

DE NORA INDIA LIMITED



ANNUAL REPORT 2019-20



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REGISTRAR & TRANSFER AGENT M/s. Bigshare Services Private Limited Unit: De Nora India Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri East, Mumbai 400 059 Ph. No.: 022 62638200/62638204 Fax No.: 022 62638299 Email: info@bigshareonline.com Website: www.bigshareonline.com		• Annexure V – Secretarial Audit Report	33-34
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		REGISTERED OFFICE & WORKS PLOT NOS. 184,185 & 189 KUNDAIM INDUSTRIAL ESTATE KUNDAIM, GOA - 403 115 Tel.: 91-832-3981100 Email: info.dni@denora.com Website: india.denora.com	



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DE NORA INDIA LIMITED

CIN: L31200GA1993PLC001335

Registered Office: Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115

Tel. No.: 0832 3981100; Email: info.dni@denora.com; Website: india.denora.com

NOTICE

Notice is hereby given that the THIRTY FIRST ANNUAL GENERAL MEETING of the Members of DE NORA INDIA LIMITED ('the Company') will be held on Wednesday, 23rd September 2020 at 11.00 A.M. through Video Conference / Other Audio Visual Means, to transact the following business. The venue of the meeting shall be deemed to be at the Registered Office of the Company at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115:

ORDINARY BUSINESS

1. **Adoption of Audited Financial Statements for the financial year 2019-20**

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2020 together with the reports of the Board of Directors ('the Board') and the Auditor's thereon.

2. **Re-appointment of Mr. Robert Scannell (DIN: 06818489)**

To appoint a Director in place of Mr. Robert Scannell (DIN: 06818489), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **Appointment of Mr. Francesco L'Abbate (DIN: 08063332) as Non-Executive Director**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Francesco L'Abbate (DIN: 08063332), in respect of whom the Company has received a notice in writing under Section 160(1) of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Non-executive, Non Independent Director, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things including delegation of such authority and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and for matters connected therewith or incidental thereto."

4. **Approval for Material Related Party Transactions with De Nora Italy S.r.l., Italy**

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of Companies Act, 2013 ('the Act') read with rules made thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof), and the Company's Policy on Related Party Transaction(s), the approval of the Members of the Company be and is hereby accorded, for material related party transaction(s) hitherto entered/ to be entered with De Nora Italy S.r.l., Italy, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for Sale / Purchase of goods, materials & Services upto a maximum aggregate value of ₹ 2,500 Lakhs (Rupees Two Thousand Five Hundred Lakhs) during the financial year 2020-21.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things including delegation of such authority and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and for matters connected therewith or incidental thereto."

5. **Approval for Material Related Party Transactions with Industrie De Nora S.p.A., Italy**

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

"RESOLVED THAT pursuant to the provisions of the Section 188 and other applicable provisions of Companies Act, 2013 ('the Act') read with rules made thereunder, and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof) and Company's Policy on Related Party Transaction(s), approval of the Members of the Company be and is hereby accorded for material related party transaction(s), hitherto entered/ to be entered with Industrie De Nora S.p.A., Italy, a related party within the meaning of Section 2(76) of the Act, and Regulation 2(1)(zb) of the Listing Regulations, for Purchase of services upto a maximum aggregate value of ₹ 525 Lakhs (Rupees Five Hundred and Twenty Five Lakhs Only) during the financial year 2020-21.



RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things including delegation of such authority and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and for matters connected therewith or incidental thereto.”

