, had granted omnibus approval for the proposed RPT to be entered into by the Company during the year 2021. 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 of 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 Act 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 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 7 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 in its Meeting held on 02 November 2021 adopted revised Risk Management Policy which is available on the Website of the Company i.e. <http://www.elantas.com/beck-india>. 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 2021, the applicable accounting standards have been followed along with proper explanations 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 2021 and of the profit of the Company for the year ended 31 December 2021.
- 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 issued by the Institute of Company Secretaries of India.

Auditors

a) Internal Auditors

The Internal Auditors, Mahajan & Aibara, Chartered Accountants, Mumbai conduct internal audits periodically and submit 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.

During the year under review, in the 65th Annual General Meeting held on 4 May 2021, Members passed Resolution approving 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 65th AGM till the conclusion of the 70th AGM.

There are no qualifications, reservations or adverse remarks or disclaimer made in the audit report for the Financial Year 2021.

c) Cost Auditors

In terms of Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, it is stated that 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 2021 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 2020 was filed with the Ministry of Corporate Affairs on 31 May 2021 i.e. 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 2021, as required under Section 204 of the Act, read with rules framed thereunder. The Secretarial Audit Report for FY 2021 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 Policy for prevention of Sexual Harassment 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 2021.

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

Particulars of Employees

Details required to be disclosed under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as a statement and given in '**Annexure D**'. The information required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, pursuant to first proviso to Section 136(1) of the Act, this Report is being sent to the Shareholders excluding the aforesaid information. Any shareholder interested in obtaining said information, may write to the Company Secretary at the Registered Office of the Company. Also, the said information is open for inspection at the Registered Office of the Company.

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.

Transfer 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, 2,829 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. 27,31,630/- there were no transfers to IEPF Authority during the year under review.

General

Your Directors state that no disclosure or reporting is required in respect of following items as either there were no transactions on these items, or these items are not applicable to the Company during the year under review.

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 2021 and the date of this

Report.

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 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.

Mumbai

22 February 2022

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

For and on behalf of the Board

Suresh Talwar Srikumar Ramakrishnan

Director Managing Director

ANNEXURE A
FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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

To,
The Members,
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 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 31 December 2021, 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 2021, 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 secretarial 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 Agreements 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. as mentioned herein above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Director. Further, the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

As per information and representation given, we also report that adequate notice along with agenda and detailed notes on agenda of the board meetings was given to all directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per minutes of the meetings duly recorded and signed by the Chairman, no dissenting views have been recorded.

We further report that the compliances 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 Director 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

UDIN: F005484C002653096

Date: 22 February 2022

Place: Pune

**ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY
COMPANY SECRETARY IN PRACTICE FOR 31 DECEMBER 2021**

To,
The Members,
ELANTAS Beck India Limited,
CIN: L24222PN1956PLC134746
147, Mumbai-Pune Road, Pimpri,
Pune – 411018

Our Secretarial Audit Report of even date is to be read along with this letter.

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

For Prajot Tungare & Associates

Company Secretaries

CS Prajot Tungare

Partner

FCS: 5484

CP No: 4449

UDIN: F005484C002653096

Date: 22 February 2022

Place: Pune

ANNEXURE B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. Brief outline on CSR Policy of the Company:

To take up certain CSR projects or programmes in areas or subjects specified in Schedule VII of the Companies Act, 2013 and as recommended by the CSR Committee, to adopt an organized approach for spending money on the CSR activities with proper modalities and monitoring mechanism recommended by the Committee.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. Ranjal L. Shenoy	Non-Executive Independent Director and Chairman of CSR Committee	2	2
2	Mrs. Kishori Udeshi	Non-Executive Independent Director	2	2
3	Mr. Srikumar Ramakrishnan	Managing Director	2	2

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

The Composition of CSR Committee and CSR Policy of the Company are available on the Company's website and can be accessed at <https://www.elantas.com/beck-india/financial-documents/compliance-with-corporate-governance.html>

CSR Projects can be accessed at <https://www.elantas.com/beck-india/about-us/csr-initiatives.html>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Since both the conditions mentioned in Rule 8(3) of the Companies (CSR Policy) Rules, 2014 are not attracted for impact assessment and hence **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – NIL

6. Average net profit of the Company as per section 135(5) – Rs. 7,451.28 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5) – Rs. 149.03 Lakhs
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil
- (c) Amount required to be set off for the financial year – Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c) – Rs. 149.03 Lakhs

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs. million)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Rs. 149.05 Lakhs	Nil	N.A.	Nil	Nil	N.A.

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

(c) **Details of CSR amount spent against other than ongoing projects for the financial year**

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (Rs. In Lakhs).	Mode of implementation Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1	Medical Equipments for Covid -19	Promotion of Health Care facilities	Yes	Maharashtra	Pune	20.05	No	Lokmanya Medical Research Centre	CSR000 05769
2	PM CARES	Contribution to PMCARES	No	PAN India		62.94	Yes	-	-
3	PMNRF	Contribution to PMNRF	No	PAN India		62.94	Yes	-	-
4	Running of study centers in slum areas.	Promotion of Education	Yes	Maharashtra	Pune	3.12	No	Surajya Sarvangin Vikas Prkalp, NGO	CSR000 09375
Total						149.05			

(d) **Amount spent in Administrative Overheads – Nil**

(e) **Amount spent on Impact Assessment, if applicable – Nil**

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 149.05 Lakhs**

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

Sr. No.	Particular	Amount (Rs. In Lakhs)
i	Two percent of average net profit of the Company as per section 135(5)	149.03
ii	Total amount spent for the Financial Year	149.05
iii	Excess amount spent for the financial year [(ii)-(i)]	0.02
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.02

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details)

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. –	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. –	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). –
21/06/2021	1,90,400	Lokmanya Medical Research Centre, Lokmanya Hospital, 314/B, Chinchwad Pune	SC EL (SE1520) (S/N: 12105002 (Electrolyte Analyser)
07/08/2021	3,18,600		SC E-Plate 50 S (Hot Plate)
19/07/2021	1,53,400		LDx R1 ELISA Reader (Trivitron)
			LDxW1 (Washer Trivitron)
			I CHROM-11 ADVA Immunoboditech Rapid Test Analyser
22/07/2021	5,75,000		I Chamber Instrument Boditech
30/08/2021	3,29,923		Autochem XACT PRO (Biochemistry Analyser)
			Analytical Balance
			Vertical Laminar AIR Flow
			RHI-80 Hot Air Incubator
23/09/2021	5,09,750	BM3 Transport Cum ICU Ventilator	
		CONTACT12CH ECG MACHINE	
		Spiro Tech PFT Machine	
Total Amount	20,77,073		

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Company has spent more than 2% of average net profits and hence Not Applicable.

Mumbai
 22 February 2022
 Regd. Office: 147, Mumbai –Pune Road,
 Pimpri, Pune 411018

Srikumar Ramakrishnan
 Managing Director

Ranjal L. Shenoy
 Chairman -CSR Committee

Annexure C

A. CONSERVATION OF ENERGY

(a) Following measures were taken to conserve energy

- Automation of several packing lines which resulted in reduced cycle times & savings in power.
- Increase in batch sizes of some products resulting into lower power consumptions per ton of product.
- Replacement of Reactor by one with more efficient heat transfer features
- Gradual elimination of vacuum pumps by diaphragm pumps for energy savings as well as effluent reductions
- Significant reduction in freshwater consumption at Pimpri site through several actions.
- Several Green & Black Belts along with Kaizens at both sites resulting, into reduced power consumptions.

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

- Emphasis on operational improvements to further reduce energy consumptions of utilities
- Installation of a renewable based fuel thermic heater & boiler for savings in fuel costs as well as a reduction in the carbon footprint
- New energy efficient chilling plant
- Explore possibilities for solar power enhancement

Total amount spent on energy conservation equipments – Rs. 19 Lakhs

(c) As a consequence of the above measures, there has been a reduction in the energy consumption per unit of production by 4.00% in light diesel oil and by 2.00% in natural gas. However there has been an increase by 1.90% in electricity per unit of production, primarily due to the installed additional environment measures at Ankleshwar.

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 TECHNOLOGY ABSORPTION

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

Year 2021 presented unique challenges, with some of them leading to an unprecedented increase in costs, and significant disruptions in availability and reliability of supply of raw materials. Specific teams assigned within R&D focused on successfully overcoming these challenges through expedited evaluation of alternate raw materials to ensure reliability and continuity of business at acceptable costs. The R&D team continued to support 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 was engaged in the development and launch 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.

There were over ten new product launches in 2021 across all business lines, targeting multiple

end-markets such as Automotive (including E-Mobility), Power, Solar Energy and Motors / Alternators / Generators.

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

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

- New differentiated potting products to address specific needs of the growing E-Mobility segment.
- Focused on developing and commercializing niche, value-added wire enamels to strengthen market leadership.
- Established 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 cost efficient raw materials including solvents.
- Developed and commercialized new potting systems addressing unique REACH/RoHS compliance needs from customers

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.
- Introduction 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.
- Continued focus on efficient formulation and cost management to ensure business continuity and reliability.

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 meet 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	-

5. Expenditure on R & D

(Rs. in Lakhs)

		Year ended 31.12.2021	Year ended 31.12.2020
(a)	Capital	18.12	13.88
(b)	Recurring	671.14	673.99
(c)	Total	689.26	687.87
(d)	Total R & D expenditure as a percentage of total turnover	1.32%	1.81%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The information regarding foreign exchange earnings and outgo is as follows: (Rs. in Lakhs)

Particulars	Year ended 31.12.2021	Year ended 31.12.2020
Earnings	484.63	515.87
Outgo	8,923.00	5,471.79

Annexure D

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.	Sr. No.	Sr. No.	Increase (%)	Ratio of Remuneration of each Director & KMP to Median Remuneration of Employees
1	Mr. Martin Babilas	Chairman	-	-
2	Dr. Guido Forstbach	Non Executive Non Independent	-	-
3	Mr. Suresh Talwar	Non Executive Independent Director	-6.9	1.17
4	Mr. Ravindra Kulkarni	Non Executive Independent Director	-1.8	1.10
5	Mr. Ranjal Laxmana Shenoy	Non Executive Independent Director	-8.20	1.20
6	Mrs. Kishori Udeshi	Non Executive Independent Director	-9.15	0.91
7	*Mr. Nandkumar Dhekne	Non Executive Independent Director	-	0.41
8	Mr. Stefan Genten	Non Executive Non Independent Director (Alternate Director to Mr. Babilas)	-	-
9	Mr. Srikumar Ramakrishnan	Managing Director	22.68	29.18
10	Mr. Milind Talathi	Whole Time Director	19.60	12.80
11	Mr. Sanjay Kulkarni	Chief Financial Officer	21.51	10.56
12	Mr. Abhijit Tikekar	Company Secretary	13.14	3.66

* Mr. Nandkumar Dhekne was appointed as an Independent Director w.e.f. 27 July 2021.

2. No. of permanent employees on the rolls of the Company as on 31 December 2021 - 181
3. Median Remuneration of the employees for the year 2021 is Rs 8,53,544 i.e. an increase of 4.9% as compared to Rs. 8,13,658/- for the Year 2020.
4. The average increase already made in the salaries of employees other than managerial personnel was 9.40% whereas the increase in the managerial remuneration was 19.23%. 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 2021 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

Sanjay Kulkarni
Chief Financial Officer

Date: 22 February 2022

Place: Mumbai

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:** 01.01.2021- 31.12.2021
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):** 5,206,699,000/- (excluding Sale of Raw material, Sale of Scrap and Other Income)
3. **Total profit after taxes (INR):** 670,439,000/-
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** Rs. 14.91 Million i.e. 2.22% of Profit after Tax for the year 2021: Rs. 670,439,000/-
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 Abhyasika's run in slum areas by Surajjya Prakalpa.

b. **Socio Economic Development & relief including Covid 19 care measures :**

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. 15 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 standards? If yes, specify? (50	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
4	Has the policy being approved by the Board? If 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+								

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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 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 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?**

There has been a reduction in the energy consumption per unit of production by 4.00% in light diesel oil and by 2.00% in natural gas. However there has been an increase by 1.90% in electricity per unit of production, primarily due to the installed additional environment measures at Ankleshwar.

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 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 endeavours 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 thereby promoting less external effluent discharges.
- Maximum recovery from waste material.
- Use of treated water inside the factory premises to maintain the plantation of various 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 2021, about 236 Tonnes of Solvent was re-consumed and almost 146.2 Metric Tonnes of by-products were sold.

The Company does have a recovery process to recycle Solvents used in Wire Enamels and the same are re-used in the subsequent production steps. Part of the solvent is sold in the market as it cannot be reused. In the year 2021, about 204 Tonnes of Solvent was re-consumed (<5%) and 149 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, 2021, 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. - 11

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

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

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

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. There is

a proposal under active consideration to install a thermic heater based on renewable based fuel to replace the existing fossil fuels.

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.**

The Company has installed a Solar Power Plant of 250Kwp capacity. During the year, the Solar Power plant produced energy worth 3,41,320 kWh due to which, there was a reduction of almost 242 Tons of CO2 emission in Y 2021.

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 in 2019, 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. The Company has taken all the steps to comply with the directions given by the GPCB in this regard. Latest water analysis by accredited Laboratory does not show any contamination.

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)**

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.**

1.50% 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 2021, 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.

Management Discussion and Analysis Report

ELANTAS Beck India Limited (EBIL) carried the momentum of the Q4' 20 into the year 2021.

The continuation of COVID'19 pandemic meant that:

- Focus on the safety & well-being of the Company's employees, plant and offices continued to be a priority.
- Operational challenges to service customer requirements while complying to the restrictions imposed by the various authorities were severe.
- Supply chain was significantly impacted due to the global logistic challenges.
- Raw material costs increased significantly.

During 2021, your Company faced two unprecedented incidents:

- In March the Company's IT operating systems was subject to a cyber attack.
- In October there was a fire at the packaging line at your Company's Pimpri unit.

The speedy responses by the employees of your Company, ensured that there was no loss of customer data or injuries due to these incidents and the impact on business was minimal.

Through this year, your Company's sourcing team using its global reach ensured that the impact due to the global shortages and price increase of most raw material was minimized. The sales team working with our customers across market segments was able to realize price increase to mitigate the raw material cost impact.

The continued resilience demonstrated by your Company's employees and other stakeholders combined with the robust ERP System & IT platforms; the R&D capability and the continuing progress in developing process technology allowed the Company to navigate through this period.

The resolve of the Company's employees ensured that its people and workplaces were protected while demonstrating diligence in managing costs and cash in this operating environment.

Your Company was able to report a revenue of Rs. 519 Crores which is a 38.00% increase v/s the year 2020 with a margin of Rs. 141.66 Crores which increase of 8.26%. This is the highest ever sales that your Company has achieved.

