

**Transcript of “68th Annual General Meeting”
ELANTAS Beck India Limited
held on 07th May, 2024 at 10.30 a.m. through Video Conference/ Other Audio-Visual Means**

Company Participants:

Mr. Sujjain Talwar
Independent Director

Mr. Nandkumar Dhekne
Independent Director

Mr. Srikumar Ramakrishnan
Managing Director

Mr. Sanjay Kulkarni
CFO and VP - IT & Procurement

Mr. Ashutosh Kulkarni
Head Legal & Company Secretary

Other Key executives, Representative of Statutory Auditors and Secretarial Auditors cum Scrutinizers and Shareholders

ELANTAS Beck India Limited

68th Annual General Meeting

07th May, 2024

- **Mr. Ashutosh Kulkarni- Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Good morning shareholders, I am Ashutosh Kulkarni, Company Secretary participating in this meeting from registered office. It is now 10.30 am, as Mr. Martin Babilas Chairman of the company is unable to attend this meeting, the Board has unanimously nominated Mr. Sujjain Talwar, Independent Director and Chairperson of Stakeholders Relationship Committee to Chair this meeting. I now hand over the proceedings to Mr. Sujjain Talwar, Chairman of the meeting. Thank you.

- **Mr. Sujjain Talwar - Chairperson, ELANTAS Beck India Limited:**

- Good morning, ladies and gentlemen. I have pleasure in welcoming you all to the 68th Annual General Meeting of the company.

- It is now the appointed time for the meeting. I am participating in this meeting from the registered office, where it is very bright and sunny, which sets the mood for a bright future, as you will see. Let me announce that since this meeting is on a virtual platform, as permitted by the Ministry of Corporate Affairs and SEBI, there are no proxies who are allowed to participate in the meeting.

- As the requisite quorum is present, I call the 68th annual general meeting to order. The company has received an authorization from one corporate shareholder, appointing and authorizing representatives under section 113 of the Companies Act in respect of 59,45,761 shares, representing 75% of the paid-up equity share capital of the company. I have to inform you that Mr. Martin Babilas, Mr. Ravindra Kumar and Mrs. Usha Rajiv, Directors, are not participating on account of their prior official commitments.

- Mrs. Usha Rajiv, Audit Committee Chairperson, has authorized me on her behalf to answer the shareholders' queries, if any. Other members of the board are participating from the registered office of the company. For the benefit of members, I request my other

colleagues on the board, as I call out, to kindly introduce themselves and the location from where they are participating.

- **Mr. Nandkumar Dhekne - Director, ELANTAS Beck India Limited:**

- I am Nandkumar Dhekne. Very good morning to you all. I am an Independent Director and the Chairman of the Nomination and Remuneration Committee. I am participating from the registered office. Thank you.

- **Mr. Srikumar Ramakrishnan- Managing Director, ELANTAS Beck India Limited:**

- Namaskar and Good morning, this is Srikumar Ramakrishnan. I am the Managing Director. I am participating in this meeting from the registered office of the company.

- **Mr. Sujain Talwar - Chairperson, ELANTAS Beck India Limited:**

- Thanks a lot. Apart from the Directors, Mr. Sanjay Kulkarni, our CFO, is also participating in the meeting. Also present are representatives of your auditors, Price Waterhouse Chartered Accountants LLP, Mr. Prajot Tungare, Partner, M/s. Prajot Tungare and Associates, Secretarial Auditors and Scrutinizer for this meeting and for the voting process are also participating from their respective offices. I now request Ashutosh to inform the general guidance and protocol to be followed by you all in this meeting by videoconferencing for the smooth conduct of this meeting. Ashutosh.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Thank you, Chairman.
- For the benefit of members, let me inform that the register of Directors and KMP and their shareholding and other statutory registers are open for inspection online.
- Now I would like to take you through certain points regarding the participation in this meeting which have been already communicated to you via notes to the AGM notice. I request the members to kindly adhere to the same for smooth conduct of the meeting. The facility of joining the meeting through videoconference or other audio-visual means is being made available for members on first-come-first-served basis. All members who are joining the meeting are by default placed on a mute mode by the host to avoid any disturbance arise from background noise.

- Once the question-answer session starts, the name of the members who have registered as speakers will be announced one by one. The concerned speaker will thereafter be unmuted by the host to start speaking. If the speaker is not able to join through videoconference for any reason, the speaker can speak through the audio mode. While speaking, the speaker is requested to use headphones so that he is clearly audible. Also, he is requested to minimize any ambient noise and ensure that Wi-Fi is not connected to any other device so as to achieve maximum bandwidth. In case there is any connectivity problem at speaker's end, we request you to let this speaker to join. Once all the speakers finish their speech, opportunity will be provided once again to those speakers who could not speak early due to connectivity issues. We would like to request the speaker to kindly limit their speech to three minutes. The speakers who have sent the questions in advance in the interest of time may not kindly repeat the same.

- During the AGM, if any member faces any technical issue, he may contact the helpline number 1800 222 990 which has been also mentioned in the AGM notice. Pursuant to the applicable provisions of Companies Act 2013, read with rules formed there under and SEBI listing regulations, the company had provided the facility of remote e-voting as per the timeline mentioned in the notice. The remote e-voting has already been concluded on 6th May, 2024 at 5.00 pm (IST).

- Members attending the meeting who have not casted with their vote through remote e-voting shall be able to cast their vote during the AGM. The window for e-voting has been activated and members can cast their vote simultaneously while participating in the proceedings of the meeting. Thank you very much. Now may I request Chairman to take this forward from this onwards.

- **Mr. Sujjain Talwar - Chairperson, ELANTAS Beck India Limited:**

- Thank you Ashutosh. Let me inform that the AGM notice, which you all have, was sent with the annual report for the financial year ended 31st December, 2023 to each of you at your email and registered address.

- Since the notice of the AGM was circulated to all members, I take the notice as read. Important to note, there are no qualifications, adverse observations or comments or any other remarks on the financial statements of the company which have any material adverse effects on the functioning of the company from statutory or secretarial auditors. Therefore, the auditor's reports need not be read.

- The Director's report and the management discussion and analysis report properly summarise the financial highlights and significant business developments for the year 2023, whereas the corporate governance report highlights the governance standards followed by the company. Furthermore, our business responsibility and sustainability report detail the extensive environment, social and governance initiatives that your company has implemented throughout the calendar year of 2023. Dividend, the board has recommended a 50% dividend on the paid-up share capital of the company, i.e. Rs 5/- per equity share of Rs. 10/- each, which is in line with the distribution policy of the company already given in advance.

- Dear shareholders, let me now, for the benefit of all of you, briefly explain the operations of the company in the backdrop, as some of you may have noticed, challenging economic and geopolitical environment. Your company sustained its positive momentum in 2023, capitalising on heightened demand during the seasonal months of the year to achieve record revenue milestones.

- Despite facing challenges as the continued Russia-Ukraine conflict and uncertainty stemming from the Middle East conflict, which disrupted supply chains, your company remains steadfast in its efforts to ensure supply continuity for customers while minimising cost impacts. How have we done? Your company was able to report a revenue of Rs. 675 crores or thereabouts, a 5.20% increase compared to 2022, with a margin of Rs. 222 crores or thereabouts, up by 24% over 2022. Your company achieved its highest ever sales. 2023 focused on maximising value through volume growth by managing price in line with the raw material cost. Now coming to segment-wise performance, the electrical insulation business accounts for approximately, as you know, 85%, and electronic & engineering materials accounts for approximately 15% of your company's sales revenue. Your company continues to focus on the trends in the market to sustain and grow its business in the coming period, driven by increased demand for its products as the markets in which it participates grows, along with the economy and the various government initiatives.