By Order of the Board of Directors
For De Nora India Limited

Place: Kundaim, Goa
Date: July 29, 2020

Shrikant Pai
Company Secretary

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020 and Circular No.17/2020 dated April 13, 2020 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide circular dated May 12, 2020 (“SEBI Circular”) permitted the holding of the Annual General Meeting through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circular (amended from time to time), the AGM of the Company is being held through VC/OAVM and Members can attend and participate in the ensuing AGM through VC/OAVM.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, (‘the Act’) relating to the Special Business to be transacted at the Annual General Meeting (‘AGM’) is annexed hereto. The Board of Directors have considered and decided to include the Item Nos. 3 to 5 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature. Brief profile and other required information about the Directors proposed to be appointed/reappointed, is annexed hereto in terms of Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings. The Directors have furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and the Rules framed thereunder.
3. 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC mode 15 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 will be made available to at least 1000 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.
5. Pursuant to Section 105 of the Act and Rule 19 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), a member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote, instead of himself / herself and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
6. The attendance of the Members attending the AGM through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of Certified True Copy of Board Resolution/Authorisation etc, in pursuance of Section 113 of the Companies Act, 2013 authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-voting. The said resolution/authorization shall be sent to the scrutinizer by e-mail through its registered e-mail address to sadashivshet@gmail.com with a copy marked to the Company at info.dni@denora.com.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM along with Annual report 2019-20



has been uploaded on the website of the Company at india.denora.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

9. The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, September 17, 2020 to Wednesday, September 23, 2020 (both days inclusive).
10. Members desiring any information about the accounts or any other matter to be placed at the AGM, are requested to write to the Company on or before 20th September 2020 through email on info.dni@denora.com. The same will be replied by the Company suitably, during the course of AGM or through separate e-mail.
11. All relevant documents referred to in the Annual Report including AGM Notice and Explanatory Statement are available for inspection through electronic mode upto the date of AGM, on the basis of request being sent to dni.secretarial@denora.com.
12. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection in electronic mode. Members can send an e-mail to dni.secretarial@denora.com requesting for inspection of register.
13. Unclaimed/Unpaid Dividend - Members may note that amount of dividends remaining unpaid or unclaimed for seven years from the date of transfer to the Company's Unpaid Dividend Account, are required to be transferred to the Investor Education and Protection Fund ('IEPF'), as per the provisions of Section 124 of the Companies Act, 2013 and Rules made thereunder. During the financial year, 2019-20, the unclaimed dividend of the Company for the financial year 2011 was transferred to IEPF. The unpaid dividends that are due to transfer to the IEPF as on 31st March 2020 are as follows:

Financial Year	Date of declaration	Due date for transfer to IEPF
2012*	08.05.2013	06.06.2020
2013	14.05.2014	17.06.2021
2014	29.06.2015	28.07.2022
2015-16	21.09.2016	23.10.2023
2016-17	27.09.2017	01.11.2024
2017-18	26.09.2018	30.10.2025

**The unclaimed dividend pertaining to financial year 2012 has been transferred to IEPF during the financial year 2020-21.*

Any Member, who has not claimed dividend in respect of the aforesaid financial years, is requested to approach the Company/Registrar and Transfer Agent for claiming the same, at least 30 days before they are due for transfer to the said fund. Once the amount is transferred by the Company to IEPF, no claim thereof shall lie against the Company.

The Company has been sending reminders to all such Members at their registered addresses for claiming the unpaid/unclaimed dividend, which will be transferred to IEPF. The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company: india.denora.com.

Members may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by the concerned Members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. In case, the Members have any queries on the subject matter and the IEPF Rules, they may contact the Company's Registrar and Transfer Agent; M/s. Bigshare Services Private Limited.

14. Pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') read with the relevant circulars and amendments thereto, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, during the financial year 2019-20, the Company has transferred 2460 No. of underlying equity shares, in aggregate in respect of 22 Members to the IEPF Account, on which the dividends remained unpaid or unclaimed for seven consecutive years, after following the prescribed procedure.

Further, all the Members who have not claimed/ encashed their dividends in the last seven consecutive years are requested to claim the same at the earliest. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. In this regard, the Company has individually informed the Members concerned and also published notice in the newspapers as per the IEPF Rules. The details of such Members and shares due for transfer are uploaded on the "Investors Section" of the website of the Company viz. india.denora.com.