Understanding customer's stated & unstated needs and devising solutions to address them, remain the bedrock of Your Company's business philosophy. The volatility in the environment resulted in changing market requirements, making reprioritization a necessity to meet the industry requirements.

In order to sustain its market position, the company's team continues its effort to build on its technology leadership with efficient operations while partnering with end customers to gain traction in emerging segments of growth.

Segment wise Performance

Electrical Insulation Business

The Electrical Insulation Business comprising of Wire Enamels and Secondary Insulation products account for approximately 83.00% 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 also had an impact due to Covid-19 on all the Business segments which your Company participated and the demand was disrupted to a certain extent.
- Volumes of Wire Enamels and Varnishes were impacted due to the intermittent lockdown. Many customers were further forced to close due to non-availability of Manpower and Covid cases among the employees.
- The Enameled 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. The imports remained subdued during the later part of the year .
- Business experienced a strong recovery in the first quarter, and the demand improved during summer in the Fan & the Automotive segment. The Covid-19 2nd wave impacted the demand across sectors especially in the home appliances and the automotive sectors. The demand remained moderate during the second half of the year.

There was a significant impact due to the Raw Material inflation starting from the 1st quarter peaking in 2nd quarter and maintaining the inflationary trend for the rest of the year. This made it imperative for your Company to increase prices multiple times in the year. The prevailing demand uncertainty for the end use customers made it challenging for the industries to absorb the prices.

Besides Raw Material availability, the cost of logistics and fuel showed inflation & the Company continued to do its best to mitigate the same.

- The Company was also able to bring in a strategic approach to focus on high Value products and improved their sales within Wire Enamel segment while let go certain volumes of low value Products.

The Company maintained a strategic approach to its product portfolio in the wire enamel segment and prioritized products with higher value addition.

Currently, the COVID-19 3rd wave has impacted the markets to a certain extent and your Company is observing the market trends around:

- o Lower demand in the Automotive sector due to the chip shortages. A demand improvement for EV applications.
- o Expected improvement in the demand for rotating machine segment especially in consumption of energy efficient motors.
- o Expected demand stabilisation & growth in Home Appliances in the year.
- o Investment in infrastructure from Government to materialize in Power transmission which would drive the growth of Transformer segment.
- o Government initiatives around smart cities, Power sector, Sustainable energies & Infrastructure investments, EV charging infrastructure , Battery swapping policies which may grow demand across the coming years.

Electronic & Engineering Materials:

Electronic & Engineering Materials business comprises of Electronic & Electrical Compounds (EL), Hardeners and Construction Chemicals (CC) and accounts for approximately 17.00% 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 is working on new offerings in the Electronics domain and

improved the market presence. While EL as a business your Company catered, had a major impact due to chip shortages and Automotive slowdown in the later part of the year. Your Company has managed to add new Business and Products which were able to mitigate the drop and bring in a growth for the business volumes.

The CC Business has products for Industrial Flooring, Exterior Coating, Structural Repairs, Sealants and Adhesives. The CC segments also had impact due to Covid -19. CC as an Industry continued with the Cash flow issues and related construction projects slowdown. Major RM cost increases also pushed the customers to delay the Flooring Projects during the Year. This had an influence also in your Company's growth. Due to the prudent approach taken towards this business, the business witnessed a growth compared to the earlier year.

Current year, your Company is looking forward for the growth in the Electronic & Electrical Compounds with its new projects which has been acquired and new Product / customer additions while the Chip shortages and Automotive slowdown are under close watch. In case of CC, the Company is bringing in its efforts to improve with a caution related to AR concerns and grow .

In the current year, your Company is looking forward to growth in the EL segment driven by new business acquired in this segment while keeping a close watch on the chip shortages impacting the automotive value chain. In CC, the Company continues its efforts to grow its reach while maintaining a cautious approach to potential working capital challenges.

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.

The Company expects the demand for its products to remain positive, with an improvement in the global supply chain in 2022.

Following factors are important for the Company in future:

- Industrial production growth in India; especially due to the Atmanirbhar Bharat focus by the government.
- The growth of the automotive sector
- Global supply chains getting regularized.
- Stability 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 to collaborate with the relevant stakeholders to continually add value and sustain its market and financial performance.

Risks, Opportunities and Threats

The capabilities and the skills of organisations continue to be continually challenged due to the pandemic. The Company continues to adapt & meet the expectations of its stakeholders in a volatile environment by leveraging Information Technology, manufacturing, supply chain, R&D and financial skills 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

- Newer variants of the COVID19
- Volatility in market demand
- Changes in regulations
- Feedstock prices impacting raw material prices
- Currency exchange fluctuations

Opportunities

- Improvement in the industrial production outlook
- Development in e-mobility space
- 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 26,995 mts, a 16.45% increase as compared to previous year i.e. 23,181 mts. The Company sales stood at Rs. 52,066.99 Lakhs for this year as compared to Previous year i.e. 38,067 (increase of 36.78% as compared to previous year). The profit before exceptional items and tax stood at Rs. 8,223.48 Lakhs, representing an increase of 2.52% over previous year 2020.
- Net cash flows from operating activities during the year stood at Rs.2,851 Lakhs as compared to Rs. 7,940 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 25.00% 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	2021	2020	Comments
Debtors Turnover	0.19	0.18	-
Inventory Turnover	0.24	0.18	Considering the probability of increased sales, higher inventory stocking was made at the year end.
Interest Coverage Ratio	330.86	368.45	-
Current Ratio	4.74	4.65	-
Debt Equity Ratio	0.23	0.21	-
Operating Profit Margin (%)	15.80%	21.00%	Reduction in earnings as compared to Year 2020 due to higher material cost.
Net Profit Margin (%) or sector specific equivalent ratios, as applicable.	12.8%	16.10%	
details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof	-0.7%	1.10%	Also there were savings in fixed cost due to non - operation during the pandemic period of year 2020

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:

- Sustaining and improving the quality levels of the products as seen by two very important performance parameters viz lower customer complaints and lower sales return.
- Creation of an above ground solvent tank farm to eliminate the old & unsafe underground solvent tank farm.
- Productivity enhancements while sustaining Quality, Health and Safety Parameters.
- Constantly exploring options to reduce intake of fresh water and consequently to obtain a reduction in the effluent discharges.
- Savings in operational costs through various operational improvement programs (5S, Lean six sigma & Kaizens) by driving in a culture of operational excellence.

- Installation of Roof top ventilators.
- Optimization of solvent mix compositions.
- Increased safety of our processes by conducting Safety Audits & Risk Assessments.
- Scrubbing systems for laboratory vents

The Company's leadership in electrical insulation business is a hallmark of its long-valued relationship with its customers. 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 a 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 this year, the major one being usage of renewable fuels to replace fossil fuels.

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 2021, the surveillance audit was successfully carried out by TÜV NORD at the Manufacturing sites in Ankleshwar & Pimpri as well as Corporate office.

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 which include automation of new product processes, installation of scrubbing systems, 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.

The Company would like to put on the record, the exemplary devotion by all stakeholders to running of the two sites during these COVID phases. Though several people had been infected, at no time in Year, 2021, did manufacturing operations suffer.

In Year 2019, GPCB had imposed a closure of our Ankleshwar site for a month for alleged contamination. Consequently, the Company by actively working with GPCB, has enhanced the site facilities to a benchmark standard. These actions have yielded the desired results & the Company is now focused on sustaining the same.

Research & Development

The Company has continued to focus on developing capabilities in new and different areas such as continuous product development, cost saving through formula management and process upgradation. New and continuing efforts have been focused in these areas and for growth into new markets.

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 approved (by the Technical Steering Committee) global projects exhibiting strong progress through the year.

The Market Technology & Development Department (MTD) developmental activity across all businesses is showing enhanced responsiveness, with a variety of products developed and launched 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, as well as through participation and approvals in the growing E-Mobility space.

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. 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 maintain and sustain quality health of our employees and their loved ones.

The Company's approach has always been to keep employees safe and healthy. This situation demanded us to be more flexible towards employees operating environment to stay resilient and help your Company rebound.

During 2021, the continuation of various collaborative programs that the Company had initiated like Uddolana, different virtual engagement initiatives for continuous communication with employees through Virtual town hall, smaller group interactions etc. served as enablers. 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.

During 2021, the continuation of collaborative various programs that the Company had initiated like Uddolana, different virtual engagement initiatives for continuous communication with employees through Virtual town hall, smaller group interactions etc served as enablers. The Company continued to explore opportunities for sustaining its learning programs using virtual tools and leveraging internal subject matter experts to deliver the same.

The "new normal" that emerges will call for a new approach to work practices. Your Company is focussed on ensuring that it sustains its core values while continuing to grow in a sustainable manner.

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.

Mumbai

22 February 2022

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

For and on behalf of the Board

Suresh Talwar

Director

Srikumar Ramakrishnan

Managing Director

ELANTAS Beck India Ltd.

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 stakeholders' 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 nine 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, Mr. Ranjal L. Shenoy and Mr. Nandkumar Dhekne 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 2021 five Board Meetings were held i.e. on 23 February, 4 May, 27 July, 14 September and 2 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 2021 are given below:

Sr. No.	Name of Director	Nature of Directorship	No. of Board Meetings attended	Attendance at the AGM held on 4 May 2021	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	4	No	No	-	-
3	Mr. Suresh Talwar [DIN: 00001456]	ID	5	Yes	2	2	2
4	Mr. Ravindra Kulkarni [DIN: 00059367]	ID	4	Yes	2	-	2
5	Mr. Ranjal L. Shenoy [DIN: 00074761]	ID	5	Yes	4	3	6
6	Mrs. Kishori Udeshi [DIN: 01344073]	ID	5	Yes	8	2	8
7	*Mr. Nandkumar Dhekne [DIN: 02189370]	ID	2	NA	2	-	1
8	Mr. Srikumar Ramakrishnan [DIN: 07685069]	MD	5	Yes	No	-	-
9	Mr. Milind Talathi [DIN: 07321958]	WTD	5	Yes	No	-	-
10	Mr. Stefan Genten [DIN: 07350813]	AD	1	No	No	-	-

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.

{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.

* Appointed with effect from 27 July 2021.

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

Sr. No.	Name of 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 5) Kalyan Jewellers India Limited – Independent Director 6) CarTrade Tech 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. Nandkumar Dhekne	1) John Cockerill India Limited 2) Astec Lifesciences Limited
9	Mr. Srikumar Ramakrishnan	NIL
10	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	Stake holder engagement
Mr. Martin Babilas		✓	✓			✓	✓	✓		
Dr. Guido Forstbach		✓	✓	✓			✓	✓		
Mr. Stefan Genten		✓	✓	✓	✓	✓	✓	✓		
Mr. Suresh Talwar	✓				✓					✓
Mrs. Kishori Udeshi	✓				✓		✓			✓
Mr. Ravindra Kulkarni	✓			✓	✓					✓
Mr. Ranjal L. Shenoy	✓		✓	✓	✓	✓				✓
Mr. Nandkumar Dhekne		✓	✓	✓		✓				✓
Mr. Srikumar Ramakrishnan		✓	✓	✓		✓		✓	✓	✓
Mr. Milind Talathi			✓	✓		✓			✓	✓

d) Independent Directors:

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

Evaluation of Independent Directors is done by Nomination & Remuneration Committee 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 2021 there was no change in the constitution of Independent Directors except appointment of Mr. Nandkumar Dhekne as Independent Director w.e.f. 27 July 2021.

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 2021:

(Rs. in Lakhs)

Name and Designation	Salary	Perquisites (Benefits)	Performance Linked Incentive	Retirement Benefits P.F. & Super-annuation	Total	Term of Appointment
Mr. Srikumar Ramakrishnan (Managing Director)	115.22	20.42	105.93	7.50	249.07	Appointed for 3 years w.e.f. 01 August 2019.
Mr. Milind Talathi (Whole Time Director)	66.52	3.53	31.74	7.50	109.29	Appointed for 3 years from 23 February 2016. Further appointed for 3 years from 27 February 2018 Further appointed for 2 years w.e.f. 27 February 2021

Notes:

- (1) The above excludes accrual for employee benefits viz. Gratuity & leave encashment.
- (2) The Company does not have a Stock Option Scheme.
- (3) Notice period for termination of agreement with the Managing Director is six months. However, no severance compensation is payable.

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 2021:

Name	Sitting fees (Rs.)	Commission (Rs.)
Mr. Suresh Talwar	5,15,000	4,80,000
Mr. Ravindra Kulkarni	4,60,000	4,80,000
Mr. Ranjal L. Shenoy	5,42,500	4,80,000
Mrs. Kishori Udeshi	2,95,000	4,80,000
Mr. Nandkumar Dhekne	1,10,000	2,40,000
Total:	19,22,500	21,60,000

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 <https://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 <https://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 2021, four Audit Committee Meetings were held i.e. on 23 February, 4 May, 27 July and 2 November.

The Audit Committee comprises of Mr. Ravindra Kulkarni (Chairman and Independent Director), Dr. Guido Forstbach (Non Executive Director), Mr. Suresh Talwar (Independent Director) and Mr. Ranjal L. 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 in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
 - 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 opinions in the draft Audit Report.
- reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 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.
- 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 Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
- carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

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 control weaknesses issued by the Statutory Auditors.
- internal audit reports relating to internal control weaknesses
- Review of the appointment, removal and terms of remuneration of the Chief Internal Auditor
- **statement of deviations:**
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

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	3
Mr. Suresh Talwar	4	4
Mr. Ranjal L. 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.

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

The Committee is headed by Mr. Ranjal L. Shenoy.

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

During the year ended 31 December 2021, one Meeting of Stakeholders' Relationship Committee was held 29 October 2021. As of 31 December 2021, there were no unresolved investor complaints.

The Members attended the Stakeholders' Relationship Committee Meetings as follows:

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ranjal L. 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 2021 is as under:

Number of Investor Complaints pending as on 31 December 2020	0
Number of Investor Complaints received during the period 1 January 2021 to 31 December 2021	0
Number of Investor Complaints resolved to the satisfaction of shareholders during the period 1 January 2021 to 31 December 2021	0
Number of Investor Complaints pending as on 31 December 2021	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 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 adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 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 L. 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 2021, two Meetings of Share Transfer Committee were held on 29 June 2021 and 2 August 2021 to inter alia approve transfer of shares to IEPF on which the dividend had remained unclaimed for 7 consecutive years and approving deletion of name of second holder on account of demise.

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 L. Shenoy	2	0
Mr. Srikumar Ramakrishnan	2	0
Mr. Milind Talathi	2	2
Mr. Abhijit Tikekar	2	2

As on 31 December, 2021, 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 L. 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 2021, four Meetings of Committee for issue of duplicate share certificates were held on 29 June 2021, 14 July 2021, 16 September 2021 and 23 November 2021.