- Your company's focus on the business line over the last few years has yielded results via new product introductions, new projects, new customer additions, the robust ERP system and IT platforms, R&D capability, and the continuing progress in developing process technology helped the company to navigate through this period in an efficient manner. With a focus on new product development, installation of additional manufacturing assets, your company was able to position its products and gear itself to cater to the new applications that have emerged. To bolster its market position, your company capitalised on increased capacity at its Ankleshwar plant in Gujarat in 2023 and prepared to meet the additional demand growth as the economy expands through requisite permissions.

- The company's team remains committed to anticipating industry requirements and delivering value-added products through its technology leadership and local manufacturing capabilities. Your company, always being a responsible corporate citizen, engages with the community at large for betterment of society. As a part of such responsibility, it has focused on providing educational support and generously contributing to the funds set up by the central government for mitigating natural disasters, i.e. the Prime Minister's Natural Relief Fund.

- On the ESG front, we recognise the importance of environmental stewardship, and our efforts are focused on minimising our ecological footprint through resource-efficient processes, waste reduction initiatives and the adaption of renewable energy sources. In the electrical insulation sector, we aspire to become the sustainability leader and promote sustainable actions to encourage our competitive space. Our ESG roadmap, what does it include? Reduction in greenhouse gas emissions, enhancing energy efficiency and providing a safe and healthy workplace and, of course, promoting diversity.

- Safety is at the forefront when it comes to our operations and processes. The company is focused on identifying opportunities to improve its processes and capabilities around quality, environment, health and safety. These continue to be accorded the highest priority and the processes and programmes are constantly reviewed for identification of opportunities to enhance safety, reduce waste and conserve natural resources.

- Before I close my statement, I would like to express my sincere thanks to my colleagues at ELANTAS Bank India Limited as well as on the Board for their continuous and valuable contributions. I also thank the ALTANA management for its continued and unstinting support on all fronts.

- Here, I also wish to place on record our sincere appreciation of our dear customers, our dear suppliers, our business associates and the government. Finally, I wish to thank you, shareholders, for the continued interest you have showed in the affairs of the company all these years.

- Now, turning to the business of the meeting, here are the four items that we have to vote upon.

1. Adoption of the audited financial statements of the company for the financial year ended 31st December, 2023, along with reports of the Board of Directors and the statutory auditors thereof. That was item 1.
 2. Declare a dividend of Rs. 5.00/- per equity share for the year 2023.
 3. To appoint a director in place of Mr. Ravindra Kumar, who although he retires by rotation, but being eligible, offers himself for reappointment.
 4. To ratify the remuneration paid to M/s. Dhananjay V Joshi and Associates Cost Accountants 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 year ending 31st December, 2023.
- Since all the resolutions are put to remote e-voting process, there is no need for proposing a second phase to these resolutions.

 - I now request Ashutosh to continue the proceedings of this meeting. Thank you.

 - **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

 - Thank you, Chairman.

 - **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

 - I request the shareholders who have given their names to speak at the AGM to express their views and ask queries on the working of the company. As we have got 12 speakers, I would request each to speak for not more than 3 minutes. All the questions received before the AGM and the questions which will be asked by the members will be responded after all speakers have completed expressing their views and asking questions.

 - Now, I request the host to kindly unmute the first speaker that is Ms. Lekha Shah.

 - **Ms. Lekha Shah- Speaker Shareholder:**

 - Hello. Am I audible, sir?

 - **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

 - Yeah, you are audible. Good Morning.

- **Ms. Lekha Shah- Speaker Shareholder:**

- Thank you, sir. Very good morning, sir.

- Respected Chairman, sir, Board of Directors, and my fellow members, good morning to all of you. Myself, Lekha Shah from Mumbai. First of all, I am very much thankful to our Company Secretary, Ashutosh ji, and Anuja ma'am for sending the AGM notice well in time, which is full of knowledge, facts and figures in place.

- Also, I would like to welcome our new Company Secretary, Mr. Ashutosh Kulkarni, on the board. I know our Company Secretary for a long time from the previous company. I am sure that he will add a lot of value to our company.

- Chairman, sir, I am confident that with your vision and determination, you will lead our company to greater heights. And also, I pray to God that 2024 comes with great prosperity. Chairman, sir, I hope the company will continue video conference meetings in future.

- Again, I thank our Company Secretary, Kulkarni ji, for their best performance and always outstanding support for all my doubts. I found the AGM notice really useful with a lot of information. Sir, I would like to ask you questions.

- My first question is, what is the total number of employees? And my second question is, how many women employees are working in our company? My third question is, what is the future of our company? Chairman, sir, I have one request from you. Please plan a factory visit for us. So, I strongly and wholeheartedly support all the resolutions for today's meeting.

- Thank you so much, sir.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Thank you, Lekah Shah.

- So, I now request the host to unmute the second speaker, that is Mr. Aspi.

- Yeah

- **Mr. Aspi- Speaker Shareholder:**

- Sir, can you see me and hear me?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- We can hear you. Yeah, we can now also see you. Yes.

- **Mr. Aspi- Speaker Shareholder:**

- Thank you. Sir, at the outset, I thank the Company Secretary for giving me an opportunity to speak.

- I also welcome him. I welcome Mr. Kulkarni and I am sure he will be an asset for the company. Sir, please continue with hybrid meetings when physical meetings start.

- Sir, our share price has crossed Rs. 11,000. So, people will demand a split, bonus, everything. I would request you not to consider split and bonus and let our share price increase like MRF. I wouldn't like the share price to be below Rs. 1,000. So, then coming to page 27. Sir, all our customers are doing well. Power and transmission industry, specialized chemicals, construction, e-mobility. So, even we should do well as for me. Sir, any new products will be introduced from the parent. Sir, I am coming to your annual report. The account, you have done very well for which I congratulate the MD. Sir, raw material cost last year was 66% which has become 62% this year. And net profit to income ratio which was 14% has increased to 18%. And at the same time, our cash on hand has increased quite a lot from Rs. 35,000 to around Rs. 51,000. I am not asking for more dividend. I would request you to acquire some small companies so that we can grow faster. Or if new products are to be introduced from the parent, you can go for expansion. Sir, even our MD has controlled the inventory and trade receivables very well for which I congratulate him. Sir, when is the board meeting for first quarter results? It is supposed to be today. But so far, it has not come on the BSE site, the results. Sir, in future, I request that you should give the results before the AGM. We can discuss the first quarter results also.

- Sir, thank you very much and all the best for the future.

- Thank you. Thank you..

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Thank you, sir, Thanks a lot.

- So, I now request the host to admit the third speaker. That is Mrs. Celestine Elizabeth.

- **Moderator:**

- Ma'am, please unmute yourself.

- **Mrs. Celestine Elizabeth- Speaker Shareholder:**

- Hello. Can you hear me?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yeah, we can hear you. Good morning. Start my video. I think it will come. Video also has come? Yes. You can just tilt it a little bit.