15. Pursuant to Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, Members are entitled to make nomination in respect of shares held by them in physical form. Members desirous of making nominations are requested to send their requests in Form SH-13 duly filled, to the Company's Registrar & Transfer Agent (RTA) i.e. M/s. Bigshare Services Private Limited. In respect of shares held in electronic/demat form, Members may please contact their respective depository participant ('DP') for availing this facility.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details etc., to their DPs in case the shares are held in electronic form and to RTA of the Company, Bigshare Services Private Limited in case the shares are held in physical form. Members must quote their Folio No./Client ID and DP ID and contact details such as e-mail address, contact no., etc. in all their correspondence with the Company / Registrar & Share Transfer Agent.
17. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date i.e. September 16, 2020 only, shall be entitled to avail the facility of remote e-voting or voting during the AGM. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date.
18. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut-off date i.e. September 16, 2020, may obtain the Login ID and password by sending a request at helpdesk.evoting@cdslindia.com or jibu@bigshareonline.com. A person who is not a member as on the cut-off date should treat this notice of AGM for information purpose only.
19. Mr. Sadashiv V. Shet, Practicing Company Secretary (ICSI Membership No. 2477), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner.
20. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast during the meeting and 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 shall make, not later than 48 (forty eight) hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes if any, and whether the resolution has been carried or not, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
21. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website india.denora.com and on the website of CDSL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing and shall also be communicated to National Stock Exchange of India Limited, Mumbai & Bombay Stock Exchange Limited, Mumbai.
22. **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:**
 - (i) In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/ CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

Members holding shares in physical mode and who have not registered / updated their email addresses with the Company are requested to update their email addresses with the Registrar and Transfer Agents of the Company, viz., Bigshare by sending mail at investor@bigshareonline.com with the copy of the signed request letter mentioning the name and address of the Member, scanned copy of the share certificate (front and back), self attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport) in support of the address of the Member. In case of any queries / difficulties in registering the e-mail address, such Members may write to investor@bigshareonline.com. Members holding shares in dematerialized mode are requested to register / update their e-mail addresses with the relevant Depository Participant(s).
 - (ii) Members holding shares in electronic form may please note that as per the regulations of Securities and Exchange Board of India (SEBI), National Security Depository Services Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the bank details on the dividend warrants as furnished by these depositories to the Company



and the Company cannot entertain any request for deletion/change of Bank details already printed on dividend warrants as per the information received from the concerned depositories. In this regard, Members should contact their Depository Participants (“DP”) and furnish particulars of any changes desired by them.

23. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 read with SEBI (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 (‘RTA Regulations’) mandated that the transfer of securities would be carried out in dematerialized form only. In accordance with the said regulations, the Members of the Company are requested to note that, with effect from 1st April 2019:

Except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Accordingly, any shareholder who is desirous of transferring shares (which are held in physical form) after 1st April 2019 can do so only after the shares are dematerialized.

We, therefore, request all the Members holding shares in Physical Form to demat their shares at the earliest.

24. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The remote e-voting period commences on Sunday, September 20, 2020 (9:00 a.m.) and ends on Tuesday, September 22, 2020 (5:00 p.m.). Note: E-voting shall not be allowed beyond the said time. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, September 16, 2020 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently or cast the vote again.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on “Shareholders” module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is mentioned in the e-mail communication in the PAN field sent by Company or contact Company / RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company, please enter the user id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the “DE NORA INDIA LIMITED” which is 200804002.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz sadashivshet@gmail.com and to the Company at the email address viz info.dni@denora.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

27. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- (i) For Physical shareholders- please provide necessary details like 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 Company at info.dni@denora.com /RTA at jibu@bigshareonline.com.
- (ii) For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 Company at info.dni@denora.com /RTA at jibu@bigshareonline.com.

28. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC ARE AS UNDER:

- (i) Shareholder will be provided with a facility to attend the AGM through VC through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.



(iv) 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.