The Members attended the Meetings 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 L. Shenoy	4	0
Mr. Srikumar Ramakrishnan	4	3
Mr. Milind Talathi	4	4
Mr. Abhijit Tikekar	4	4

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 and on 31 December 2021, 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 L. Shenoy (Non – Executive Independent Director) and Dr. Guido Forstbach (Non – Executive Director).

Two Meetings of the Committee were held during the year on 23 February 2021 and 27 July 2021.

The Members attended the Meetings of Nomination & Remuneration Committee as follows:

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

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 and other employees.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on

the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitment of the candidates
- 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.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of report of performance evaluation of Independent Directors.
- recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

f) Risk Management Committee

The Board has constituted a Risk Management Committee comprising Mr. Srikumar Ramakrishnan (Managing Director), Mr. Ranjal L. Shenoy (Non-Executive Independent Director), Dr. Guido Forstbach (Non Executive Director), Mr. Milind Talathi (Whole Time Director) and Mr. Sanjay Kulkarni (CFO and VP – IT & Procurement). During the year, two Meetings of Risk Management Committee were held on 27 July 2021 and 2 November 2021 which were attended by the Members as follows:

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ranjal L. Shenoy	2	2
Dr. Guido Forstbach	2	1
Mr. Srikumar Ramakrishnan	2	2
Mr. Milind Talathi	2	2
Mr. Sanjay Kulkarni	2	2

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 has adopted revised Risk Management Policy in terms of SEBI Notification No. SEBI/LAD-NRO/GN/2021/22 dated 5 May 2021. The revised Risk Management Policy was recommended in Risk Management Committee and Board Meeting held on 2 November 2021. Board in its Meeting also approved revised terms of Reference during the period under review.

Terms of Reference of the Risk Management Committee as follows;

- (1) Formulation of a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) Keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- (6) Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

g) Corporate Social Responsibility Committee

The Board has constituted a Corporate Social Responsibility Committee consisting of two Non-Executive Independent Directors viz. Mr. Ranjal L. Shenoy (Chairman of Committee) & 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 <https://www.elantas.com/beck-india>.

Two Meetings of the Committee were held on 23 February 2021 and 29 October 2021 during the year under review which were attended by all the Members as follows;

Name of the Member	Meetings held during the tenure of Member	Meetings attended
Mr. Ranjal L. Shenoy	2	2
Mrs. Kishori Udeshi	2	2
Mr. Srikumar Ramakrishnan	2	2

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 <https://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 2021, annexed and forms part of the Annual Report, was placed before the Board at its Meeting held on 22 February 2022.

(C) General Body Meetings:

(i) Location & time of Annual General Meetings:

Financial Year ended	Date	Time	Place	Special Resolutions passed
31 December 2018	7 May 2019	2.30 pm.	Hall No.4, 'A' Wing, 5th Floor, MCCA Trade Tower, ICC Complex, Senapati Bapat Road, Pune 411016.	Nil
31 December 2019*	21 July 2020	11.30 am.	Through Video Conference (VC)/ Other	Nil
31 December 2020*	4 May 2021	10.00 a.m.	Audio-Visual Means (OAVM) on NSDL platform	Re-appointment of Mr. Milind Talathi (DIN: 07321958) as Whole Time Director of the Company for a period of two years from 27 February 2021 to 26 February 2023.

* Due to Covid -19 pandemic, Annual General Meetings of the Company were 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 attending the Meetings.

(d) Postal Ballot

During the year under review, one Special Resolution was passed with requisite majority through Ballot on 24 September 2021 the details of the same are 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 appointment of Mr. Nandkumar Dhekne (DIN: 02189370) as a Director in the capacity of Independent Director of the Company for a period of Five years from 27 July 2021 to 26 July 2026.	Special Resolution	67,79,875	67,79,393	99.9929	482	0.0071%

The Company approached the Members through Ballot (through e-voting only) results of which were declared on 27 September 2021. In compliance with provisions of Section 110 of the Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 and in the light of the General Circular Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020 and 10/2021 dated 8 April 2020, 13 April 2020, 15 June 2020, 28 September 2020, 31 December 2020 and 23 June 2021, 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 20 August 2021 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: **11 August 2021** Voting Period :**26 August 2021 to 24 September 2021**

Date of Approval: **24 September 2021** Date of Declaration of Results: **27 September 2021**

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

(e) Disclosures:

- In terms of the requirements of Accounting Standard (IND AS) 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 2021. 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 <https://www.elantas.com/beck-india/financial-documents/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 : https://www.elantas.de/fileadmin/elantas/companies/elantas_beck_india/financial_documents/compliance_with_corporate_governance/policy_on_related_party_transactions_final.pdf
- 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 2 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 unmodified opinion given in the Auditors' Report for 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 2021, is Rs. 47,24,000/- (Forty Seven Lakhs Twenty Four Thousand Only).

(g) Sexual Harassment Complaints:

There is none. For disclosure in relation to complaints of Sexual Harassment please refer page no. 9 of this Report.

(h) Independent Directors' Meeting was held on 22 February 2022.

(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 are 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) 66th Annual General Meeting:

Day, Date & Time	Tuesday, 10 May 2022 at 10:30 am
Place	Through Video Conference
Dates of Book Closure	From Wednesday 4 May 2022 to Tuesday 10 May 2022 (both days inclusive).
Dividend payment date	On or before Monday, 6 June 2022, if declared in the Annual General Meeting on 10 May 2022, 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 31.12.2021	Proposed date for transfer to IEPF
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
2020	04.05.2021	Rs. 2,04,878.00	03.07.2028

*This amount may undergo change in case of any claims received / processed by the Company after 31.12.2021.

** Indicative date and actual date may vary.

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

(e) Listing on Stock Exchanges:

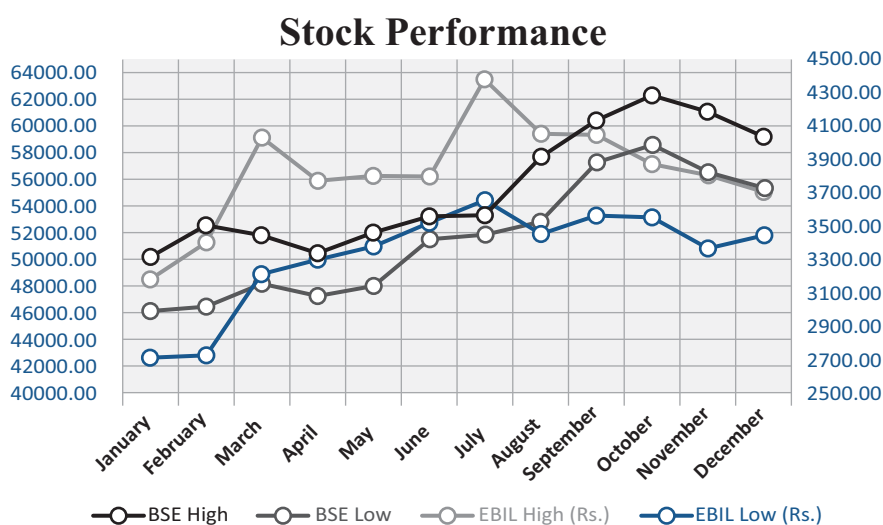
The Company's shares are listed on BSE Ltd. The Company has paid the listing fees for the period 1 April 2021 to 31 March 2022.

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 2021	Price of Equity Shares of the		Sensex	
Months	High (Rs.)	Low (Rs.)	High	Low
January	3,180.00	2,710.00	50,184.01	46,160.46
February	3,400.00	2,725.00	52,516.76	46,433.65
March	4,025.70	3,205.00	51,821.84	48,236.35
April	3,769.95	3,300.00	50,375.77	47,204.50
May	3,797.60	3,377.10	52,013.22	48,028.07
June	3,795.30	3,525.05	53,126.73	51,450.58
July	4,376.80	3,650.00	53,290.81	51,802.73
August	4,049.00	3,450.00	57,625.26	52,804.08
September	4,045.00	3,560.00	60,412.32	57,263.90
October	3,869.00	3,550.00	62,245.43	58,551.14
November	3,800.00	3,366.00	61,036.56	56,382.93
December	3,700.00	3,444.85	59,203.37	55,132.68



(g) Share Transfer System:

SEBI has barred physical transfer and transmission of shares of listed companies and mandated transfer and transmission only through demat. However, investors are not barred from holding shares in physical form. Share transfers / transmission under SEBI guidelines as applicable from time to time, were registered and dispatched within the stipulated timeline from the date of receipt, if the documents were clear in all respect. The Company obtains yearly certificate of compliance, with respect to issue of share certificates, from a Company Secretary in Practice as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with Stock Exchanges.

(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:

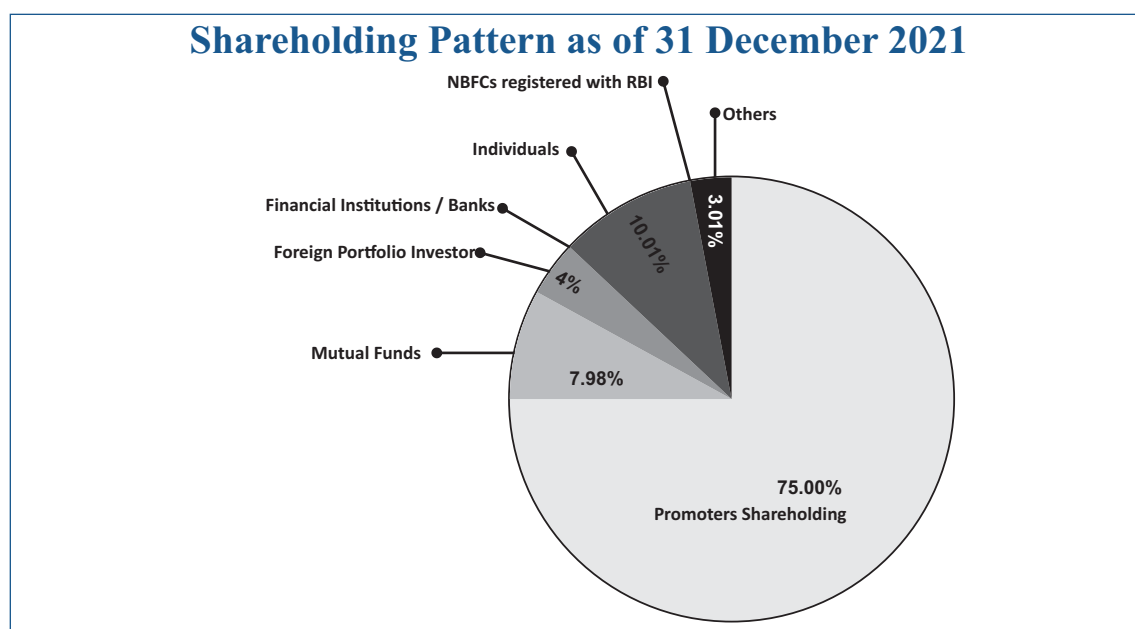
As of 31 December 2021, 78,56,764 shares i.e. 99.11% of the Company's total issued, subscribed and paid-up capital were held in dematerialized form.

(j) **Distribution of Shareholding as of 31 December 2021:**

Shareholding of Nominal Value (Rs. In INR)	No. of shareholders	No. of shares	% to total
1 to 5000	7,400	4,56,132	5.75
5001 to 10000	124	94,192	1.19
10001 to 20000	59	87,918	1.10
20001 to 30000	15	37,839	0.48
30001 to 40000	5	19,021	0.24
40001 to 50000	2	9,234	0.12
50001 to 100000	13	92,918	1.17
100001 and above	18	71,30,428	89.94
Total:	7,636	79,27,682	100.00

(k) **Shareholding Pattern as on 31 December, 2021**

Class of Shareholder	No. of Shares	% to total
Promoters Shareholding	59,45,761	75.00%
Public Shareholding		
Mutual Funds	6,32,662	7.98%
Alternate Investment Funds	-	-
Foreign Portfolio Investor	3,16,580	4.00%
Financial Institutions / Banks	50	0.00%
Insurance Companies	-	-
Individuals	7,93,226	10.01%
NBFCs registered with RBI	200	0.00%
Others	2,39,203	3.01%
Total:	79,27,682	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 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

Mumbai

22 February 2022

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

Suresh Talwar

Director

Srikumar Ramakrishnan

Managing Director

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, 2021, as stipulated in Regulations 17, 17A 18, 19, 20, 21, 22, 23, 24, 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

UDIN: 22109846ADHPLT8771
Place: Pune
Date: February 22, 2022

Amit Borkar
Partner
Membership No: 109846

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 2021.

Mumbai
22 February 2022
Regd. Office: 147, Mumbai – Pune Road, Pimpri, Pune 411018

For ELANTAS Beck India Ltd.
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 2021 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 Talwar
4	Mr. Ravindra Kulkarni
5	Mr. Ranjal L. Shenoy
6	Mrs. Kishori Udeshi
7	Mr. Nandkumar Dhekne
8	Mr. Milind Talathi
9	Mr. Srikumar Ramakrishnan
10	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 : F005484C002653371

Date : 22 February 2022

Place : Pune

Independent auditors' 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, 2021, 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, 2021, 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>Revenue recognition</p> <p>Refer Note 1 (d) and 25 to the Financial Statements.</p> <p>The Company recognizes revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers".</p> <p>The Company's revenue from sale of goods is recognized when control of the goods is transferred to customer and there remains no unfulfilled performance obligation. Revenue is measured at fair value of the consideration</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• Obtaining an understanding, evaluating the design and testing the operating effectiveness of controls over revenue recognition process including contract monitoring, billings and approvals;• Testing whether the revenue recognition is in line with the terms of customer contracts and in accordance with the Company's accounting policy for revenue recognition;• Assessing whether fair value of consideration

<p>received or receivable, after deduction of any discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax etc.</p> <p>We have considered revenue recognition as a key audit matter since there exists a risk of material misstatement; and additional disclosures are required to be made in accordance with the applicable accounting standards.</p>	<p>received, or receivable has been determined appropriately in terms of the customer contract, reviewing customer correspondence and ensuring that the revenue is recognised in the correct period;</p> <ul style="list-style-type: none"> • Risk based testing of journal entries in revenue; and • Evaluating adequacy of the presentation and disclosures <p>Based on the above stated procedures, we did not identify any significant exceptions in recognition of revenue and its presentation and disclosure as per the applicable accounting standards.</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.

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 the Statement Cash Flows 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2021 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, 2021 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at December 31, 2021.
 - 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, 2021.
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: 22109846ADHPFG5163

Place: Pune

Date: February 22, 2022

Annexure A to Independent Auditors' Report

Referred to in paragraph 14(g) of the Independent Auditors' Report of even date to the members of Elantas Beck India Limited on the financial statements for the year ended December 31, 2021

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, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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.