- **Mrs. Celestine Elizabeth- Speaker Shareholder:**

- Okay. Respected chairman of today, other members of the board, my fellow shareholders, I am Mrs. Celestine Mascarenhas. I am speaking from Goa, which is an election day today here. I thank the company secretary, Mr. Ashutosh Kulkarni and his team for sending me an annual report and also registering me as a speaker at my request. Thank you so much. And also giving me this very good platform which I could get connected very easily in spite of all network problems. Our annual report is very good with all very good figures and adhering at the same time adhering to all the norms of corporate governance. Very good also working and good dividend and also good market cap with so much of geopolitical problems. My company, ELANTAS, has performed very good and very happy to be the shareholder of this prestigious ELANTAS. Now, of course, I don't have much on page 10. I am so happy to see no complaint. Complaint portion is nil even before or at the end. And no shares are transferred to the IEPF, though dividend has been transferred. It's okay. But these shares are there, you know, because our shares are going when the dividend remains. This is too much for us, you know. Then second one, we have a good dedicated R&D. I would like to know how many staff are in R&D and the attrition level there. How much business we shall get from the solar energy and motors, some chemicals as this is the field where the demand and the requirement of at the present time is the most. Third, I appreciate the good CSR work done, which is all given in page 16 and 17. Keep it up. Fourth is we have two plants. What is the capacity utilization of each? Any further plant to be acquired as inorganic growth in the future? What does the company think on this aspect? My fifth, maybe the last question, how we have done? You have said a lot on the annual report and also in the speech about ESG. Now, my question is, have you gone for ESG rating? If so, what is the score whether platinum? And if our rating is very good, are we listed on any dedicated ESG platform? Let's solve the questions which are roadmap for

the next five years with all those chemicals which are more on the solar side and other motors around, etc.

- I wish my company all the best and our ELANTAS whole team very good health because health is wealth. With this, I thank you so much for giving me this, giving me an ear to my questions. Thank you and may God bless you all.

- Thanks once again.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Thank you, ma'am. Thank you.

- So, now I request the host to unmute the fourth speaker that is Mr. Sudhir Golecha.

- Yeah, Mr. Golecha.

- **Moderator:**

- Mr. Sudhir Golecha, please unmute yourself.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Okay, I think he's just joined but I'm not able to, we can't hear you. So, we can move to the next speaker.

- I request the host to kindly unmute the next speaker that is Mr. Harshit Golecha.

- **Mr. Harshit Golecha – Speaker Shareholder**

- Hello. Yeah, yes. Yes, Mr. Sudhir sir was not able to unmute himself, sir.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Okay.

- **Mr. Harshit Golecha – Speaker Shareholder**

- So, can he ask in this itself and then I'll continue with my questions. Is it fine?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yes.

- One second.

- **Mr. Sudhir Golecha – Speaker Shareholder**

- Hello.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yeah.

- **Mr. Sudhir Golecha – Speaker Shareholder**

- Good morning, everyone. Am I audible?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yes, sir. You are audible, sir.

- **Mr. Sudhir Golecha – Speaker Shareholder**

- So, firstly, I would like to congratulate and be thankful to the ELANTAS Beck India team for the following reasons. We are going carbon neutral in 2025. That's number one. Number two, the QR code in the annual report was very helpful, sir. Number three, participation of ELANTAS Beck India Limited in the ALTANA'S global R&D is continuously increasing. Number four, negligible sales return. And number five, congratulations on launching new bio-based products, sir, with same properties. That is commendable, sir. So, my first question, sir.

- We have used the words new market opportunities, commercialized niche value-added products, etc. in the annual report. Does it indicate a third segment is also underway? How is the composites market and printed electronic markets growing in India? Has the

right time come for us to launch composites and printed electronic products in India? We also have expertise in battery energy storage system.

- Sir, 50% of our revenue comes from motors. So, color-changing steel-beam dye would be a great value addition. Has that started, sir? How is the inquiry and interest from our customers for the above-mentioned products? My next question.
- Sir, in 2021, we have mentioned provision of 9.6 crore for the termination of Talegaon project. When can we expect this to get reversed and get shown in the P&L?
- My next question, there is 6.34 crores of capital creditors under the financial liabilities provided for purchase of assets from ELANTAS GmbH. What kind of assets does it refer to? Also, there is intangible assets under development to the tune of 7 crores. What does it refer to?
- my next question, capital commitment remaining to be executed and not provided for is 9.4 crores. What is it, sir?
- And sir, at the end, I would like to say that I came across a post of Martin Babila sir and was very happy to see how bullish he is on India. I wish all the best wishes to the entire ALTANA family and special regards to Susanne Klatten madam, Ravindra Kumar sir and Srikumar sir. Thank you, sir.
- Thank you.
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Thank you, Mr. Sudhir Golecha. Yeah. So, we can continue with Mr. Harshit Golecha, if he is there.
- **Mr. Harshit Golecha – Speaker Shareholder**
- Good morning, sir. Thank you for the opportunity. Yeah.
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Good morning. Yeah.

- **Mr. Harshit Golecha – Speaker Shareholder**

- I will just continue with my questions.

- Sir, in my, is my reading right, if I say that the growth in the electronics protection, that is second division will happen only after two years post the production of semiconductors chip or is it the assembling business of electronics that is the main growth driver? I am asking this question because EMS businesses like Cairn's is growing at more than 40% in India and we have not seen a growth of even 25% in the second division, which is into potting and casting. We have enough capacity. So, is it lack of demand which is restricting us from scaling our production? Sir, I would also know, I would also like to know whether the localization of electronic products has started with a tremendous growth in India or not, which will help us in increasing our demands, our product demands. Sir, my next question, we are eyeing more acquisitions. Are we eyeing more acquisitions like the Huber Group, which we acquired only the intangible asset of it? Sir, my next question, sir, regarding capacity, can you please be specific as to what is our permissible capacity, installed capacity and capacity utilization and when will ACTEGA manufacturing begin here? ACTEGA manufacturing begin here and how much capacity will it use? Sir, how is Von Roll integration into ELANTAS going on? In India, Von Roll is only into coil manufacturing, but globally it is into various complementary products like ours.

- Have we started getting those products in ELANTAS Beck India Limited? Sir, one second, one more question. Sir, this is regarding, one second. Thats it, sir.

- That was my last question.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Thank you, Harshit.

- **Mr. Harshit Golecha – Speaker Shareholder**

- Thank you, sir. Thank you.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- So, I request the next speaker to unmute, the sixth speaker that is Mr. Lakshit Golecha.

- **Mr. Lakshit Golecha- Speaker Shareholder:**

- Hello. Am I audible, sir?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yes, yes, you are audible.

- **Mr. Lakshit Golecha- Speaker Shareholder:**

- Hello.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yes, yes, you are audible. Yes.

- **Mr. Lakshit Golecha- Speaker Shareholder:**

- Can you hear me? Am I audible, sir?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yeah, we can hear you.

- **Mr. Lakshit Golecha- Speaker Shareholder:**

- Okay. Is it clear, sir?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yes, yes, it is clear.

- **Mr. Lakshit Golecha- Speaker Shareholder:**

- Am I clear?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yeah, you can continue.

- **Mr. Lakshit Golecha- Speaker Shareholder:**

- So, shall I begin with my question, sir?

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yes, please. Hello. Yes, please.

- **Mr. Lakshit Golecha- Speaker Shareholder:**

- Hello. So, sir.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Yes, please, you can continue.

- **Mr. Lakshit Golecha- Speaker Shareholder:**

- ALTANA and ELANTAS affiliates have announced a 500 crore MOU with Gujarat government, Adi Vibran Gujarat. We have 600 crores of cash. So, we can easily do this in ELANTAS Beck India Limited itself.

- What is the status of the same, sir? Also, sir, we have announced contract manufacturing for ACTEGA. ACTEGA approximately has 60 crores of sales in India. So, is my reading right, sir, if I say that entire 60 crores business will come to us now? Will it be margin accelerated? And sir, another important question, ALTANA has announced in their annual corporate report that they are going to set up a new cross-divisional site in India, new cross-divisional site in India in 2024 itself to take advantage of the accelerated growth opportunities in India.