(v) As the AGM is being conducted through VC / OAVM for the smooth conduct of proceedings of the AGM Members are encouraged to express their views / send their queries atleast 2 (two) days prior to AGM date, mentioning their name, demat account number / folio number, email id, mobile number at info.dni@denora.com.

(vi) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 2 (two) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info.dni@denora.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries 2 (two) days in advance prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info.dni@denora.com. These queries will be replied to by the Company suitably during the course of AGM or through separate e-mail. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.

(vii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

29 INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

(i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

(ii) Only those shareholders, who are present in the AGM through VC facility and have not casted 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 available during the AGM.

(iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

(iv) Shareholders 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.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL)Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

By Order of the Board of Directors
For De Nora India Limited

Place: Kundaim, Goa
Date: July 29, 2020

Shrikant Pai
Company Secretary



EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the special business mentioned at Item No. 3, 4 & 5 of the accompanying Notice dated July 29, 2020:

Item No. 3

The Board has received notice under Section 160 of the Act, proposing candidature of Mr. Francesco L'Abbate (DIN: 08063332) for appointment as Non-executive Director of the Company. The Company has received consent of Mr. L'Abbate to act as Director in Form DIR-2 and other necessary declarations for his appointment.

The Nomination and Remuneration committee and Board in their meeting held on June 03, 2020 have recommended for appointment of Mr. Francesco L'Abbate as Non-executive Director of the Company liable to retire by rotation. The information relating to Mr. Francesco L'Abbate, as per Regulation 36(3) of the Listing Regulations, are appended as an Annexure to this Notice.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are in any way concerned or interested, except for Mr. L'Abbate, in the resolution as set out in Item No. 3 of the Notice.

The Board recommends the Resolution for the approval of the Members

Item No. 4 & 5

Pursuant to Section 188 of the Act and the applicable Rules framed thereunder, consent of the Board and prior approval of the Members by resolution is required to be obtained, in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on an arm's length basis.

However, pursuant to Regulation 23(4) of Listing Regulations, approval of the shareholders through Ordinary Resolution is required for all 'material' related party transactions (RPT) even if they are entered into in the ordinary course of business on an arm's length basis. For this purpose, a RPT will be considered 'material' if the transaction(s) to be entered into individually or taken together with the previous transaction(s) during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. During the previous Financial Year 2019-20, the total turnover of the Company was ₹ 4,827.67 Lakhs.

a) De Nora Italy S.r.l., Italy, (Company Registration No.: 09547480963) having its Registered Office at Via Bistolfi. 35 -20134 Milan Italy is a Fellow Subsidiary of the Company (100% Subsidiary of Ultimate Holding Company Industrie De Nora S.p.A. Italy) and is a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations. Accordingly, transaction(s) to be entered with De Nora Italy S.r.l., Italy, come within the meaning of Related Party Transactions (RPT) in terms of the provisions of the Act and applicable Rules framed thereunder read with the SEBI Listing Regulations.

In the ordinary course of business, the Company enters into transactions for purchase and sale of goods/materials/services with De Nora Italy S.r.l., Italy and the aggregate value of transactions to be entered along with the transactions already entered is likely to be around ₹ 2500 Lakhs (Rupees Two Thousand Five Hundred Lakhs) in the Financial Year 2020-21, which as per the criteria mentioned in the Act, and the Listing Regulations will be considered as 'Material' and therefore requires approval of the Members of the Company.

The particulars of the transaction pursuant to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 for Item No. 4 of the Notice are as under:

Sr. No.	Particulars	Remarks
1.	Name of the Related Party	De Nora Italy S.r.l., Italy ('DNIT')
2.	Name of the Director and Key Managerial Personnel who is related, if any	Mr. Robert Scannell and Mr. Francesco L'Abbate, being employees of the subsidiary of Industrie De Nora S.p.A., a related party, are interested in the resolution.
3.	Nature of relationship	Fellow Subsidiary and hence a related party under sub-clause (B) of para (viii) of sub-section 76 of Section 2 of Companies Act, 2013.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Sale / Purchase of Coated metal, anode, cathode and repair services for an amount aggregating to ₹ 2500 Lakhs for the financial year 2020-21.
5.	Any other information relevant or important for the Members to take a decision on the proposed resolution	Sale / Purchase are in the ordinary course of business and at arm's length basis.