Auditors' 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 control 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, 2021, 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: 22109846ADHPFG5163

Pune
February 22, 2022

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Elantas Beck India Limited on the financial statements for the year ended December 31, 2021

- 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 income tax, employees' state insurance, provident fund, profession tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, goods and service tax, value added tax, labour welfare fund, cess, and other material statutory dues, as applicable, with the appropriate authorities.
 - (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, 2021 which have not

been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs)	Amount paid under protest (Rs. 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	-	1997	Asst. Commissioner GST, Pune & Baroda
	Disallowance of service tax credit on outward freight	42.21	-	2004	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 the 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: 22109846ADHPFG5163

Pune

February 22, 2022

Elantas Beck India Limited
(All amounts in Rs. lakhs, unless otherwise stated)

Balance sheet

	Notes	December 31, 2021	December 31, 2020
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	5,491.61	5,426.86
Right-of-use assets	15	7.06	7.26
Capital work-in-progress	3	1,948.17	1,691.60
Investment properties	4	493.21	504.62
Goodwill	5	105.76	105.76
Other Intangible assets	5	3,678.46	4,226.05
Intangible assets under development	5	-	74.77
Financial assets			
(a) Loans	7	417.40	454.25
(b) Other financial assets	8	3,643.20	2,717.95
Income-tax assets (net)	16 (b)	208.71	557.15
Other non-current assets	13	110.83	579.34
Total non-current assets		16,104.41	16,345.61
II. Current assets			
Inventories	12	8,392.84	5,268.10
Financial assets			
(a) Investments	6	26,134.54	21,771.98
(b) Trade receivables	9	8,683.82	7,050.68
(c) Cash and cash equivalents	10 (a)	349.22	1,191.74
(d) Bank balances other than (c) above	10 (b)	1,414.73	1,470.06
(e) Loans	7	65.36	3.48
(f) Other financial assets	11	66.66	136.43
Income-tax assets (net)	16 (b)	48.18	48.18
Other current assets	14	590.10	339.12
Total current assets		45,745.45	37,279.77
Total assets		61,849.86	53,625.38
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17 (a)	792.77	792.77
Other equity	17 (b)	49,674.51	43,366.50
Total equity		50,467.28	44,159.27
LIABILITIES			
I. Non-Current liabilities			
Financial liabilities			
Security Deposits	19	46.34	46.34
Employee benefit obligations	22	460.62	484.62
Deferred tax liabilities (net)	16 (a)	1,236.20	917.84
Total non-current liabilities		1,743.16	1,448.80
II. Current liabilities			
Financial liabilities			
(a) Trade payables			
- Total outstanding dues of micro and small enterprises	18	398.49	389.68
- Total outstanding dues of creditors other than micro and small enterprises	18	7,210.70	5,678.96
(b) Other financial liabilities			
Provisions	20	1,463.75	1,332.31
Employee benefit obligations	21	65.27	130.98
Current tax liabilities	23	45.52	51.61
Other current liabilities	16 (b)	270.36	364.36
Total current liabilities	24	185.33	69.41
Total liabilities		9,639.42	8,017.31
Total equity and liabilities		11,382.58	9,466.11
		61,849.86	53,625.38

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 **For and on behalf of the Board of Directors**
Firm Registration Number: 012754N/ N500016 **of Elantas Beck India Limited**

Amit Borkar
Partner
Membership No.: 109846
Place : Pune
Date : Feb. 22, 2022

R.L. Shenoy
Director
DIN: 00074761
Place : Pune
Date : Feb. 22, 2022

Srikumar Ramakrishnan
Managing Director
DIN: 07685069
Place : Pune
Date : Feb. 22, 2022

Sanjay Kulkarni
Chief Financial Officer
Place : Pune
Date : Feb. 22, 2022

Abhijit Tikekar
Company Secretary
Place : Pune
Date : Feb. 22, 2022

Elantas Beck India Limited
(All amounts in Rs. lakhs, unless otherwise stated)

Statement of profit and loss

	Notes	December 31, 2021	December 31, 2020
Revenue from operations	25	52,213.10	38,313.35
Other income	26	1,633.28	2,179.43
Total income		53,846.38	40,492.78
Expenses			
Cost of materials consumed	27	35,839.76	21,398.61
Purchases of stock in trade	28	136.62	1,754.22
Changes in inventories of finished goods, work-in-progress and stock in trade	29	(911.03)	(10.37)
Employee benefits expense	30	3,107.19	2,812.22
Finance costs	31	24.93	21.83
Depreciation and amortisation expense	32	1,211.30	1,170.25
Other expenses	33	6,214.13	5,324.69
Total expenses		45,622.90	32,471.45
Profit before exceptional item and tax		8,223.48	8,021.33
Exceptional Items	33(b)	914.28	-
Profit before tax		9,137.76	8,021.33
Income tax expense			
Current tax	16	2,136.68	1,673.78
Deferred tax	16	312.91	171.16
Total tax expense		2,449.59	1,844.94
Profit for the year		6,688.17	6,176.39
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of post-employment benefit obligations	23 (B)	21.67	(31.59)
Income tax relating to these items	16	(5.45)	7.95
		16.22	(23.64)
Total other comprehensive income for the year, net of tax		16.22	(23.64)
Total comprehensive income for the year		6,704.39	6,152.75
Earnings per share			
Basic and Diluted (In Rupees)	34	84.36	77.91

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

For Price Waterhouse Chartered Accountants LLP **For and on behalf of the Board of Directors**
 Firm Registration Number: 012754N/ N500016 **of Elantas Beck India Limited**

Amit Borkar
 Partner
 Membership No.: 109846
 Place : Pune
 Date : Feb. 22, 2022

R.L. Shenoy
 Director
 DIN: 00074761
 Place : Pune
 Date : Feb. 22, 2022

Srikumar Ramakrishnan
 Managing Director
 DIN: 07685069
 Place : Pune
 Date : Feb. 22, 2022

Sanjay Kulkarni
 Chief Financial Officer
 Place : Pune
 Date : Feb. 22, 2022

Abhijit Tikekar
 Company Secretary
 Place : Pune
 Date : Feb. 22, 2022

Elantas Beck India Limited
(All amounts in Rs. lakhs, unless otherwise stated)

Statement of changes in equity

Equity Share Capital

	Notes	December 31, 2020
As at 1 January 2020		792.77
Change in equity share capital	17 (a)	-
As at 31 December 2020		792.77
Change in equity share capital	17 (a)	-
As at 31 December 2021		792.77

Other Equity

	Note	Reserves & Surplus			Total
		Securities Premium	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

Other Equity

	Note	Reserves & Surplus			Total
		Securities Premium	General reserve	Retained Earnings #	
As at January 1, 2021		695.18	6,179.58	36,491.74	43,366.50
Profit for the year		-	-	6,688.17	6,688.17
Other comprehensive income		-	-	16.22	16.22
Transactions with owners in their capacity as owners:					
Dividends paid	17 (b)	-	-	(396.38)	(396.38)
As at December 31, 2021		695.18	6,179.58	42,799.75	49,674.51

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

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

Amit Borkar
Partner
Membership No.: 109846
Place : Pune
Date : Feb. 22, 2022

R.L. Shenoy
Director
DIN: 00074761
Place : Pune
Date : Feb. 22, 2022

**Srikumar
Ramakrishnan**
Managing Director
DIN: 07685069
Place : Pune
Date : Feb. 22, 2022

Sanjay Kulkarni
Chief Financial Officer
Place : Pune
Date : Feb. 22, 2022

Abhijit Tikekar
Company Secretary
Place : Pune
Date : Feb. 22, 2022

Elantas Beck India Limited
(All amounts in Rs. lakhs, unless otherwise stated)

Statement of cash flows

	Year Ended December 31, 2021	Year Ended December 31, 2020
A) Cash flows from operating activities		
Profit before tax	9,137.76	8,021.33
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	1,211.30	1,170.25
Net gain on disposal of property, plant and equipment	(1,955.25)	(17.96)
Net (gain)/ loss on financial assets measured at fair value through profit or loss	(935.05)	(1,411.17)
Interest income classified as investing cash flows	(228.57)	(252.96)
Dividend income classified as investing cash flows	(3.66)	(130.16)
Finance cost	24.93	21.83
Bad debts and advances written off	34.08	15.90
Provision for capital advance and related expenses incurred due to termination of project (Refer note 33(b))	960.00	-
Loss due to fire incident (Refer note 33(b))	44.44	-
(Reversal) / Provision for doubtful debts	(33.98)	11.87
Change in operating assets and liabilities		
(Increase) / Decrease in Trade Receivables	(1,633.24)	(969.17)
(Increase) / Decrease in Inventories	(3,152.51)	(290.71)
(Increase) / Decrease in Other financial assets	80.81	91.77
(Increase) / Decrease in Other assets	(308.00)	666.27
Increase / (Decrease) in Trade Payables	1,375.21	2,422.19
Increase / (Decrease) in Other financial liabilities	73.45	306.21
Increase / (Decrease) in Provisions	(65.71)	(22.00)
Increase / (Decrease) in Employee benefit obligations	(8.42)	61.00
Increase / (Decrease) in Other liabilities	115.92	(129.40)
Cash generated from operations	4,733.51	9,565.09
Income taxes paid (net of refunds received)	(1,882.24)	(1,625.17)
Net cash inflow from operating activities	2,851.27	7,939.92
B) Cash flows from investing activities		
Payments for purchase of Property, plant and equipment, Intangible assets & Investment properties	(1,109.98)	(1,664.76)
Purchase of business	-	(900.00)

Elantas Beck India Limited
(All amounts in Rs. lakhs, unless otherwise stated)

	Year Ended December 31, 2021	Year Ended December 31, 2020
Net proceeds from disposal of Property, plant and equipment and Intangible assets	1,964.03	25.09
Purchase of Investments	(6,600.50)	(12,989.87)
Proceeds from sale of investments	3,172.99	8,612.79
Fixed deposits (above 3 months) placed	(5,254.49)	(4,894.47)
Fixed deposits (above 3 months) matured	4,363.72	4,492.54
Loans and advances granted	(25.03)	26.48
Interest received	213.12	250.73
Dividend received	3.66	130.16
Net cash outflow from investing activities	(3,272.48)	(6,911.31)
C) Cash flows from financing activities		
Dividends paid	(396.38)	(396.38)
Interest paid	(24.93)	(24.12)
Net cash outflow from financing activities	(421.31)	(420.50)
Net increase / (decrease) in cash and cash equivalents	(842.52)	608.11
Cash and cash equivalents at the beginning of the year	1,191.74	583.63
Cash and cash equivalents at the end of the year	349.22	1,191.74
D) Components of cash and cash equivalents		
Cash on hand	0.81	1.07
Balances with banks		
In current accounts	348.41	1,190.67
Total cash and cash equivalents (refer note 10(a))	349.22	1,191.74

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

For Price Waterhouse Chartered Accountants LLP **For and on behalf of the Board of Directors**
Firm Registration Number: 012754N/ N500016 **of Elantas Beck India Limited**

Amit Borkar
Partner
Membership No.: 109846
Place : Pune
Date : Feb. 22, 2022

R.L. Shenoy
Director
DIN: 00074761
Place : Pune
Date : Feb. 22, 2022

Srikumar Ramakrishnan
Managing Director
DIN: 07685069
Place : Pune
Date : Feb. 22, 2022

Sanjay Kulkarni
Chief Financial Officer
Place : Pune
Date : Feb. 22, 2022

Abhijit Tikekar
Company Secretary
Place : Pune
Date : Feb. 22, 2022

Elantas Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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 22, 2022.

(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

Elantas Beck India Limited
Notes to Financial Statements

(All amounts in Rs. lakhs, unless otherwise stated)

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

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.

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

As a Lessee:

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.

Elantas Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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

Goodwill is not subject to amortization and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. 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 other than goodwill 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.

(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.

Elantas Beck India Limited
Notes to Financial Statements

(All amounts in Rs. lakhs, unless otherwise stated)

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

Elantas Beck India Limited
Notes to Financial Statements

(All amounts in Rs. lakhs, unless otherwise stated)

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:

Elantas Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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	5

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

Elantas Beck India Limited
Notes to Financial Statements

(All amounts in Rs. lakhs, unless otherwise stated)

- 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.

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:

Assets	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.

Elantas Beck India Limited
Notes to Financial Statements

(All amounts in Rs. lakhs, unless otherwise stated)

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

Elantas Beck India Limited
Notes to Financial Statements

(All amounts in Rs. lakhs, unless otherwise stated)

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.

Elantas Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

(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) 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.

(w) 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 and 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 sufficiency 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

Elantas Beck India Limited
Notes to Financial Statements

(All amounts in Rs. lakhs, unless otherwise stated)

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.

New and amended standards adopted by the Company

The company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 January 2021:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related concessions – amendments to Ind AS 116

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Recent Accounting Pronouncements:

- (i) Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021, amended Schedule III of the Companies Act, 2013 with effect from 1 April 2021. There are key amendments relating to Division II, which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015. The aforesaid notification is applicable for the financial year commencing from April 1, 2021.
- (ii) MCA has notified Companies (Indian Accounting Standards) Amendment Rules, 2021 on 18th June, 2021 applicable from the Financial Year beginning on or after April 1, 2021

The amendments majorly related to:

- Interest Rate Benchmarking Reforms (IRBR)
- Covid 19 related concessions beyond 30 June 2021 vis-à-vis Ind AS 116
- References pursuant to issuance of Conceptual Framework for Financial Reporting under Ind AS.