- So, ALTANA'S entire turnover in India, excluding Von Roll, is at approximately 1500 crores, where ELANTAS Beck India is less than 50 percent, 675 crores. The remaining business comes from the other three divisions, that is ACTEGA, BYK and ECKART. None of them have their own manufacturing plant in India.

- So, sir, trying to connect the dots of 500 crores MOU with Gujarat Government, new cross-divisional site and ALTANA already giving us ACTEGA's 60 crores business, isn't it very

evident for us to get the remaining 1000 crores ready-made business from the other three divisions as well, sir? So, from what I have mentioned, is my understanding correct that ALTANA is aggressively and at an advanced stage to put its total 1500 crore Indian business into ELANTAS Beck India Limited once the new cross-divisional site gets finalized? We are very clear, sir, that we are conserving cash for expansion and not-distributing dividends. In the last AGM also, you have mentioned that Greenfield plant is at a very advanced stage and could easily be two to three times our existing capacity. So, sir, is all the other ALTANA business in India coming to ELANTAS Beck India Limited as the word new cross-divisional site emphasizes? That's it, sir.

- This was my only question. Thank you. Thank you, sir.
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Thank you, Mr. Lakshit.
- So, may I request to host, to unmute the seventh speaker, that is Mr. Dilip Jain.
- Yeah, Mr. Jain, kindly unmute and please go ahead.
- **Mr. Dilip Jain- Speaker Shareholder:**
- Yeah, am I audible?
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Yes, yes.
- **Mr. Dilip Jain- Speaker Shareholder:**
- Okay. Okay. A very good morning to our dear MD sir and the entire ELANTAS team. I had a couple of questions. Just a minute.
- **Mr. Dilip Jain- Speaker Shareholder:**
- Globally, Von Roll Holding AG is a part of ELANTAS GmbH. I request you to clarify if Von Roll Private Limited will be a part of ELANTAS Beck India Limited? That is my first question, sir.

- My second question is, in 2022, we received permission to expand our capacity in Ankleshwar partly after proposed 48,000 tons per annum and for the rest of the expansion, permission was received in 2023. Could you please explain what was the installed capacity as of 1st January, 2023 and as of 1st January, 2024? My third question is, capacity utilization in 2023 was up by only 10%, despite having received CTO for a very large capacity in Ankleshwar. What is keeping demand for our products so low? Question four, currently ACTEGA has appointed ELANTAS Beck India Limited as a contract manufacturer for their flexible packaging products.

- In the current year and over a period of 2-3 years, how much capacity is envisaged to be utilized solely for this endeavor? Will the products from this production line be only for the domestic market or will they be exported also? My next question is, as per media reports, DuPont, Elkem, Sabit, Henkel are coming up with a large range of battery solutions including thermal interface materials. Are we at par with these global giants technically? Is our R&D keeping pace with this dynamic sector? My next question, as per media reports, functional inks made by Saralon GmbH have great potential to print batteries. Do we plan to introduce these functional inks in the current year? Next question sir, as per media reports, our dear MD sir had visited Germany in October 2023 as part of the Vibrant Gujarat delegation and a memorandum of understanding was also signed between Elantas GmbH and its affiliates and the Government of Gujarat promising an investment of over Rs. 500 crores in a greenfield facility for electrical insulations. Where will this new plant be located sir and when will construction commence? Could you kindly elaborate? My next question sir, flat wires are supposed to give extra mileage to electric vehicles. Has our product development team developed the entire repertoire of wire enamel systems to cater to this niche? My next question, as mentioned on page 73 of the annual report, ELANTAS Beck India Limited's R&D participation in ALTANA'S R&D has increased with two new approved global R&D projects showing strong progress this year. Could you kindly elaborate the technical domain and real world applications of these two global R&D projects spearheaded by ELANTAS Beck India and approved by ALTANA'S Technical Steering Committee? And sir, my last question, the annual report makes a mention of continuous innovations made by ELANTAS in the domain of thermal interface materials for thermal management in the e-mobility segment. I would request you to elaborate a little bit on these innovations being made and how they differentiate our thermal interface materials from that of our competitors. Thank you very much for your time and patience.

- I wish you all the best. Thank you very much.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Thank you, Mr. Dilip Jain.

- So, I request the moderator to unmute the ninth speaker, that is Mr. Jaideep Merchant.
- **Moderator:**
- Sorry sir, we missed out with Mr. Ashok Jain.
- Mr. Ashok Jain, you can unmute yourself, please.
- **Mr. Ashok Jain- Speaker Shareholder:**
- Hello, can you hear me?
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Yeah.
- **Mr. Ashok Jain- Speaker Shareholder:**
- Yeah. Very good morning to everyone. Yeah, all my questions have been asked by my son Dilip Jain.
- So, it's time. All my questions are done. Thank you so much, sir.
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Okay. Thank you, Mr. Ashok Jain.
- I request the host to unmute the ninth speaker, that is Mr. Jaideep Merchant.
- **Mr. Jaideep Merchant, Speaker Shareholder:**
- Thank you for giving me the opportunity. I have sent a detailed question with the email.
- I request Mr. Ramachandran to answer all of them, please. Thank you.
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Yes. Thank you. We received your mail.

- So, we will definitely answer.
- **Mr. Srikumar Ramakrishnan – Managing Director, ELANTAS Beck India Limited:**
- We will have to ask Mr. Ramakrishnan to reply.
- **Mr. Jaideep Merchant, Speaker Shareholder:**
- I am sorry.
- Sorry, Mr. Ramakrishnan. Sorry. Okay.
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Yes. Okay. So, I request the host to unmute the tenth speaker, that is Mr. Yogesh Patil.
- Yeah. Mr. Yogesh, kindly unmute yourself and ask the questions.
- Mr. Yogesh.
- Okay. I think we are not able to get through with Mr. Yogesh.
- **Mr. Srikumar Ramakrishnan – Managing Director, ELANTAS Beck India Limited:**
- So, he has sent his questions, right?
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Yeah.
- Mr. Yogesh also has sent his questions. So, we have it. So, we will answer once the answer session starts.
- So, we will move to the next speaker, Mr. Shrey Loonker. Yeah,
- Mr. Shrey. Yeah.
- **Mr. Shrey Loonker- Speaker Shareholder:**
- Hi. Good morning, everyone. Thank you for this.

- So, I am not going to repeat the questions that I have emailed. Is that okay, Mr. Kulkarni?
- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**
- Yes. Yes. Absolutely.
- **Mr. Shrey Loonker- Speaker Shareholder:**
- So, in addition to that, sir, three, four things I just wanted to kind of highlight. We really take a lot of pride in what ALTANA does globally. But many times for us, it becomes very tough to imagine ELANTAS Beck's vision in line with ALTANA, given that ALTANA is more communicative than ELANTAS Beck. If you can help us marry those visions from, you know, maybe a 5-year, 10-year perspective, the way the parent is thinking about India and ELANTAS Beck within that, that would be really helpful. If you could articulate that as efficiently as your parent does, that would be a good thing.
- The second thing being, if you can also highlight, one of the questions I missed mentioning was that if you can also highlight, what are these REACH and RoHS regulations? And how is that going to, what does it mean for our dominance and presence in market share? That would probably help. The other bit is, again, I'll leave a request, sir, two requests here. One is, you know, many times we keep asking questions in the AGM, but the number of questions overwhelm.
- And as a result, the answers become more and more brief. I would really request you that this time, because it's a very pivotal time in India's growth journey, and we are also making a lot of technological pivots globally and in India. If you can be a little bit more elaborate in your responses to just understand our competencies more importantly, we would really appreciate that.
- And the second request being, I will again place a request, if you can at least consider a half yearly con call, if not a quarterly con call, given that our company has grown in size, and we are becoming more and more prominent and predominant in the Indian space. If you can consider that request, it will probably just be a further step in our already high corporate governance bar that you set for ourselves. With that, I'll take your leave.
- Thank you so much for all your effort and all your time. Thank you.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Thank you, Mr. Shrey.