The Audit Committee and the Board of Directors of the Company have reviewed the above proposed transactions by circular resolution dated 9th May 2020 and recommended the same for approval of the Members of the Company.

b) Industrie De Nora S.p.A., Italy, (Company Registration No.: 03998870962) having its Registered Office at Via Bistolfi. 35 -20134 Milan Italy is the Ultimate Holding Company of the Company and is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (LODR) Regulations, 2015. Accordingly, transaction(s)



entered with Industrie De Nora S.p.A., Italy, come within the meaning of Related Party Transactions in terms of the provisions of the Act and applicable Rules framed thereunder read with the Listing Regulations.

The aggregate value of transactions entered into / to be entered into by the Company with Industrie De Nora S.p.A., Italy, is likely to be around ₹ 525 Lakhs (Rupees Five Hundred Twenty Five Lakhs) during the Financial Year 2020-21, which as per the criteria mentioned in the Act, and the Listing Regulations will be considered as 'Material' and therefore requires approval of the Members of the Company.

The particulars of the transaction pursuant to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 for Item No. 5 of the Notice are as under:

Sr. No.	Particulars	Remarks
1.	Name of the Related Party	Industrie De Nora S.p.A., Italy ('IDN')
2.	Name of the Director and Key Managerial Personnel who is related, if any	Mr. Robert Scannell and Mr. Francesco L'Abbate, being employees of the subsidiary of Industrie De Nora S.p.A., Italy, a related party, are interested in the resolution
3.	Nature of relationship	Ultimate Holding Company and hence a related party under sub-clause (A) of para (viii) of sub-section 76 of Section 2 of Companies Act, 2013
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Intercompany Service Agreement between the Company and IDN dated 10 th January 2014 including its amendment agreement dated April 1, 2019, covering inter alia provision of services on a day to day basis in the field of Marketing and Business Development, Human Resources, Organization and Internal communication, Information and Communication Technology (ICT), Administration, Finance, Control and Legal Services, Central Procurement and Production Technologies Services by the Service Provider to the Company. Monetary value of proposed aggregate transactions during financial year 2020-21 is expected to be around ₹ 525 Lakhs.

5.	Any other information relevant or important for the Members to take a decision on the proposed resolution	Transactions are in the ordinary course of business and at arm's length basis.
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The Audit Committee and the Board of Directors of the Company at their respective meetings held on June 3, 2020 have reviewed the De Nora's on-going transactions and recommended the same for approval of the Members of the Company.

As per SEBI Listing Regulations all entities/persons that are related parties of the Company shall not vote to approve the resolutions wherein approval of material related party transaction is sought from the Member. Accordingly, all related parties of the Company, including Promoters, entities forming part of Promoter Group, Directors and Key Managerial Personnel of the Company including their relatives shall not vote to approve the resolutions under Item Nos. 4 & 5 of the notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out in Item Nos. 4 and 5 of the notice except to the extent of their shareholding or employment in the Company.

The Board recommends the Resolutions under Item Nos. 4 & 5 of the notice for approval of the Members as an Ordinary Resolution.