ELANTAS Beck India Limited

Notes to Financial Statements

(All amounts in Rs. lakhs, unless otherwise stated)

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, 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	0.60	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 as at 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

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, 2021	3.63	-	3,156.53	3,025.52	216.80	344.80	451.32	346.31	7,544.91	1,691.60
Additions	-	-	-	-	-	-	-	-	-	899.94
Transfers	-	-	6.81	473.19	7.27	86.43	-	69.67	643.37	(643.37)
Disposals	(0.32)	-	(1.71)	(31.36)	(6.77)	(9.03)	(1.67)	(10.77)	(61.63)	-
Gross carrying amount as on December 31, 2021	3.31	-	3,161.63	3,467.35	217.30	422.20	449.65	405.21	8,126.65	1,948.17
Accumulated depreciation	-	-	281.80	1,092.41	152.05	216.17	207.54	168.08	2,118.05	-
Charge for the year	-	-	75.58	291.51	28.80	39.63	60.84	59.72	556.08	-
Disposals	-	-	(0.31)	(15.55)	(5.40)	(9.03)	(1.67)	(7.13)	(39.09)	-
Closing accumulated depreciation as at December 31, 2021	-	-	357.07	1,368.37	175.45	246.77	266.71	220.67	2,635.04	-
Net carrying amount as on December 31, 2021	3.31	-	2,804.56	2,098.98	41.85	175.43	182.94	184.54	5,491.61	1,948.17

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

Notes:

- Refer to note 35 (b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 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.
- Capital work in progress mainly comprises of Plant & Machinery.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

4 Investment properties

Particulars	December 31, 2021	December 31, 2020
Opening gross carrying amount	524.48	524.48
Additions	-	-
Deletion	(3.66)	-
Closing gross carrying amount	520.82	524.48
Accumulated Depreciation		
Opening accumulated depreciation	19.86	11.30
Depreciation charge	8.50	8.56
Deletion	(0.75)	-
Closing accumulated depreciation	27.61	19.86
Net carrying amount	493.21	504.62

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

	December 31, 2021	December 31, 2020
Rental Income	155.71	151.92
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	13.05	12.70
Income from investment properties before depreciation	142.66	139.22
Depreciation	(8.50)	(8.56)
Net income from investment properties	134.16	130.66

(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 investing properties are as follows:

	December 31, 2021	December 31, 2020
Within one year	163.50	155.71
Later than one year but not later than 5 years	83.75	247.25
Later than 5 years	-	-
Total	247.25	402.96

(iv) Fair Value

	December 31, 2021	December 31, 2020
Investment properties	1,394.00	3,300.73

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).

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)
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, 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 amount as on December 31, 2020	306.98	577.20	3,045.26	296.61	105.76	4,331.81	74.77

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, 2021	740.59	652.52	3,414.51	327.21	105.76	5,240.59	74.77
Additions	-	-	-	-	-	-	24.16
Transfers	98.93	-	-	-	-	98.93	(98.93)
Disposals	(1.17)	-	-	-	-	(1.17)	-
Gross carrying amount as on December 31, 2021	838.35	652.52	3,414.51	327.21	105.76	5,338.35	-
Accumulated Amortisation							
Balance as at January 1, 2021	433.61	75.32	369.25	30.60	-	908.78	-
Amortisation charge for the year	159.82	57.99	324.37	104.34	-	646.52	-
Disposals	(1.17)	-	-	-	-	(1.17)	-
Closing accumulated amortisation as at December 31, 2021	592.26	133.31	693.62	134.94	-	1,554.13	-
Net carrying value as on December 31, 2021	246.09	519.21	2,720.89	192.27	105.76	3,784.22	-

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

6 Investments

As at December 31,2021 Units	As at December 31,2020 Units	Face value per unit Rs.	Investment in mutual funds	As at December 31,2021 Rs. lakhs	As at December 31,2020 Rs. lakhs
			Investment in mutual funds		
			Unquoted mutual funds valued at FVPL		
129,056.21	129,056.21	1,000.00	Axis Banking & PSU Debt Fund-Regular Growth	2,736.83	2,647.10
-	378,853.17	100.00	Aditya Birla Sun Life Liquid Fund - Daily Dividend - Regular Plan	-	379.57
1,088,916.84	1,088,916.84	100.00	Aditya Birla Sun Life Floating Rate Fund -Growth-Regular Plan	2,990.07	2,885.30
331,486.94	520,648.52	100.00	ICICI Prudential Saving Fund - Growth	1,425.30	2,157.32
268,369.07	-	100.00	ICICI Prudential Floating Interest Fund- Growth	901.16	-
402,067.83	-	100.00	ICICI Prudential Money Market Fund - Growth	1,210.91	-
17,029,151.38	17,029,151.38	10.00	IDFC Corp Bond Fund Regular Plan - Growth	2,653.50	2,559.63
3,332,822.28	-	10.00	Kotak Dynamic Bond Fund - RP- Growth	1,004.98	-
112,554.41	112,554.41	1,000.00	KOTAK Corp Bond Fund Standard Growth(Regular Plan)	3,382.16	3,259.47
6,587,238.91	-	10.00	L&T Banking & PSU Debt Fund -Growth	1,167.51	-
-	3,473,097.94	10.00	L&T Ultra Short Term Fund - Regular Growth	-	1,179.42
254,127.23	-	10.00	L&T Triple Ace Bond Fund - Growth	300.87	-
1,071,328.82	-	10.00	Nippon India Short Term Growth Plan- Growth	453.85	-
15,113,490.39	15,113,490.39	10.00	Nippon India Banking & PSU Debt Fund-Growth Plan	2,524.06	2,430.28
2,179,838.28	-	10.00	HDFC Floating Rate Debt Fund- Regular Plan-Growth	855.41	-
56,664.62	-	1,000.00	Tata Money Market Fund - Regular Plan-Growth	2,122.46	-
-	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
85,084.91	-	1,000.00	UTI Treasury Adv. Fund-RP-Growth	2,405.47	-
			Total (mutual funds)	26,134.54	21,771.98
			Total current investments	26,134.54	21,771.98
			Aggregate amount of quoted investments	-	-
			Aggregate market value of quoted investments	-	-
			Aggregate amount of unquoted investments	26,134.54	21,771.98

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

7 Loans

Non-current	As at December 31, 2021	As at December 31, 2020
Unsecured, considered good		
Housing loans to employees	0.29	3.61
Security deposits	148.60	120.17
Loan to related party (Refer note 36)*	268.51	330.47
Total	417.40	454.25
Current	As at December 31, 2021	As at December 31, 2020
Unsecured, considered good		
Housing loans to employees	3.40	3.48
Loan to related party (Refer note 36)*	61.96	-
Total	65.36	3.48

* 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, 2021	As at December 31, 2020
Fixed deposits with banks (refer note below)	3,588.96	2,668.12
Interest accrued but not due on deposits	54.24	49.83
Total	3,643.20	2,717.95

Note : Out of the Fixed deposits mentioned above, Rs. 2.12 lakhs (December 31, 2020 : Rs. 2.12 lakhs) are given as security for Bank Guarantee for a period of more than one year.

9 Trade receivables

	As at December 31, 2021	As at December 31, 2020
Trade Receivables	9,096.70	7,497.54
Less: Allowance for doubtful debts	(412.88)	(446.86)
Total	8,683.82	7,050.68

Break-up of security details

	As at December 31, 2021	As at December 31, 2020
Unsecured, considered good	8,683.82	7,050.68
Trade receivables - credit impaired	412.88	446.86
Less: Allowance for doubtful debts	(412.88)	(446.86)
Total	8,683.82	7,050.68

10 (a) Cash and cash equivalents

	As at December 31, 2021	As at December 31, 2020
Cash on hand	0.81	1.07
Balances with banks		
In current accounts	348.41	1,190.67
Total	349.22	1,191.74

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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

	As at December 31, 2021	As at December 31, 2020
Balances with banks		
- in deposits with original maturity of more than three but less than twelve months	1,398.40	1,428.47
In earmarked accounts	16.33	41.59
Unpaid dividend accounts (refer note below)		
Total	1,414.73	1,470.06

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, 2021	As at December 31, 2020
Interest accrued on fixed deposits	29.24	18.20
Others (refer note below)	37.42	118.23
Total	66.66	136.43

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

12 Inventories

	As at December 31, 2021	As at December 31, 2020
Raw materials	5,135.76	2,964.22
Intermediates and Work in progress	862.44	797.38
Packing Materials	237.35	195.25
Finished goods	2,043.95	1,195.85
Stock - in - trade	50.87	53.00
Stores and spares	62.47	62.40
Total	8,392.84	5,268.10

The goods in transit pertaining to raw materials during the year ended December 31, 2021 were Rs. 575.44 lakhs (December 31, 2020 : Rs. 462.24 lakhs).

Amounts recognized in profit or loss

Provision for excess and obsolete inventory amounted to Rs. 151.40 lakhs (December 31, 2020 : Rs. 137 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, 2021	As at December 31, 2020
Capital Advances	9.41	534.94
Balances with government authorities	44.40	44.40
Excess contribution - Gratuity plan	57.02	-
Total	110.83	579.34

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

14 Other current assets

	As at December 31, 2021	As at December 31, 2020
Prepaid expenses	208.70	188.52
Balances with government authorities	167.32	56.73
Advances to Employees	7.17	7.23
Advances to Suppliers	206.91	86.64
Total	590.10	339.12

15 Right-of-use of assets

	As at December 31, 2021	As at December 31, 2020
Cost		
Opening Balance (Gross)	7.46	7.46
Additions	-	-
	7.46	7.46
Accumulated Depreciation	0.20	-
Depreciation during the year	0.20	0.20
	0.40	0.20
Total	7.06	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.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

16 (a) Deferred tax assets/ (liabilities)

The balance of deferred tax comprises temporary differences attributable to:

Particulars	Year Ended	
	As at December 31, 2021	As at December 31, 2020
Deferred tax asset		
Provision for doubtful trade receivables	103.92	112.48
Provision for compensated absences and other employee benefits	100.96	110.56
Others	120.38	149.13
	325.26	372.17
Deferred tax liability		
Property, plant and equipment and intangible assets	1,141.30	1,032.85
Changes in fair value of investments	420.16	257.16
	1,561.46	1,290.01
Total deferred tax assets/ (liabilities) (net)	(1,236.20)	(917.84)

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

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

Particulars	As at	
	December 31, 2021	December 31, 2020
Provision for doubtful trade receivables	(8.56)	(14.19)
Provision for compensated absences and other employee benefits	(9.60)	0.16
Property, plant and equipment and intangible assets	(108.45)	57.08
Changes in fair value of investments	(163.00)	(257.16)
Others	(28.75)	50.90
Total	(318.36)	(163.21)

16 (b) Income Taxes

Movement in income tax balances

Particulars	As at	
	December 31, 2021	December 31, 2020
Closing income tax balance (net)		
- Income-tax assets		
- Current	48.18	48.18
- Non current	208.71	557.15
- Current tax liabilities	(270.36)	(364.36)
Tax Assets/(Liabilities) (net of provision)	(13.47)	240.97

Particulars	As at	
	December 31, 2021	December 31, 2020
Opening Balance (Tax Asset /(Liability) (net))	240.97	289.58
Current tax payable for the year	(2,136.68)	(1,673.78)
Taxes paid/ (Refund Received)	1,882.24	1,625.17
Closing Balance	(13.47)	240.97

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

(ii) The major components of income tax expense for the year ended December 31, 2021 and December 31, 2020 are:

Statement of profit and loss

Profit and Loss section	Year ended	
	December 31, 2021	December 31, 2020
Current income tax charge		
Current income tax		
- Current tax on profit for the year	2,136.68	1,756.42
- Adjustments for current tax of prior periods	-	(82.64)
Deferred tax	312.91	171.16
Income tax expense reported in the statement of profit or loss	2,449.59	1,844.94

Other comprehensive income section	Year ended	
	December 31, 2021	December 31, 2020
Deferred tax related to items recognised in OCI during the year	(5.45)	7.95
Income tax charged to Other comprehensive income	(5.45)	7.95

(iii) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for December 31, 2021 and December 31, 2020:

	Year ended	
	December 31, 2021	December 31, 2020
Accounting profit/ (loss) before tax	9,137.76	8,021.33
At Statutory income tax rate of 25.17%	2,299.97	2,018.97
Tax Effects of amounts which are not taxable in calculating taxable income	-	(26.56)
Tax Effects of indexed cost of acquisition of land	(113.03)	-
Tax Effects of amounts which are not deductible in calculating taxable income	279.15	26.24
Tax relating to prior period	-	(82.64)
Impact of changes in tax rate during the year	-	(102.36)
Effect of capital gain on sale of land and building taxed at lower rate	(25.84)	-
Others	9.34	11.29
At the effective tax rate	2,449.59	1,844.94
Income tax expense reported in the statement of profit or loss	2,449.59	1,844.94

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

17 (a) Equity share capital

	As at December 31, 2021	As at December 31, 2020
Authorised equity share capital:		
15,000,000 (December 31, 2020 : 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, 2020 : 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, 2021	As at December 31, 2020
Shares outstanding at the beginning and end of the year	7,927,682	7,927,682

(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, 2021	As at December 31, 2020
Elantas GmbH (Holding Company)	5,945,761	5,945,761

(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, 2021		As at December 31, 2020	
	% holding	No. of shares	% holding	No. of shares
Elantas GmbH	75.00%	5,945,761	75.00%	5,945,761
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	5.02%	3,97,643	5.02%	3,97,643

(v) The Company has not issued any bonus shares in 5 years immediately preceding year ended December 31, 2021.

(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, 2021.

17 (b) Other equity

(i)

Other than retained earnings (balance at the beginning and end of the year)	December 31, 2021	December 31, 2020
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.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)
(ii)

	As at December 31, 2021	As at December 31, 2020
Retained earnings		
Opening balance	36,451.74	30,695.37
Net profit for the year	6,688.17	6,176.39
	43,139.91	36,871.76
Less: Dividend paid	(396.38)	(396.38)
Items of other comprehensive income recognised directly in retained earnings		
Re-measurements of post-employment benefit obligations (net of tax)	16.22	(23.64)
Sub-total :	42,759.75	36,451.74
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)	42,799.75	36,491.74
Total Other equity (A+B)	49,674.51	43,366.50

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.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

18 Trade payables

	As at December 31, 2021	As at December 31, 2020
Total outstanding dues of micro and small enterprises	398.49	389.68
Total outstanding dues of creditors other than micro and small enterprises		
(i) Related Parties (Refer note 36)	75.77	86.71
(ii) Others	7,134.93	5,592.25
Total	7,609.19	6,068.64

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:

Sr. No.	Particulars	December 31, 2021	December 31, 2020
a)	Principal amount outstanding towards suppliers registered under MSMED Act and remaining unpaid as at the year end	396.76	385.86
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	0.01	0.09
c)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	294.14	539.08
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	1.72	3.73
f)	Interest accrued and remaining unpaid at the end of each accounting year	1.73	3.82
g)	Further interest remaining due and payable for earlier years	-	-

19 Financial liabilities - non-current

	As at December 31, 2021	As at December 31, 2020
Security Deposits from Related party (Refer note 36)	41.29	41.29
Security Deposits - Others	5.05	5.05
Total	46.34	46.34

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

20 Other financial liabilities - current

	As at December 31, 2021	As at December 31, 2020
Capital creditors	145.33	62.08
Security deposits	659.15	557.56
Payable to employees	596.72	627.36
Unpaid dividend (refer note (i) below)	16.33	41.59
Other payables (refer note (ii) below)	46.22	43.72
Total	1,463.75	1,332.31

Notes:

- (i) There is no amount due and outstanding as on December 31, 2021 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.