- So, with this, I request the moderator to kindly unmute the 12th speaker, that is Mr. Ganesh Lal Nagori,

- **Moderator:**

- Sir, Mr. Ganesh Lal Nagori has not yet joined the meeting.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Okay.

- Okay. So, with this, we have completed all the speakers.

- Thank you, speaker shareholder.

- We have also received a few questions on mail from Mr. Narender Mirpuri, one of the shareholders of the company.

- Moderator, are there any speakers who left, who didn't join, apart from Mr. Ganesh Lal Nagori?

- **Moderator:**

- Mr. Yogesh Patil was not audible.

- **Mr. Ashutosh Kulkarni - Head Legal & Company Secretary, ELANTAS Beck India Limited:**

- Okay.

- So, if he is there, we can just request him to join and unmute. Yeah, Mr. Yogesh, you have joined the meeting. Can you just please unmute and ask your questions? Actually, Mr. Yogesh has also sent the questions.

- So, I think we can take it when Mr. Srikumar answers the questions, other questions. So, with this now,

- I now request Mr. Srikumar to kindly respond to the various queries and comments made by shareholders.
- **Mr. Srikumar Ramakrishnan - Managing Director, ELANTAS Beck India Limited:**
- Thanks, Ashutosh.
- **Mr. Srikumar Ramakrishnan - Managing Director, ELANTAS Beck India Limited:**
- So, good morning once again. I will try and attempt to answer all the questions, taking time to do that. Possibly, I will start with what Mr. Loonker sort of mentioned towards end right.
- So, ELANTAS vision in India is determined by what ALTANA has as its purpose. And primarily, the vision that this team or the management has set for itself in India is, I will possibly say, maybe that helps and it is aligned to what ALTANA is visualizing itself. Clearly, the space for ELANTAS is defined.
- So, here it goes. We are committed to bolster our market leadership in electrical installation and grow our differentiated offerings in allied markets to sustainable and innovative solutions, thus creating value for our shareholders. So, that is in some way vision.
- This comes with certain actions, organic, inorganic, how do we look at. So, maybe I will start to address the elements of growth and then go inwards, including a few questions on organic, inorganic. Like Mr. Merchant referred, he sent the questions across and one of the questions that he had was in 2023, we saw a 9% volume growth despite the consumer fans and consumer durables struggling.
- Where did this growth come from? So, I mean, as a response, our growth or your company's growth has been across several industry segments and not just limited to consumer appliances. It did go through its challenges, especially the fan segment because the government introduced energy efficiency, which meant all our customers had to liquidate their inventory and that had caused a slight amount of drop in terms of the overall fan manufacturer and consequently, the demand for our products in that segment. Having said that, power generation went well, transmission and industrial motors continue to do well.
- We did see growth in electronics through volumes. So, that is growing at a pace faster than what generally the volume growth for your company has been. And you also had

another question, Mr. Merchant, where you were trying to look at what is the volume in electronics this year? So, we see the electronics as roughly a 10,000, 10 sort of market for the products that we supply.

- We see ourselves at a market share of around between 20 to 25 percent. So, in terms of the overall company's volume, that is also reflected by products which are into this segment. Like I said, we do see growth there.
- That's an area that we are focused on and some of the R&D related questions also come to applications which are around the electronic space. The importance of electronics is that typically it's a longer gestation period for a better realization and consequently, our ability to derive margins would also be something which are and sustain them would also be something which is higher. So, that's how we see that in terms of the overall electronics demand.
- There was a question I think from Harshit Golecha about the third segment, what are we looking at between composites, printed electronics and battery & energy storage? If you really look at printed electronics and color changing dyes, of course, you're repeating this. This was a question that we've seen last year. We don't see too much of attraction in terms of the color changing dyes.
- Having said that, we've really started to canvas the printed electronics market. We've tried to look through bringing those products in, getting the customers aware, mapping the value chain and canvassing with our customers, potential customers in this market and we've started to see pilot scale orders. Clearly, it's a long runway and it'll take its time but we've started to see initial interest and I would also say commercial and pilot trials are very small.
- But that's the nature of the printed electronics market. The volumes are going to be small. The realizations are much, much higher looking at the technology and the products.
- So, that's something that will continue to grow. Mr. Yogesh Patil, though we couldn't hear him, had a question about have new business customer commitments picked up in the last one year because of government's initiative and Make in India and what would be the growth in the next three years considering the base and that's also something that a few other speakers had pointed out including Mr. Loonker. So, we really see this Make in India as an encouraging move.
- One of the aspects is the value chains are starting to move to India. We start to see a position where people are trying to look at opportunities and they look attractive. It's not

always easy to implement this in the true additional value through business or cost reduction.

- It would also mean that a few products while the manufacturing shifts to India, the consumption lags and one of the speakers had sort of checked whether it happens after two years or so. We've started to see some of it. When we look at the EV growth and the EV growth in automotive specifically, what we see is increasing production and localization happening.
- A couple of years back, our estimation was that close to 10% was getting made in India. Now, we see it moving closer to the 20, between 20% to 25%. So, that sort of pulls in the demand that's in segments like EV which takes products across our segments like wire enamels or the secondary insulation as well as electronics.
- So, we participate in all of it. It would also mean in a few cases, these are translations that happen with people having used a few products from some other parts of the world and then getting that specified to your company starts by importing those products at some point, acquiring the technology via technology transfer routes and then localizing the production. The benefit and the strength that we have on the ground and able to manufacture sort of supports that and helps us bolster our position.
- Mr. Loonker, while he didn't read out all his questions other than the few highlights that he made, there was one more question that he had is, how's the end-user market changing in India with Make in India? Trying to get a sense of how our addressable market opportunities seem. So, part of it is what I sort of talked of earlier. Like I said, the Make in India is driving traction, localization of the value chain is where we really see ourselves participating. And as ELANTAS Beck, we are also gaining that traction. And the new industry case scenarios that we really see are between automotive and electronics, which is where we see that adjacency, right? And that's something that we continue to keep looking at. The other question that you also had Mr. Loonker was market share across business segments.
- Globally, ELANTAS has very strong market share. One of the things that we typically talk about ELANTAS business in electrical is one in two components, which requires a product either for varnish or wire as enamel is done by ELANTAS and that your company holds that position also in India. And electronics, I did talk about the market share, that's a space where we see a slightly lower market share compared to the space in the electrical or the electrical insulation space.
- So, that's how we see ourselves. But more than the volume, we see ourselves at the higher end of the value there. So, if you really look at it between a volume share and a value

share, while we may be more than one out of two in the volume, the incremental for the value would maybe much higher depending again on the segment, the industry and the market that we play with.