21 Current provisions

	As at December 31, 2021	As at December 31, 2020
Provision for sales tax (Refer note below)	65.27	130.98
Total	65.27	130.98

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

	As at December 31, 2021	As at December 31, 2020
Balance as at the beginning of the year	130.98	152.98
Charged/(Credited) to profit or loss		
Additional provision recognised	-	-
Unused amounts reversed	-	-
Amounts used during the year	(65.71)	(22.00)
Balance as at the end of the year	65.27	130.98
Non current	-	-
Current	65.27	130.98

22 Non-current employee benefit obligations

	As at December 31, 2021	As at December 31, 2020
Provision for employee benefits		
- Provision for compensated absences	398.85	382.72
- Provision for service awards	46.61	47.04
- Provision for gratuity	-	37.64
- Provision for cash rewards	15.16	17.22
Total	460.62	484.62

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

23 Current employee benefit obligations

	As at December 31, 2021	As at December 31, 2020
Provision for employee benefits		
- Provision for compensated absences	39.09	43.23
- Provision for service awards	2.45	5.98
- Provision for cash rewards	3.98	2.40
Total	45.52	51.61

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. 113.45 lakhs (December 31, 2020 - Rs. 110.10 lakhs) and defined contribution plan (superannuation fund) is Rs. 123.44 lakhs (December 31, 2020 - Rs. 120.43 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, 2020	605.35	(578.42)	26.93
Current service cost	46.43	-	46.43
Past service cost	-	-	-
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 Comprehensive Income	22.86	8.02	30.88
Employer contributions	-	(66.25)	(66.25)
Benefits paid	(27.60)	27.60	-
December 31, 2020	687.17	(649.53)	37.64

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

	Present value of obligation	Fair value of plan assets	Net Amount
January 1, 2021	687.17	(649.53)	37.64
Current service cost	53.13	-	53.13
Interest expense/(income)	39.47	(39.62)	(0.15)
Total amount recognised in Profit or Loss	92.60	(39.62)	52.98
Return on plan assets	-	0.47	0.47
(Gain)/loss from experience change	2.73	-	2.73
(Gain)/loss from change in financial assumption	(24.64)	-	(24.64)
Total amount recognised in Other Comprehensive Income	(21.91)	0.47	(21.44)
Employer contributions	-	(126.20)	(126.20)
Benefits paid	(60.90)	60.90	-
December 31, 2021	696.96	(753.98)	(57.02)

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 :

	As at December 31, 2021	As at December 31, 2020
Present value of funded obligation	696.96	687.17
Fair value of plan assets	(753.98)	(649.53)
(Surplus) / Deficit	(57.02)	37.64

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, 2021	December 31, 2020
Discount rate	6.60%	6.10%
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, 2021	December 31, 2020
Discount rate		
0.50% increase	(23.16)	(22.89)
0.50% decrease	24.64	24.37
Salary growth rate		
0.50% increase	10.94	10.37
0.50% decrease	(11.91)	(10.54)

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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:

	December 31, 2021	December 31, 2020
Less than a year	91.94	80.37
Between 2 to 5 years	289.95	300.35
Between 6 to 10 years	443.14	402.09
Total	825.03	782.81

The weighted duration of the defined benefit obligation is 7 years (December 31, 2020 : 7 years).

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

	December 31, 2021	December 31, 2020
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 :

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

	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

	Present value of obligation
January 1, 2021	19.62
Current service cost	1.01
Interest expense/(income)	1.12
Total amount recognised in Profit or Loss	2.13
(Gain)/loss from experience change	0.37
(Gain)/loss from change in financial assumption	(0.61)
Total amount recognised in Other Comprehensive Income	(0.24)
Benefits paid	(2.37)
December 31, 2021	19.14

(ii) Significant estimates

The significant actuarial assumptions were as follows :

	December 31, 2021	December 31, 2020
Discount rate	6.60%	6.10%

(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, 2021	December 31, 2020
Discount rate		
0.50% increase	(0.58)	(0.60)
0.50% decrease	0.61	0.63

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.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

Projected benefits payable

Assumption	As at	
	December 31, 2021	December 31, 2020
Less than a year	3.98	2.40
Between 2 to 5 years	6.41	9.54
Between 6 to 10 years	10.68	9.15
Total	21.07	21.09

The weighted duration of the defined benefit obligation is 7 years (December 31, 2020 : 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

Assumption	As at	
	December 31, 2021	December 31, 2020
Statutory dues	125.06	60.01
Advances from customers	60.27	9.40
Total	185.33	69.41

25 Revenue from operations

	Year ended December 31, 2021	Year ended December 31, 2020
Sale of products		
- Finished goods	51,840.82	35,801.27
- Traded goods	226.17	2,266.01
	52,066.99	38,067.28
Other Operating Revenue		
- Sale of raw materials	21.93	177.34
- Sale of scrap	124.18	68.73
	146.11	246.07
Revenue from Operations	52,213.10	38,313.35

Note: Reconciliation of Revenue with contract price

	Year ended December 31, 2021	Year ended December 31, 2020
Revenue as per statement of profit and loss account	52,066.99	38,067.28
Contract price	52,066.99	38,067.28

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

26 Other income

	Year ended December 31, 2021	Year ended December 31, 2020
Interest income from financial assets carried at amortised cost		
Interest income on deposits	192.52	201.06
Interest Income on loan to related party	28.05	28.13
Interest Income - others	8.00	23.77
Dividend income from investments	3.66	130.16
Rental income	155.71	151.92
Net gains on foreign currency transactions and translations	91.45	15.63
Government Grants (refer note (i) below)	5.73	13.28
Net gain on disposal of property, plant and equipment	36.53	17.96
Net gain on financial assets measured at fair value through profit or loss	935.05	1,411.17
Reversal of provision for doubtful debts	33.98	-
Other non-operating income	142.60	186.35
Total	1,633.28	2,179.43

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.

27 Cost of raw materials consumed

	Year ended December 31, 2021	Year ended December 31, 2020
Consumption of raw materials		
Inventory at the beginning of the year	2,964.22	2,703.44
Purchases	35,423.70	20,097.30
Inventory at the end of the year	(5,135.76)	(2,964.22)
	33,252.16	19,836.52
Consumption of packing materials		
Inventory at the beginning of the year	195.25	182.42
Purchases	2,629.70	1,574.92
Inventory at the end of the year	(237.35)	(195.25)
	2,587.60	1,562.09
Total	35,839.76	21,398.61

28 Purchases of stock in trade

	Year ended December 31, 2021	Year ended December 31, 2020
Purchases of stock in trade	136.62	1,754.22
Total	136.62	1,754.22

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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

	Year ended December 31, 2021	Year ended December 31, 2020
Opening 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
Less: Closing Inventory		
- Finished goods	2,043.95	1,195.85
- Work in progress	862.44	797.38
- Stock - in - trade	50.87	53.00
	2,957.26	2,046.23
Net change in inventory	(911.03)	(10.37)

30 Employee benefits expense

	Year ended December 31, 2021	Year ended December 31, 2020
Salaries, wages and bonus	2,625.94	2,378.67
Contribution to provident and other funds	237.22	230.81
Other employee benefits	51.15	50.92
Staff welfare expenses	192.88	151.82
Total	3,107.19	2,812.22

31 Finance costs

	Year ended December 31, 2021	Year ended December 31, 2020
Interest on security deposit from customers	24.93	21.83
Total	24.93	21.83

32 Depreciation and amortisation expense

	Year ended December 31, 2021	Year ended December 31, 2020
Depreciation on property, plant and equipment	556.08	550.99
Depreciation on investment properties	8.50	8.56
Amortisation of intangible assets	646.52	610.50
Depreciation of right-of-use assets	0.20	0.20
Total	1,211.30	1,170.25

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

33 Other expenses

	Year ended December 31, 2021	Year ended December 31, 2020
Consumption of Stores and Spares	437.12	264.63
Power and Fuel	706.27	529.36
Delivery Charges	1,477.01	1,202.96
Rent	12.59	18.05
Rates and taxes	69.30	105.81
Insurance	105.71	67.03
Repairs and maintenance		
- Buildings	5.75	12.17
- Machinery	518.33	392.87
- Others	44.04	22.96
Repacking Charges	59.65	47.57
Royalty	320.20	226.28
Telephone and communication	34.55	38.01
Travelling and conveyance	40.41	45.72
IT allocation charges	301.53	254.84
Sharing of Global R&D Charges	262.87	250.85
Commission and sitting fees to directors	42.43	35.15
Bad Debts and advances written off	34.08	15.90
Provision for Doubtful debts	-	11.87
Commission on sales	3.51	4.75
Legal and Professional Charges	380.96	355.63
Payment to auditors (Refer Note 33 (a))	47.97	42.17
Corporate Social Responsibility expenses (Refer Note 33 (c))	149.05	150.01
Miscellaneous expenses	1,160.80	1,230.10
Total	6,214.13	5,324.69

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

	Year ended December 31, 2021	Year ended December 31, 2020
As auditor		
Statutory Audit	28.24	23.50
Limited Reviews	10.50	10.50
In other capacities		
Other audit related services	8.50	6.00
Reimbursement of out of pocket expenses	0.73	2.17
Total	47.97	42.17

33 (b) Exceptional Items

	Year ended December 31, 2021	Year ended December 31, 2020
Profit on sale of EDP Building (Refer Note a)	1,918.72	
Provision for capital advance and related expenses incurred due to termination of project (Refer Note b)	(960.00)	-
Loss due to fire incident (Refer Note c)	(44.44)	-
Total	914.28	-

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

Note:

- On September 16, 2021, The Company sold the office space ("EDP Building") at Pimpri for a consideration of Rs. 2132.45 lakhs which resulted in a profit of Rs.1918.72 lakhs.
- The Company terminated the Memorandum of Understanding (MoU) which was entered with Talegaon industrial Parks Private Limited (TIPPL) for acquisition of land situated at Navlakhumbre, Tal. Maval, Pune. The Company has made a provision of Rs 960 lakhs for expenditure incurred so far in relation to this project.
- A fire incident occurred at the Company's factory situated at Pimpri, Pune. The Company accounted for a loss of Rs.44.44 Lakhs on account of destruction of machinery and inventory in this fire.

33 (c) Corporate Social Responsibility expenses (CSR)

	Year ended December 31, 2021	Year ended December 31, 2020
Gross amount required to be spent as per section 135 of the Act	149.05	150.01
Total	149.05	150.01

Amount spent during the year	In cash	
	December 31, 2021	December 31, 2020
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	149.05	150.01
Total	149.05	150.01

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects:

Balance as at 1 Jan 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at 31 Dec 2021
-	-	149.05	149.05	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance as at 1 Jan 2021	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31 Dec 2021
-	149.05	149.05	-

33(d) Research and development expenses

	Year ended December 31, 2021	Year ended December 31, 2020
a. Expenses of revenue nature (debited to statement of profit and loss)	671.14	673.99
b. Expenses of capital nature (addition to Property, Plant and Equipment)	18.12	13.88
Total	689.26	687.87

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).

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

34 Earnings per share (EPS)

	Year ended December 31, 2021	Year ended December 31, 2020
Net profit attributable to the equity shareholders of the company	6,688.17	6,176.39
Weighted average number of equity shares	7,927,682	7,927,682
Basic & diluted earnings per share (in Rupees)	84.36	77.91

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, 2021	As at December 31, 2020
(i) Excise and service tax matters	311.76	302.97
Total	311.76	302.97

(ii) On March 6, 2019, the Company was directed for closure of its operations in Ankleshwar by the Gujarat Pollution Control Board (GPCB) due to a suspected ground water contamination issue. The GPCB through its subsequent orders had granted temporary revocation of the closure order. The Company has represented to the GPCB for a permanent revocation of the closure order and is expecting a favourable response

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.

The Supreme Court had issued a Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 was issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact.

The Code on Social Security, 2020 ('Code') relating to employee benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

b) Capital commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 580.46 lakhs (December 31, 2020 : Rs. 5386.59 lakhs)

c) Lease commitments

There were no non-cancellable operating leases as on December 31, 2021 and December 31, 2020.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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, 2021	December 31, 2020	
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 Eckart Asia Limited
- 9 Actega Terra GmbH
- 10 BYK India Private Limited
- 11 BYK Korea LLC

(II) Key Management Personnel:

- 1 Mr. Srikumar Ramakrishnan (Managing Director)
- 2 Mr. Milind Talathi (Director)
- 3 Mr. Suresh Talwar (Independent Director)
- 4 Mr. Ravindra Kulkarni (Independent Director)
- 5 Mr. Ranjal Laxmana Shenoy (Independent Director)
- 6 Mrs. Kishori Udeshi (Independent Director)
- 7 Mr. Nandkumar Dhekne (Independent Director)
- 8 Mr. Stefan Genten (Director)
- 9 Mr. Martin Babilas (Director)
- 10 Dr. Guido Forstbach (Director)

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

36 Transactions with related parties

Name of the Party and nature of transaction	December 31, 2021	December 31, 2020
Intermediate Holding Companies		
(a) Altana AG		
Services received	110.84	61.24
Reimbursements paid	41.87	46.10
Reimbursements received	1.08	-
(b) Altana Management Services GmbH		
Services received	0.74	254.84
IT allocation charges	301.53	-
Reimbursements received	2.00	-
Holding Company		
Elantas GmbH		
Reimbursements received	179.10	96.92
Sharing of Global R&D Charges	262.87	250.85
Services received	177.11	193.62
Royalty expenses	72.06	49.14
Dividend paid	297.29	297.29
Fellow subsidiaries		
(a) Elantas Europe s.r.l.		
Commission Income	-	4.95
Reimbursements received	2.00	-
Purchase of raw materials	283.77	140.26
Royalty expenses	211.04	152.29
(b) Elantas PDG Inc.		
Reimbursements received	1.08	-
Purchase of raw materials	-	20.71
Services received	18.78	62.41
Royalty expenses	10.81	10.51
(c) BYK-Chemie GmbH		
Reimbursements received	-	1.07
(d) Elantas (Tongling) Co Ltd		
Purchase of raw materials	-	17.39
(e) Elantas (Zhuhai) Co., Ltd		
Sale of goods	69.55	79.52
Purchase of raw materials	6.73	-
Royalty income	0.88	3.62
(f) Eckart Asia Limited		
Reimbursements received	178.37	214.16

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

36 Transactions with related parties

Name of the Party and nature of transaction	December 31, 2021	December 31, 2020
(g) Elantas Europe GmbH		
Purchase of raw materials	25.44	8.97
Services received	1.08	-
Royalty expenses	26.29	14.34
(h) Elantas Malaysia Sdn Bhd		
Sale of goods	69.37	14.74
(i) Actega Terra GmbH		
Reimbursements received	34.93	31.38
(j) BYK India Private Limited		
Rental income	155.71	151.92
Interest Income on loan	28.05	28.13
Reimbursements received	29.37	35.40
(k) BYK Korea LLC		
Services received	0.10	0.06
	-	-
Key Management Personnel		
Short-term employee benefits	320.56	257.89
Post-employment benefits	37.79	36.50
Directors Sitting fees	19.23	15.95
Directors Commission	21.60	19.20

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.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

II Outstanding Balances from sale/ purchase of goods and services

Name of the Party and nature of transaction		December 31, 2021	December 31, 2020
(i)	Trade Payables		
	Elantas Europe s.r.l.	12.17	27.85
	Elantas GmbH	26.56	41.77
	Elantas PDG Inc.	1.29	7.50
	Altana management Services GmbH	9.37	-
	Altana AG	18.52	2.46
	BYK Korea LLC	0.12	0.04
	Elantas Europe GmbH	7.73	7.09
	Total	75.77	86.71
(ii)	Security Deposits received		
	BYK India Private Limited	41.29	41.29
	Total	41.29	41.29
(iii)	Loan given and interest accrued thereon		
	BYK India Private Limited	330.47	330.47
	Total	330.47	330.47
(iv)	Other receivables		
	Elantas GmbH	41.57	28.91
	Elantas (Zhuhai) Co., Ltd	0.27	0.94
	Altana AG	-	4.29
	BYK-Chemie GmbH	-	-
	Actega Terra GmbH	2.80	2.37
	Elantas Europe s.r.l.	-	-
	Total	44.64	36.51
(v)	Other current liabilities		
	Payable to employees (Includes salary, bonus and retirement benefits payable)	113.54	89.17
	Commission payable	21.60	19.20
	Total	135.14	108.37
	Mr. Srikumar Ramakrishnan	85.93	63.50
	Mr. Milind Talathi	27.61	25.67
	Total	113.54	89.17

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.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)
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	Products covered
Electrical Insulations	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 and Materials	This comprises of complete solutions for printed circuit boards (PCBs), PCB protection solutions, construction chemicals used for post-construction coating applications and flexible electrical insulations.