- So, Mr. Loonker, you also had a question about ELANTAS exports being low despite dispatching to a number of countries. And ELATNAS, typically the way the business is done, is done in a very regional basis. So, any movement outside the region is on a very specific customer case or a demand or a product which is requested as somebody wants to translate and start making those products or experimenting with those products in those markets.
- In the same manner as I talked of what your company is trying to do in some of the growth segments, trade the products first, localize it once the minimum order quantity is there, then try and localize. And that's a policy that we follow more and more. Mr. Loonker also had a question in terms of the emerging use cases for our products.
- It is having our market share or our entitlement to market share is compared to a lot of other our competitors or people who can possibly compete in the spaces that we are interested in. We have a strong local manufacturing base, a legacy manufacturing which has continued over decades and something that we continue to keep investing in. So, those were a few questions that I sort of picked up and talked of.
- Mr. Golecha also had a few questions around easy protection, electronic will that happen for semiconductor or is it assembly? The semiconductor industry is, when we talk about the fab industry that is going to be relatively different it may not necessarily require the products that your company supplies, if I may call it so. Having said that, the assumption is if you are able to manufacture or fabricate the semiconductors in India, it would give a flip to people who use those chips and manufacture products, which is, let's say, in the electronics, the consumer appliances or the consumer space, and we would then tend to believe that that will increase the market for the products that your company manufactures. So, that will follow with a lag, but that's an opportunity that we definitely see.
- A few questions around 10 new products in the renewable and solar and EV, what can we talk about them? I guess Mrs. Mascarenhas has also added a question around that in terms of how do we see solar energy, renewables, and all that. So, we see this, like I talked of, the ability to cater to emerging needs as more and more components in the industries that we participate, as they start getting manufactured locally, we would look at. Our new product development focuses on looking at unmet needs across business lines, and if I may talk of the three, right, if you look at wire enamel, which is a primary insulation

business, we see ours is pushing more onto the specialty side of the new product development.

- That's definitely an area that we see. If you look at the secondary insulation, low voltage or varnishes, however you may call it, we would look at being more greener, being more compliant, lesser solvents, and which also brings to a point that Mr. Loonker was checking in terms of what does RoHS mean and what does. So, it's a registration of hazardous substances that's what RoHS stands for, REACH which also stands for a European qualification in terms of registration of chemicals which are used, and these become important, not just for your company, and when I say not just for your company, because we really do not export, but our customers tend to export, right.
- So, as they need to start exporting to the developed world, these are qualifications that they are held to, and if the product that they are using as a part of their process is REACH and RoHS compliant, it gives them a better ability to move those products into those markets. So, that's also an area, especially in the electronic segment, when we are looking at the physical, mechanical, as well as the thermal insulation needs of our customers. These are the chemicals that go into allowing, helping them do that if they are compliant, and that allows our market and our customers to do better in terms of their ability to export. It is an enabler, if I may call it so. So, that's where a lot of our focus gets spent in terms of the EC or the EV space, if I may call it so.
- Mr. Merchant, you also had a question around products and technologies which we have absorbed, so it's, and I think Mr. Jain also had a remark about the global ALTANA acceptance of products developed in India. So, when we look at the research and development and new product development, it is a synergy, right. What we see as unmet needs in the local market, which drives some of the product development, and then what we see as global trends which can have an impact, and then can we take a lead around it. So, our focus there is looking at areas where the team here can work on, and I think somebody had a question in terms of the number of people who are involved in R&D, I would say close to between 25 to 30 people are involved between production support, R&D, as well as product development and application and technical support.
- That's a group of people, a core group of people who are very focused in terms of working with customers to solve problems as well as understand unmet needs and then convert that into possibilities. And the areas that the team here locally is working on is in terms of green chemistry or if it falls into the earlier three buckets that I talked of between specialty, wire enamels, RoHS or less solvent consumption products in the secondary insulation space as well as electronic space.
- Mr. Mirpuri, while he didn't speak, he sent a list of questions.

- Can you elaborate on any significant developments in terms of new product processes? So, Mr. Mirpuri, I would say that with the remarks that I made earlier, I've tried to address your question.
- So, Dilip Jain had a very interesting question in terms of the media reports and DuPont, Elkem, SABIC, Henkel looking through and making products do we have around the battery. So, battery is a very wide space, Mr. Jain.
- It starts right from the material of construction to the battery, to the components that go inside the battery, as well as the chemicals that you really need to look at. And a lot of these people that are these organizations that you talked of are people who are not necessarily competing with us, who are suppliers, or we don't necessarily compete with them, but some of them we do, of course. So, it's an interesting space.
- I believe that with a few of the energy solutions that we have and what we are looking at, and I'll possibly come to that remark as we address a few questions that have come around Von Roll. We see that space as something interesting. We have a few products there as a ELANTAS, and then we see some products coming in as complementary from the Von Roll side, and we'll talk about that.
- There was a question again from you, Mr. Jain, in terms of the thermal interface material, what are the innovations made, how do they differentiate ourselves? One of the primary differentiators that I would see for your company, Mr. Jain, is the fact that we are locally present, we are developing that locally, and we are able to serve that locally, right, And most of the thermal interface material is about how do you dissipate heat on the PCBs, and especially as more and more electronics start featuring in the automotives that we drive, and uniquely India is a very strong center of excellence, if I may call it so, for the two-wheeler industry globally, if not necessarily in the four-wheeler industry, where we may be acquiring and looking at products coming in from the global part. This is an area where your company works very closely with the local OEMs to specify, collaborate, work with them, understand their needs, and work and progress that, and we see that moving very well. But again, when you talk about these products, it is a spectrum, right? You will have some very base material to some extremely high-end, we restrict ourselves to the relatively high end of the spectrum, not necessarily chasing the volumes at the lower end, because that is commoditized, and even if it is not, can be quickly commoditized.
- So, the idea is to look at sustainability, to look at something that will keep delivering results for us as we go forward. Another interesting question from you, Mr. Jain, in terms of the flat wire, what does that mean, extra mileage do we have? I would say in terms of wire enamel, we have a very good strength, and that's something that we continue. How we

see the flat wire and the EV story developing over a period of time, this is going to be a long gestation, if I may call it true, and we are on track.

- Hopefully, as those opportunities come in, we are in a good position to capture that and move forward with that. There has been a lot of interest in the electronic space, and again, Mr. Merchant, last year electronic business was flat in value. What was the reason? Is it due to capacity constraint? Well, no.
- The volume grew, the business was flat, and that was on account of the fact that, and I think Mr. Aspi made that note, you saw the raw materials deflating and in line with the raw material deflation at a certain point in time, we had to work with our customers to ensure that we were also at, as we had taken the inflation for them to go back and participate as the raw materials deflate also. That is one reason why you see the value low, and you also made that same observation in terms of the volume growth. It's a combination of the volume and the value.
- The whole idea was we would like to keep growing in that. Like I had mentioned earlier, this is a high realization product. We feel it is sustainable, and that's an area that is of great interest to your company and its management to keep looking at ensuring that it continues to grow in that.
- So, that's the remarks. You also asked, Mr. Merchant, in terms of ECL coatings for PCV protection and thermal management with localization laptops, EV, and I sort of addressed that. How big is this an opportunity for ELANTAS compared to traditional? I did talk about volumes earlier.
- So, broadly, I would say at this point in time, we see that around 25% to 30% of the core business of electrical, if I may call it so, but that's businesses that will continue to grow and grow fast. So, we would like to participate, and like I sort of mentioned, that's an area that your company, its management, and the operating teams are very focused on ensuring that all the opportunities there are mapped, captured, and prioritized accordingly to develop. With Tata Semicon, will ELANTAS have an opportunity? And I think I sort of addressed it in terms of the broad semiconductor fabrication.
- Are selling prices more than traditional insulation business? I did answer, yes, we see it that way, and hopefully it will continue to remain that way. So, the businesses of electronics typically tend to have a realization which is higher than our core business in the electrical space. Mr. Yogesh Patil, while you didn't ask, I had also a similar question in terms of new products, grab semiconductor and battery opportunities.

- And I guess, Mr. Patil, if you are listening in, you would have heard my replies and made a sense of the fact that we are keen, we are participating and we continue to look at participating in the business in that growth. What else? In terms of ALTANA and Von Roll, quite a lot of questions. So, as most of you know, and some of you observed, I think Mr. Golecha and Mr. Jain sort of made remarks around that.
- This business is acquired by ELANTAS GmbH, which is a company that holds significant share in ELANTAS Beck India Limited. One of the observations was that in India, Von Roll does coil and wire business. Yes, it does coil and wire, but it also does some amount of resin business, which is very synergistic and complementary to what ELANTAS Beck India does.
- So, that's one area. So, there are teams working on it, there are teams looking at integrating that and at the opportune time, once the opportunity is sized and the ability and that also ties into the capacity expansion permissions and investment ability that we have, that we would look at identifying the right opportunities and at the right time work with ELANTAS GmbH to ensure that the local market is served by demand, which is generated from India and catered to within India. So, that's something that we see very strongly.
- Mr. Jain and Mr. Mirpuri also had a question. So, Mr. Mirpuri, hopefully I have answered that question. Von Roll holding as a part of ELANTAS GmbH and will it translate to ELANTAS Beck India for the business, which has synergies? We see this as a logical conclusion, but it will have to be done with the right amount of care, diligence and understanding of that business and that's some work in progress.
- The timeline that ELANTAS globally has set for itself to acquire, to integrate the Von Roll business is a period of two and a half years and we are roughly in the middle of that. So, hopefully as we speak in the AGM next year, you would be able to see how much of that is feasible and has been converted as opportunities for ELANTAS Beck India. So, that's where I would leave it at.
- In terms of capacity, quite a lot of questions in terms of capacity, capacity expansion, where are we sitting, what is the utilization? So, at a broad level, our consent to operate, if I look at both the sites together is roughly 66,000 tons. If I look at what is installed is around 44,000 tons and at this point in time, again, depending on the product mix, depending on the product in question, depending on the industry, I would say that the capacity utilization would be somewhere between 75 to 80 percent now. And in a very broad stroke of what it means as people operating manufacturing sites, looking at efficiency, looking at sustainability, it also points directionally into a question that a few of us asked, what is the plan for expansion? And I will sort of try and address that.

- But that's where it is. I think Mrs. Mascarenhas has had a question around it. And that's something that we continue to look at.
- I think Mr. Mirpuri, you asked that question. Mr. Jain had a specific question, what was the capacity in January 2023? What was it in January 2024? While we did get the significant consent to operate permission in the quarter one of 2023, Mr. Jain and others, you need to recognize the fact that your company operates two sites, one of them is 65 years old, the other site is 40 plus years old. And you also had a remark in terms of why is the market growing only 10 percent? Well, I don't think we are constrained in terms of our ability to supply to the market, the market grows, your company is in a very good position to supply the volumes that are required to cater to the market requirement.
- One of the things that the company's team and leadership had done post the receipt of the enhanced CTO in quarter one last year was to really look at what is it, and which is where we set up a vision for ourselves. We looked at what should be our capacity, what is the anticipation that we have and how do we go forward. But more important than that was the fact that as all of you have been long-standing shareholders, you would know that somewhere in 2019, we had an issue with Ankleshwar we had run into problems and your company is in the process of getting the revocation done and is given a periodic extension of its revocation.
- So, this enhancement in capacity gave it a sense that the government was mindful and appreciative of what the company had done in terms of resolving the issues that were raised by them and hence we got the permission. So, what your company focused in 23 and continues to focus in 24 is to really look at the asset, look at what is the infrastructure required and that's where there's a question somewhere somebody had asked, what is it with the warehousing? The warehousing that we had was 40 years old, in 40 years a lot has changed in terms of how material is handled, how warehouses are built. So as a part of looking at growth and anticipating before bringing the volumes in place, your company is trying to look at creating the infrastructure in place so that it is sustainable, it is compliant, it can take the growth as the volumes start picking up.
- So, there are a few questions, and you'll see a few CAPEX happening around that and that's something which we are in good position to progress. Hopefully as we exit this year, we would have the infrastructure ready and then that allows us to really utilize the consent to operate to put the metal on the ground to take the volumes up. So that's something that should I think Mrs. Merchant had a question in terms of capacity, Mrs. Mascarenhas has asked in terms of utilization, Mr. Mirpuri requested a few details on capacity enhancements, Mr. Jain had a question and so Mr. Jain with your 10% I hopefully have answered that.

- It's not for the lack of ability, it is just because that's how we've seen growth really accrue to us. You also had a question in terms of the 48,000 and that's what I said, that was a significant increase that gave the company its management and its leadership and the operational team confidence that the site in Ankleshwar was something that while we had just installed the capacity to meet the market demand, we thought that let's put the infrastructure in place. So, we'll have a new warehouse, we'll have a new admin building a set up on site that will be commissioned this year.
- We will be looking at storage tanks and farms to handle the solvent so that as equipment comes in the ability to handle that convert, that handle the raw material and store it in a manner so that we can capture growth is in place. The capacity utilization and operational capacity hopefully I've answered that. Mr. Patil also had a question around this.
- In terms of expansion, do you want to grow for a greenfield or any acquisition target? Mr. Merchant had that question. Mr. Merchant the only point that I would make is historically we have been a company that I looked at in organic growth and ways to grow. The last one was in 2019.
- Now as a few of you already noted there is Von Roll, Von Roll has a presence in India, there is a team looking at what are the chances. So that's something that is important. The most important thing that your company feels is that it's just not the acquisition.
- It's acquiring it in a manner and really creating value and integrating it well to accrue value for that and hopefully the results of the last four or five years would have years to the fact that your company and its management has done the accruals well and it is visible clearly in the business results that a few of you have complimented us on. So that's something that we'll keep looking at it. There was a few questions in terms of expansion, the MOU and I would say Mr. Lakshit you made a lot of forward-looking statements.
- I would really not go into whether the 1500 crores of ALTANA comes in or not. The MOU that we signed and was ELANTAS GmbH and its affiliates and please remember ALTANA doesn't operate as anything. It operates as four divisions ELANTAS, BYK, ECKART and ACTEGA and all these are independent entities.
- ELANTAS Beck is an entity which is present in India for a long time. Our colleagues as BYK also has a setup as BYK India Private Limited and the other affiliates ELANTAS supports them at this point in time. But again alluding to the fact that Mr. Loonker also talked off and I think Mr. Golecha or Golecha's sort of remarked on ALTANA'S vision of India, ALTANA looking at India how much of that gets converted.

- Clearly ELANTAS been in India for a long time and looked at as somebody who would support and continue to grow out. So, when we talk about the MOU while ELANTAS GmbH signed and its affiliates, please remember those are also the other divisions of the company which are not necessarily your company as ELANTAS Beck India Limited. ALTANA'S commitment as demonstrated and you remarked about Martin Babilas's LinkedIn post posted in India visit as well as the MOU also referred to the other three divisions and their intent and their abilities to go through.
- So, one of the whole ideas how do we look at increasing the footprint in India, how do we continue to build on what we have and allow others to come into India and do that. So those are some things and that's where the cross-divisional synergies there should be, there would be opportunities but how do we do that in a manner which is also governed and compliant is a few questions and a few thoughts that a lot of people within the management and the leadership of your company are looking at and working. So, capacity expansion for the next three years and any progress Mr. Patil had a question and so did anything on the MOU signed, Mr. Loonker you had that, Mr. Golecha had that, Mr. Jain had a few remarks on that.
- So, all I would say is the fact that we have looked at and signed that MOU means your company's management and leadership is very committed to looking at and exploring ideas around that. The reality remains that if you look at it for the businesses and the products that your company does, the state in question is definitely a center of excellence in terms of the supply chain and the availability of raw material. So that's something that we are looking at, keep the board updated about a few of those developments and the feasibilities of that and the management and the leadership takes inputs and advice from the Board and should there be a, I mean are we open to a green field, definitely yes.
- Like a lot of your remarks, we have the funds so would we be in a position to do it, definitely yes. Have we come to that, hopefully sooner than later and we will definitely let the shareholders and the markets know once the most feasible site is identified and the board is also willing and supportive. The moment that happens you will see that announcement and the next steps towards that.
- That's how we would look at it and as we look at that, we would also look at what are the possibilities and how do they align with ALTANA'S desire and commitment to do more in India. So that's been one of the things that we I would leave it at. I think Mr. Lakshit, you also had a question around 1500 crores.
- Well, I haven't applied my head to really look through at what are the other divisions doing. So, thank you for helping me with that. The only point that I would make is yeah,

ACTEGA may do 60 crores but do they do all the chemistry that you would want to or you know, you're very focused.