Information about business segments

Particulars	December 31, 2021	December 31, 2020
Segment Revenue (Includes Other Income allocable to segments)		
Electrical Insulations	44,029.37	34,050.34
Engineering & Electronic Resins and Materials	8,439.49	4,484.27
Net Sales / Income From Operations (including other income)	52,468.86	38,534.61
Segment results		
Electrical Insulations	5,992.32	5,786.52
Engineering & Electronic Resins and Materials	1,279.65	672.58
Less: Finance Cost	(24.93)	(21.83)
Add : Other unallocable income	1,377.52	1,958.17
Less : Other unallocable expenditure	(401.08)	(374.11)
Profit before exceptional item and tax	8,223.48	8,021.33
Exceptional Item	914.28	-
Profit before tax	9,137.76	8,021.33
Segment Assets		
Electrical Insulations	24,765.88	23,166.75
Engineering & Electronic Resins and Materials	4,874.50	4,049.44
Others	32,209.48	26,409.19
Total Assets	61,849.86	53,625.38
Segment Liabilities		
Electrical Insulations	7,620.25	6,590.00
Engineering & Electronic Resins and Materials	1,474.38	823.00
Others	2,287.95	2,053.11
Total Liabilities	11,382.58	9,466.11

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	December 31, 2021	December 31, 2020
Capital expenditure		
Electrical Insulations	795.57	1,052.95
Engineering & Electronic Resins and Materials	92.13	82.70
Others	36.40	25.73
Total capital expenditure	924.10	1,161.38
Depreciation and amortisation expense		
Electrical Insulations	1,030.05	990.71
Engineering & Electronic Resins and Materials	148.01	151.85
Others	33.24	27.69
Total depreciation and amortisation expense	1,211.30	1,170.25

(b) Information about geographical segments

Revenue from customers

Particulars	December 31, 2021	December 31, 2020
India	51,955.68	38,025.40
Outside India	513.18	509.21
Total	52,468.86	38,534.61

Entire non-current assets are located in India. There are no major customers contributing 10% or more of the Company's revenue.

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

38 Fair value measurements

Financial instruments by category

	December 31, 2021		December 31, 2020	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
Mutual Funds	26,134.54	-	21,771.98	-
Loans	-	482.76	-	457.73
Trade receivables	-	8,683.82	-	7,050.68
Cash and bank balances	-	1,763.95	-	2,661.80
Long term deposits with banks	-	3,643.20	-	2,717.95
Other financial assets	-	66.66	-	136.43
Total financial assets	26,134.54	14,640.39	21,771.98	13,024.59
Financial liabilities				
Trade payables	-	7,609.19	-	6,068.64
Security Deposits	-	705.49	-	603.90
Capital Creditors	-	145.33	-	62.08
Payable to Employees	-	596.72	-	627.36
Unpaid Dividend	-	16.33	-	41.59
Other Payables	-	46.22	-	43.72
Total financial liabilities	-	9,119.28	-	7,447.29

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, 2021					
Financial assets					
Investments					
Mutual Funds	6	-	26,134.54	-	26,134.54
At December 31, 2020					
Financial assets					
Investments					
Mutual Funds	6	-	21,771.98	-	21,771.98

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

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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	December 31, 2021			December 31, 2020		
	Gross	Allowance	Net	Gross	Allowance	Net
Not due	8,418.54	-	8,418.54	6,765.03	-	6,765.03
Overdue up to 3 months	400.18	(134.90)	265.28	346.22	(60.57)	285.65
Overdue 3-6 months	21.63	(21.63)	-	67.91	(67.91)	-
Overdue more than 6 months	256.35	(256.35)	-	318.38	(318.38)	-
Total	9,096.70	(412.88)	8,683.82	7,497.54	(446.86)	7,050.68

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

Movement of allowance for doubtful debts

	Amount
Allowance for doubtful debts as on December 31, 2020	446.86
Change during the year	(33.98)
Allowance for doubtful debts as on December 31, 2021	412.88

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, 2021		As at December 31, 2020	
	< 1 year	> 1 year	< 1 year	> 1 year
Trade payables	7,609.19	-	6,068.64	-
Security Deposits	659.15	46.34	557.56	46.34
Capital Creditors	145.33	-	62.08	-
Payable to Employees	596.72	-	627.36	-
Unpaid Dividend	16.33	-	41.59	-
Other Payables	46.22	-	43.72	-
Total	9,072.94	46.34	7,400.95	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, 2021		December 31, 2020	
	EUR	USD	EUR	USD
Financial assets				
Trade and other receivables	44.37	33.75	31.17	61.29
Exposure to foreign currency risk (assets)	44.37	33.75	31.17	61.29
Financial liabilities				
Trade payables	259.94	876.73	13.12	552.33
Exposure to foreign currency risk (liability)	259.94	876.73	13.12	552.33
Net exposure to foreign currency risk - assets/ (liability)	(215.57)	(842.98)	18.05	(491.04)

ELANTAS Beck India Limited
Notes to Financial Statements
(All amounts in Rs. lakhs, unless otherwise stated)

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, 2021	December 31, 2020
EUR sensitivity		
INR/EUR - Increase by 5% (31 December 2020-5%)	(10.78)	0.90
INR/EUR - Decrease by 5% (31 December 2020-5%)	10.78	(0.90)
USD sensitivity		
INR/USD - Increase by 5% (31 December 2020-5%)	(42.15)	(24.55)
INR/USD - Decrease by 5% (31 December 2020-5%)	42.15	24.55

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, 2021	December 31, 2020
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, 2021	December 31, 2020
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, 2021 and December 31, 2020.

b) Dividends

	December 31, 2021	December 31, 2020
(i) Equity shares		
Final dividend for the year ended December 31, 2020 of Rs. 5 (December 31, 2019 of Rs. 5) per fully paid share	396.38	396.38
(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, 2020 - 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, 2021.
- 42** The Company has considered the possible effects that may result from the COVID-19 pandemic in the preparation of the 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 these financial statements.

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 : Feb. 22, 2022

R.L. Shenoy
Director
DIN: 00074761
Place : Pune
Date : Feb. 22, 2022

**Srikumar
Ramakrishnan**
Managing Director
DIN: 07685069
Place : Pune
Date : Feb. 22, 2022

Sanjay Kulkarni
Chief Financial Officer
Place : Pune
Date : Feb. 22, 2022

Abhijit Tikekar
Company Secretary
Place : Pune
Date : Feb. 22, 2022

NOTICE

Notice is hereby given that the Sixty Sixth Annual General Meeting (AGM) of the Members of ELANTAS Beck India Limited (CIN: L24222PN1956PLC134746) will be held on Tuesday, 10 May 2022 at 10.30 a.m. through Video Conference (VC) / Other Audio-Visual Means (OAVM) , to transact the following items of business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements for the year ended December 31, 2021 along with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares for the year 2021.
3. To appoint a Director in place of Mr. Martin Babilas (DIN: 00428631) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 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, 2021 be and is hereby ratified and confirmed."

5. **To consider and, if thought fit, to pass with or without modification the following resolution as Special Resolution:**

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made thereunder, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby accorded to continuation of Directorship of Mr. Ranjal L. Shenoy (DIN: 00074761), as Non-Executive Independent Director of the Company after attainment of the age of 75 years on 16 January 2023 during the current term of his office."

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 Section 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Nomination & Remuneration Committee and the Board of Directors, the consent of the Members be and is hereby accorded to the payment of commission to Independent Directors of the Company for each financial year commencing from 1 January 2023 and distributed between such Independent Directors in such a manner as the Board of Directors (or Committees thereof) may from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company for that financial year computed in accordance with the provisions of section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such

acts, deeds, matters and to take all such steps as may be required in this connection to give effect to this resolution."

7. 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 Companies Act, 2013 ("the Act") read with the provisions of 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, approval of the Company be and is hereby accorded for re-appointment of Mr. Srikumar Ramakrishnan (DIN :07685069) as Managing Director of the Company for a period of Five years effective 1 August 2022 to 31 July 2027 on such terms & conditions including those relating to the remuneration as set out in the Agreement dated 22 February 2022 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/ Nomination & Remuneration Committee of the Company to alter and vary the terms and conditions of appointment and/or remuneration, subject to the limits as approved by the Members of the Company in such manner as may be agreed to between the Board of Directors (including its Committee thereof) and Mr. Srikumar Ramakrishnan.

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 22, 2022

ELANTAS Beck India Limited

CIN: L24222PN1956PLC134746

Registered Office:

147, Mumbai - Pune Road, Pimpri,

Pune 411018, Maharashtra,

India Tel: (020) 67190605

Abhijit.Tikekar@altana.com, <https://www.elantas.com/beck-india>

Abhijit Tikekar

Head Legal & Company Secretary

(Mem. No.: ACS20213)

NOTES:

1. Pursuant to General Circular Nos.14/2020, 17/2020, 20/2020, 02/2021 and 21/2021 dated 8 April 2020, 13 April 2020, 5 May 2020, 13 January 2021 and 14 December 2021, respectively issued by the Ministry of Corporate Affairs ("MCA Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 66th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue.
2. 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 66th 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 66th AGM through VC/OAVM Facility and e-Voting during the 66th AGM.
3. In line with the MCA Circulars, the Notice of the 66th AGM will be available on the website of the Company at <https://www.elantas.com/>, on the website of BSE Limited at <https://www.bseindia.com/> and also on the website of NSDL (agency for providing the Remote-Voting Facility) i.e. at <https://www.evoting.nsdl.com/>.
4. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed to this Notice.
5. In compliance with the MCA Circulars, the Notice of the AGM and the Annual Report for the Financial Year 2021 are being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ DPs and through courier for those Members whose e-mail addresses are not registered with the Company / RTA. Members may note that Notice of the AGM and the Annual Report for the Financial Year 2021 will also be available on the Company's website at www.elantas.com, websites of the Stock Exchanges, i.e. BSE Limited at www.bseindia.com, and on the website of NSDL at <https://www.evoting.nsdl.com/>
6. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on first come first served basis. This will not include large Shareholders (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. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. 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.
8. 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.
9. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission / transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialized form or to Link Intime India Pvt. Ltd. in case of holdings in physical form, mentioning their correct reference folio number.
10. 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 Agent i.e. Link Intime India Pvt. Ltd., so as to enable the Company to consolidate their holdings into one folio.

11. Details of Directors seeking re-appointment:

Particulars	Mr. Martin Babilas (DIN: 00428631)	Mr. Ranjal L. Shenoy (DIN: 00074761)	Mr. Srikumar Ramakrishnan (DIN: 07685069)
Date of birth	23 September 1971	16 January 1948	14 December 1972
Date of first appointment on the Board	6 May 2014	28 October 2013	1 August 2019
Qualifications	MBA, Diploma - Kaufmann	B.Com., LL.M., ACA, ACS, ACMA, C.A.-I.I.B.	BE, University of Bombay, PGCBM, XLRI
Expertise in specific area	Accounting, Management	Corporate Laws, Banking, Finance & Taxation	Expertise in Chemical Engineering Sales Function
Directorships held in other listed Companies	Nil	1. Alkem Laboratories Limited 2. Sunshield Chemicals Limited	Nil
Membership/ Chairmanships of Committees of other listed Companies	Nil	Alkem Laboratories Limited - Member – (Audit Committee) Chairman – Nomination and Remuneration Committee and Stakeholders' Relationship committee) Sunshield Chemicals Ltd – Member – (Audit Committee) Chairman - (Nomination and Remuneration Committee)	Nil
Shareholding in the Company including Shareholding as a beneficial owner as on 31 December 2021	Nil	Nil	Nil
No. of Board Meetings attended	Present in person – 1 Present through Alternate Director - 1	5	5

Remuneration Last drawn	Nil	Rs. 10,22,500/-	Rs. 2,49,06,444/-
Terms & Conditions of Appointment/ Re-appointment	As per the Resolution at item no. 3 of the Annual General Meeting Notice dated 22 February 2022	As per the Resolution at item no. 5 of the Annual General Meeting Notice dated 22 February 2022	As per the Resolution at item no. 7 of the Annual General Meeting Notice dated 22 February 2022
Remuneration Proposed to be paid	Nil	As may be decided by the Board.	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	Not related to any Director / Key Managerial Personnel
Name of Listed Companies from which the Director has resigned in the past three years	NA	NA	NA

12. The relevant Explanatory Statement pursuant to Section 102 of the Act, in respect of the Special Business at item Nos.4, 5, 6 and 7 of the Notice is annexed.
13. The Register of Members and Share Transfer books of the Company will remain closed from Wednesday, 4 May 2022 to Tuesday, 10 May, 2022 (both days inclusive), for the purpose of payment of Dividend.
14. Pursuant to Sections 123, 124 and 125 of the Act, the Company will be transferring in July 2022, the unclaimed dividend, if any for the financial year ended 31 December 2014 to the Investor Education and Protection Fund of the Central Government.
15. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government. Members are requested to refer the website 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.
16. 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.
17. 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 <https://www.iepf.gov.in/content/iepf/global/master/Home/Home.html> 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.
18. 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.

19. 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://web.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.

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. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website under the weblink at https://www.elantas.com/fileadmin/elantas/companies/elantas_beck_india/financial_documents/compliance_with_corporate_governance/kyc_updation_of_shareholders_mandated_by_sebi.pdf

21. 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) and the Circulars issued by the Ministry of Corporate Affairs, 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.

22. 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, 4 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.

23. Request to the Members:

- a. Members desiring any relevant information on the accounts at the AGM are requested to ensure that their requests reach the Company at least seven days before the date of the Meeting, so as to enable the Company to keep the information ready.
- b. Green Initiative: The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. Keeping in view the underlying theme and the circulars issued by MCA, the Company has been sending all documents like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, etc. to its Members in electronic form, to the e-mail address provided by them and made available to the Company by the Depositories.

If Members would like to support this Green Initiative and receive the above-mentioned documents in electronic form, they are requested to send an email from their email ID to rnt.helpdesk@linkintime.co.in with the subject titled "Green Initiative – EBIL", requesting for receiving these documents in electronic form and mentioning therein their Folio No./ DP ID & Client ID as the case may be. Members are further requested to mark a copy of their e-mail to Abhijit.Tikekar@altana.com. The Company shall then send such documents in electronic form (in lieu of the physical form) to the submitted e-mail id. The Members may also subsequently update their email ID by a similar e-mail to the Company/ Link Intime India Pvt. Ltd., giving the requisite details.

- c. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, change of address, change of name, e-mail address, contact numbers etc. to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Registrar & Transfer Agents, Link Intime India Pvt. Ltd. to provide efficient and better services.

Members holding shares in physical form are requested to intimate such changes to Link Intime India Pvt. Ltd. at the following address:

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

- d. Members holding shares in physical form are requested to get the same dematerialized to eliminate all risks associated with physical shares. Members can contact the Company or Link Intime India Pvt. Ltd. for any assistance in this regard.
- e. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in demat form, the nomination form may be filed with the respective DP.

24. **Voting Options: Please co-ordinate with Transfer Agents**

E-voting: In compliance with the provisions of Section 108 of Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the provisions of Regulation 44 of the Listing Regulations the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Saturday 7 May 2022 at 9:00 A.M. and ends on Monday 9 May, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 3 May 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 3 May 2022.




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: Access to NSDL e-Voting system
A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com/ either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com/ Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: right; margin-top: 10px;"> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div> </div>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/Home/Login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Home/Login Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual Meeting & voting during the Meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43</p>

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- 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.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternately, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.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. Password details for shareholders other than Individual shareholders 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 to 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'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not 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 <https://www.evoting.nsd.com/>.
- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on <https://www.evoting.nsd.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 etc.
- d) Members can also use the OTP (One Time 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.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”..
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on <https://www.evoting.nsdl.com/> to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote – Assistant Manager at evoting@nsdl.co.in
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 3 May 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 3 May 2022 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

Process for those shareholders whose email ids are not registered with the depositories/company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Abhijit.Tikekar@altana.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Abhijit.Tikekar@altana.com. If you are an Individual

shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternately Shareholder / Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, 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.
3. 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.
4. 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 shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. 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 to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at Abhijit.Tikekar@altana.com. The same will be replied by the Company suitably.
6. Speaker registration before AGM: Members who wish to register as speakers are requested to send an e-mail to Abhijit.Tikekar@altana.com by mentioning the demat account number/ folio number, name of the member and mobile number upto 3 May 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. Due to limitations of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Speaker Session. Hence, Members are encouraged to send their questions/queries in advance to the Company at Abhijit.Tikekar@altana.com. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

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://web.linkintime.co.in/EmailReg/Email_Register.html and following the procedure mentioned therein latest by 3 May 2022.
- 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://web.linkintime.co.in/EmailReg/Email_Register.html and following the procedure mentioned therein latest by 3 May 2022.
- 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://web.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 3 May 2022. Any submissions received after 3 May 2022 will not be considered for payment of Final dividend for FY 2021, 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.

Other Instructions:

- (i) The e-voting period commences from Saturday 7 May 2022 at 9.00 a.m. and ends on Monday 9 May 2022 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.
- (ii) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 3 May 2022.
- (iii) Mr. Prajot Tungare, (Membership No. FCS 5484), Partner of Prajot Tungare and Associates, Pune, has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
- (iv) The Scrutinizer shall, immediately after the conclusion of voting at the Meeting , first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing who shall countersign the same and the Chairman or a person authorized by him shall declare the results of the voting forthwith.
- (v) The results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.elantas.com/beck-india>, Notice Board of the Registered Office and on the website of NSDL <https://www.evoting.nsdl.com/> immediately after the results are declared by the Chairman and also communicated to BSE Limited.

Annexure to the Notice**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013****Item No. 4**

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its Meeting held on 23 February 2021 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 2021.

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. 4 of the Notice for your approval.

Item No. 5

The Members of the Company by passing a Special Resolution through Postal Ballot on 2 January 2019 had approved the appointment of Mr. Ranjal L. Shenoy as an Independent Director of the Company for a second term of five (5) years from 1 April 2019.

Pursuant to the Regulation 17(1A) of the Listing Regulations, effective from April 1, 2019, Consent of the Members by way of Special Resolution is necessary for continuation of Directorship of any person as a Non-Executive Director who has attained the age of seventy-five (75) years.

Mr. Ranjal L. Shenoy would be attaining the age of seventy-five (75) years on 16 January 2023 during his tenure.

Mr. Ranjal L. Shenoy possesses skills such as Corporate laws, Banking, Finance & Taxation.

The terms and conditions of appointment of Mr. Ranjal L. Shenoy as an Independent Director, would be available for inspection to the 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, up to and including the day of Annual General Meeting.

Except Mr. Ranjal L. Shenoy, none of the other Directors and other Key Managerial Personnel or their respective relatives is concerned or interested financially or otherwise in this Resolution.

The relatives of Mr. Ranjal L. Shenoy may be deemed to be interested in the Resolution of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board recommends passing of the Special Resolution as set out at item no. 5 of the Notice for your approval.

Item No. 6

At the Annual General Meeting of the Company held on 10 May 2018, a Special Resolution authorizing payment of remuneration to Independent Directors by way of commission, of an amount not exceeding one per cent of the net profits of the Company per Financial Year, was passed. The net profits are to be computed in the manner referred in the Section 198 of the Act.

The said resolution authorized payment of such commission in respect of a period up to Financial Year ending on 31 December 2022. In addition, the Independent Directors are also entitled to remuneration by way of a fee for each meeting of the Board or a committee thereof, attended by them as per the Articles of Association of the Company read with Section 197 of the Act read with relevant rules frames there under.

The Board considers that it is desirable to continue the practice of payment of remuneration to the Independent Directors by way of commission in the coming years also. Such payment is required to be authorized by a Special Resolution in terms of Articles of Association of the Company and Section 197 of the

Act read with relevant rules framed thereunder and are as amended from time to time.

Also, in accordance with Regulation 17(6) of the Listing Regulations all fees or compensation, if any, payable to Non-Executive Directors, including Independent Directors (except sitting fees) requires approval of Members of the Company.

The Special Resolution is therefore being proposed to enable the Company to pay the remuneration by way of commission to its Independent Directors for each financial year commencing from 1 January 2023 subject to provisions of Act and Listing Regulations.

Independent Directors and their relatives may be deemed to be concerned or interested respectively, in this resolution to the extent of the remuneration that may be received by them. Save and except the above, none of the other Directors, Key Managerial Personnel or their respective relatives is, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends passing of the Special Resolution as set out at item no. 6 of the Notice for your approval.

Item No. 7

The Members in the 64th Annual General Meeting held on 21 July 2020 had appointed Mr. Srikumar Ramakrishnan as Managing Director of the Company for a period of 3 Years i.e. from 1 August 2019 to 31 July 2022.

The Board of Directors in its Meeting held on 22 February 2022 on the basis of recommendation of the Nomination & Remuneration Committee, re-appointed Mr. Srikumar Ramakrishnan as Managing Director of the Company for a period of 5 (Five) Years with effect from 1 August 2022 to 31 July 2027 subject to the approval of the Members in the ensuing Annual General Meeting.

Pursuant to the provisions of Section 160 of the Act, the Company has received a notice in writing from a Member proposing the candidature of Mr. Srikumar Ramakrishnan for the office of Director of the Company.

Mr. Srikumar Ramakrishnan is a Bachelor of Chemical Engineering from Bombay University, Mumbai, PGCBM, XLRI. He has more than 26 years of experience and has worked on various projects in the areas of sales & marketing, new business development, new product development etc. He has been working as Managing Director of the Company since 1 August 2019.

The material terms as approved by the Board and the contract dated 22 February 2022 entered into between the Company and Mr. Srikumar Ramakrishnan are as under:

1. Mr. Srikumar Ramakrishnan is re-appointed as Managing Director (the Managing Director) of ELANTAS Beck India Limited effective 1 August 2022.
2. The Company hereby reserves the right to assign the Managing Director other reasonable responsibilities for the ALTANA Group or affiliate Companies in India or abroad if such is required by the business interests of the Company.
3. The other important terms & conditions of agreement are as under;
4. For his service, the Managing Director shall receive from the Company;
 - a. an annual salary of Rs. 1,20,00,000/- gross (Rupees Twelve Million Only),
 - b. bonus, for each business year in which 100% of objectives are achieved, in the amount of Rs. 80,00,000/- gross (Rupees Eight Million Only) as per the objectives set by the Board / Nomination and Remuneration Committee with Mr. Srikumar Ramakrishnan.
 - c. an annual increase not exceeding 20% on the said remuneration as may be determined by the Board.
5. The remuneration shall be reviewed each year, beginning on 1 July 2022. The annual performance review is once per year, according to Company policy and timing.
6. The Company will provide a car to the Managing Director as Company car for business and private use. The buying price of the car is capped at INR 3,000,000.00 net. All car related expenses in relation to the Company car will be paid by the Company.

7. The Managing Director shall be insured under the Company's group accident insurance according to the policy in place.
8. Medical and hospitalization expenses will be fully covered for the Managing Director and his family (spouse and children) according to the Company's Medical Benefits plan. The Company will reimburse these costs upon presentation of the respective transaction receipts, if arrangement will not directly be made by the Company.
9. The Managing Director will receive a yearly Company's contribution to the Provident Fund, Superannuation, Gratuity and other benefits under the Pension Scheme.
10. The Employment Agreement shall have a term of 5 (Five) years and shall cease on 31 July, 2027. The Company shall decide as to extensions prior to the commencement of the Final year of the term. Besides, the agreement can be terminated by either party, during the term of Agreement, by giving six months' notice in writing to the other party.

Except Mr. Srikumar Ramakrishnan, 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. Srikumar Ramakrishnan and the Company is open for 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, up to and including the day of Annual General Meeting.

The Board recommends passing of the Special Resolution as set out at item no. 7 of the Notice for your approval.

By order of the Board of Directors

Place: Pune

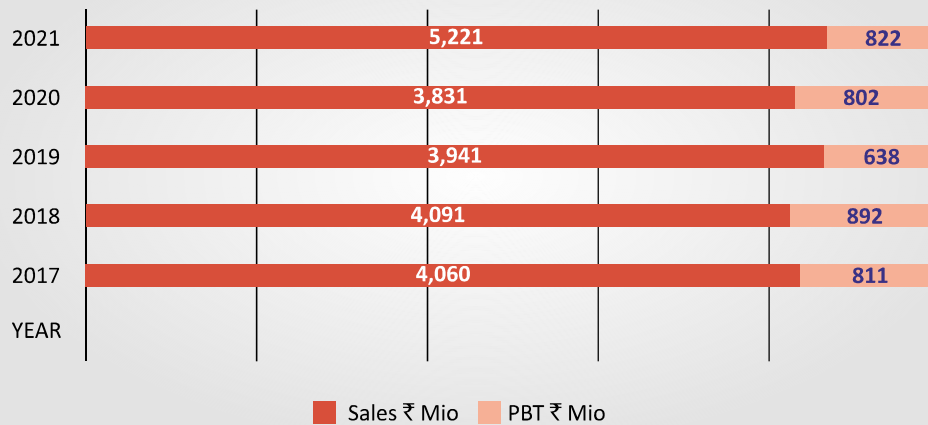
Date: February 22, 2022

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

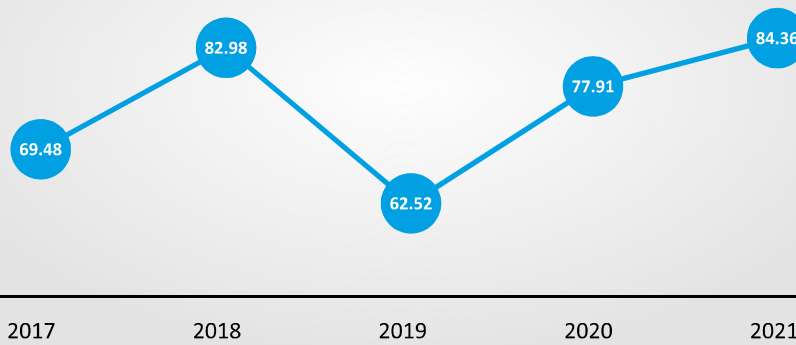
Abhijit Tikekar

**Head Legal & Company Secretary
(Membership No.: ACS 20213)**

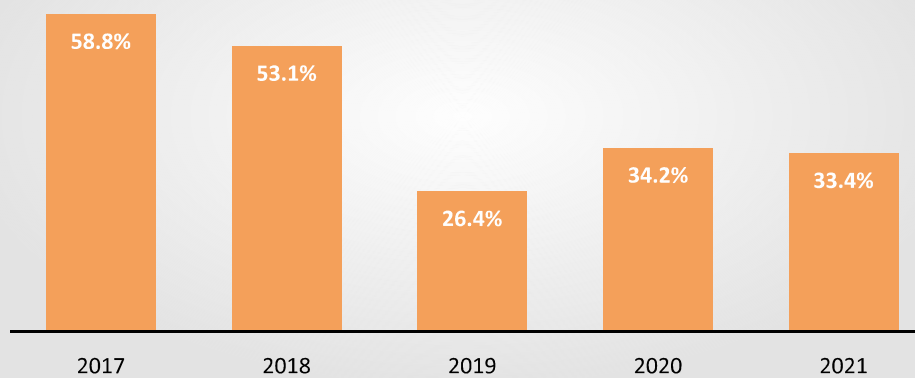
Sales & Pre tax profit



Earning per share



Return on capital employed





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