- Like I started off by saying what is our vision and our purpose. Adjacencies and allied industries are definitely it but ACTEGA as a business focuses on consumer, ACTEGA focuses on packaging industry. That's not something which is core to us.
- In doing that, I would say looking at the projects, looking at the opportunities that we have in terms of business and around electronics, around EV, around Von Roll and a few other projects that you're talking of, right? The ability for this team to really manage that bandwidth is just going to be a duplication and may not accrue. The utility of that investment may not be that high. But wherever it is possible like a few of you picked on wherever there are synergies, we'll definitely want to leverage that and explore that.
- It would also mean that your company and its team learns from them, right? So, we'll try and keep looking at those opportunities to learn, develop and progress further on that.
- R&D, Mr. Jain had a question in terms of participation has increased, right? So, one of them is a, I mean, these are platform projects, right? What I'm saying is when we say platform, one is a product-based thing where, okay, you make a product, and this goes here. One is you develop a platform on which you can then sort of build, right? So, it allows you to co-create or look at other opportunities.
- So that's what the global team is focused on. Like I alluded to earlier, that's where they would want to look at. And that's, those are a few opportunities that come.
- The whole idea is, can we look at a better process? Can we look at a more sustainable, can we look at more sustainable products? And there was a few comments around the renewable and the biocomponent. So those are the areas that we are working on. That's where the global, the local team is collaborating with the R&D, global R&D, and in fact, developing those products in India for the world, if I may call it so, right? And as well as leverage and utilize that in India.
- Mr. Patil, you had a question on cost-saving initiatives which can drive margin in the future. Well, I would say, right from our sourcing team to our manufacturing team to our R&D team and everybody involved in the value chain over the last five years has demonstrated significant ability, willingness, and speed in terms of responding. And a few of the speakers also talked about the supply chain and the global supply chain through this period.
- And the results that you've sort of, your company's team and its management has been able to deliver would not have happened without that. So, we'll continue to look at the

opportunities whenever they are present. I'm sure our team will react with greater alacrity to expand to that and seize on them.

- So, that's something that we'll continue to. But can we make a statement about how it will be in the future and can we do that? I would refrain from doing that. The only assurance that I can give you is that we'll continue to look at and wherever it is feasible and wherever it makes sense, we will definitely continue to do that and go ahead with that.
- ACTEGA, a lot of interest. I sort of talked of, well, so the products that we do for ACTEGA is a very, I mean, they have multiple business segments or business lines as they call it. We support them in one, which is into the consumer packaging like I talked of and that there was a question that Mr. Merchant had, will it grow? Yes, consumer facing industry, labeling and printing on consumer packaging as consumerism grows.
- So, we do see an opportunity and a chance. These are niche products. The volumes are going to be very limited.
- But like I said, it's just not the volume, right? It's also the ability of the operational team in India for your company to learn, to look at applications and see whether there are opportunities to translate. That's the intent and looking at synergies. That's really the synergy that we would like to look at a cross-division level.
- We'll continue to look at it. It's not material. It's very small volumes.
- Even if they grow 2x or 3x, it is not going to make a significant shift in terms of the capacity utilization or the convention. But like I said, those are opportunities we support. We do not face the market in terms of that.
- We are more restricted as you would have picked up. We are more contract manufacturers. So, we continue to do that.
- But knowing ACTEGA'S product profile and ALTANA'S overall interest in India, this is going to be an interesting space for ALTANA as well as ACTEGA. And we continue to be in a position to support them without stretching ourselves too much, if I may call it so. So, we have the ability, we have the capability and in the areas that we have, we'll definitely look at synergies and value add.
- So, you add that and then Mr. Mirpuri, relevant details of the contract manufacturers. So, scope, volume, scope is just one product. At this point in time, the volumes, like I said, less than 200 tons an annum at this point in time. Hopefully it will grow. Currently, ACTEGA

has, so Mr. Jain also had a question in current year and to how much capacity has been envisaged. It's going to be very small, negligible. It's not material to your company's volumes. And then ACTEGA, so these are a few questions that we sort of picked up in ACTEGA, hopefully.

- And Ms. Lekasha Shah, thank you for your interest. You asked a question in terms of the diversity ratio and the amount of women. As of March, we are close to 144 employees, 184 employees, sorry. Of that 18 are women, so close to 10%.
- We have moved slightly. We want to progress more, but that's where we are now. Are there any questions? Any new products from Mr. Aspi asked in terms of, so Mr. Aspi, thank you for that support in terms of saying that you would like to see the share price grow.
- And there was a few questions. I think somebody else had also a question around share. Mr. Loonker had, was a highlight to me.
- So, REACH/ RoHS I've covered. You had a couple of requests, Mr. Loonker, in terms of half yearly con call. We'll talk on the management. If that's feasible, we'll come back. Hopefully, our results would help you understand that you continue to do that. The Gujarat MOU set up, we talked of Harshit.
- Inorganic can, I mean, Harshit had a question in terms of inorganic and a few others also. Like I said, inorganic, we are open to, if it makes sense, if it adds value to the shareholders and stakeholders, we'll continue to do that. Anything that you feel I left unaddressed? I think I've addressed all.
- So yeah, so we've sort of covered that. With that I end, I thank you for your appreciation of the work that we have done. I'm really thankful to you for being patient with us, for continuing to support the company in its growth and look forward to continuing on this path and look forward to sustaining this growth.
- With that I end Mr. Chairman and Ashutosh if there are no other points that you feel I've missed, I would end here.
- **Mr. Sujjain Talwar - Chairperson, ELANTAS Beck India Limited:** Yeah, thank you Sri and thank you shareholders for the depth of your questions, the intricacies, the interest shown and thank you Sri for answering all of them with such comfort and strength and confidence. And like I said as we started this meeting in Pune here, it is bright and sunny. The future certainly looks strong for the company despite the clouds of the Middle East, Russia, Ukraine, all of that happening. We still seem to be on a steady path and like we

have done before; we shall strive as your management to continue to grow as much as we can. With caution, however, always be, we will never be erratic.

- But we will also bring to you whatever new developments that occur that is required from a transparency and a governance perspective. With that, I authorize Ashutosh now to conduct the voting procedure. We had four items you would have voted but we are leaving the voting facility open for another 15 minutes so that those who have not already cast can do so.

- When will the results be announced? Latest before 9th May, 2024. We will be intimating to the Bombay Stock Exchange as well as on our host, the NSDL website. With your consent, therefore, myself and others here would like to exit this meeting and I wish all the members a very healthy, happy future.

- And Celestine, I know you are in a state where elections are going on, so we hope that we have left you enough time to go and exercise your important franchise. And if others are in a similar position, we encourage you to do that as well. Thank you.

End of Transcript