By Order of the Board of Directors
For De Nora India Limited

Place: Kundaim, Goa
Date: July 29, 2020

Shrikant Pai
Company Secretary



Annexure

Details of Directors seeking appointment and re-appointment at the forthcoming AGM

[Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Clause 1.2.5 of Secretarial Standard - 2 on General Meetings]

Name	Robert Scannell	Francesco L'Abbate
DIN	06818489	08063332
Date of Birth	25.08.1959	31.10.1981
Qualification	Ph. D holder in Electrochemistry	Graduate in Economy and Business Administration from Luigi Bocconi University, Milan
Experience (including expertise in Specific Functional Area)/Brief Resume	He is the Regional Chief Officer of De Nora for EMEA and India, including the operational section of Industrie De Nora S.p.A Milano. He is also Managing Director of De Nora Deutschland, Germany. He has over 24 years Industrial Experience in the core businesses of the De Nora Group. He was previously the head of Global Technical Services within De Nora and held the position of Head of Research & Development within Heraeus Elektrochemie GmbH and a research position within Siemens in Erlangen Germany.	He has vast experience of over 19 years in Administration, Finance and Control departments. He is currently in charge as an Administration, Finance & Control Manager of De Nora Deutschland, Germany and is also responsible as a Business Controller for Industrie De Nora S.p.A, Italy, the group Companies of De Nora India Limited. He has been a member of the Internal Audit Team, Due Diligence Team and Project leader for the group rolling budgeting/forecasting and CAPEX management procedures among other assignments.
Relationship with other Directors inter-se	NIL	NIL
Other Directorship/ Committee Membership	NIL	NIL
Chairman/ Member in the Committees of the Boards of other Companies	NIL	NIL
Date of first appointment on the Board of the Company	February 12, 2014	January 29, 2018
Shareholding in the Company	NIL	NIL
Board meetings attended in FY 2019-20	3	1



DIRECTORS' REPORT

TO

THE MEMBERS OF DE NORA INDIA LIMITED

Your Directors hereby present their report on the business and operations of the Company and the financial accounts for the year ended 31st March, 2020.

1. FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	FY	FY
	2019-20	2018-19
	Audited	Audited
Revenue from Operations	4,827.67	3,278.33
Other Income	241.28	398.62
Total	5,068.95	3,676.95
Profit before Depreciation, Exceptional items and Tax Expense	1,294.58	435.10
Less: Depreciation/ Amortisation/ Impairment	259.26	253.07
Profit before Exceptional items and Tax Expense	1,035.32	182.03
Exceptional Items	-	-
Profit/(Loss) before Taxation	1,035.32	182.03
Less: Tax Expense (Current & Deferred)	222.51	23.32
Net Profit	812.81	158.70
Other Comprehensive Income/ (Loss) (net of tax)	(2.05)	(9.83)
Total Income for the year	810.76	148.87

Note: Previous year's figures have been regrouped for comparison purposes with current year's presentation wherever necessary.

2. OVERVIEW OF COMPANY OPERATIONS & PERFORMANCE

The Company is primarily a manufacturer of Electrolytic Products such as anodes, cathodes, electrochlorinators etc. and Water Technology products and is managed organizationally as a single unit. The operations of the Company have been stable but the management is focusing on improving the profitability in a sustainable manner.

The financial statements for the year ended March 31, 2020, have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, read with Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. There are no material departures from the prescribed norms stipulated by the Accounting Standards in preparation of the annual accounts.

The turnover of the Company was ₹ 4,827.67 lakhs for the year ended 31st March, 2020 as compared to ₹ 3278.33 lakhs in the previous year. The Company's Profit from Operations for the year ended 31st March, 2020 was ₹ 1,035.32 lakhs as compared to ₹ 182.03 lakhs in the previous year.

The Profit after tax for the year ended 31st March, 2020 was ₹ 812.81 lakhs as compared to ₹ 158.70 lakhs for the previous year ended 31st March 2019.

3. DIVIDEND

In the light of the uncertainty due to COVID-19 pandemic, to conserve liquidity and cash flow position the Company, the Board of Directors did not recommend any dividend for the financial year under review.

4. RESERVES

The entire undistributed profit after tax is carried forward in the profit and loss account and no amount has been transferred to reserve for the financial year ended 31st March 2020.

5. SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2020 was ₹530.86 lakhs comprising of 53,08,634 shares of ₹10 each. During the year under review there has been no change in the capital structure of the Company.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, following were the changes in the composition of the Directors:

The Members of the Company in their 30th Annual General Meeting held on 26th September, 2019, reappointed Mr. Francesco L'Abbate as Non-Executive Director, appointed Mr. Satish Dhume as Independent Director for a term of five years with effect from 30th March, 2019 up to 29th March, 2024 and reappointed Mr. Vinay Chopra as the Managing Director of the Company for a period of 3 years with effect from 16th July, 2019 to 15th July, 2022. The Members of the Company also reappointed Ms. Sarita D'Souza as Independent Director to hold office for a second term of 5 consecutive years till 25th September 2024.

In compliance with the provisions of Section 152 of the Companies Act, 2013, Mr. Robert Scannell will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. The Nomination & Remuneration Committee ('NRC') and the Board of Directors, have recommended appointment of Mr. Francesco L'Abbate as Non-Executive Director, liable to retire by rotation.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as



Directors in terms of Section 164(2) of the Companies Act, 2013.

The resolutions for the aforementioned appointments and re-appointments along with the brief profiles of the appointees form part of the Notice of the 31st AGM and respective resolutions are recommended for the approval of the Members.

Ms. Jyoti Bandodkar resigned as Company Secretary and Compliance Officer of the Company with effect from September 30, 2019. Mr. Shrikant Pai was appointed as Company Secretary and Compliance Officer of the Company with effect from October 14, 2019. Mr. Vinay Chopra, Managing Director, Mr. Deepak Nagvekar, Chief Financial Officer and Mr. Shrikant Pai, Company Secretary are the Key Managerial Personnel of the Company as on the date of this Report.

Committees of the Board

The Board has 4 Committees: -

- i. Audit Committee
- ii. Nomination & Remuneration Committee
- iii. Stakeholder's Relationship Committee
- iv. Corporate Social Responsibility Committee

Details of all the committees along with their composition, terms of reference and meetings held during the year are provided in the Report on Corporate Governance, as part of this Annual Report.

Board Meetings

During the financial year, six meetings of the Board of Directors were held, the details of which are given in the Report on Corporate Governance, which forms part of the Board's Report.

Board Performance Evaluation

During the year, the Board carried out an annual evaluation of its performance as well as of the working of its committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for the Board, Committees, Chairman and individual Directors. The Chairman's performance evaluation was carried out by Independent Directors at a separate meeting.

Board evaluation considers various aspects of the functioning of the Board such as Board members' understanding of their roles and responsibilities; adequacy of Board composition, Board meetings and the reporting process; time devoted by the Board to the Company's long-term strategic issues; quality and

transparency of Board discussions; quality, quantity and timeliness of the information flow between Board members and Management etc.

Performance of the Committees is evaluated on the basis of their effectiveness in carrying out their respective mandates, Committee compositions, regularity of its meetings etc.

Peer assessment of Directors, based on parameters such as participation and contribution to Board deliberations, ability to guide the Company in key matters, and knowledge and understanding of relevant areas were received by the Board for individual feedback.

The Independent Directors of the Company held a separate meeting on 8th May, 2019 without the attendance of Non-Independent Directors and members of the Management. At the said meeting, they reviewed the performance of Non-Independent Directors and the Board as a whole, including the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. Similarly, at a meeting of the Board of Directors held on 9th May, 2019, the Board evaluated the performance of each Independent Directors and the Committees represented by such Independent Directors in accordance with the parameters for such evaluation formulated by the Nomination and Remuneration Committee.

The outcome of the evaluation process was discussed and deliberated at the said Board meeting. The Board of Directors also expressed their satisfaction towards the process followed by the Company for evaluating the performance of the Directors, Board and its Committees.

7. MANAGEMENT DISCUSSION & ANALYSIS REPORT

In term of Regulation 34(2)(e) of Listing Regulations, the Directors' comments on the operations, performance and future outlook of the Company is given in the Management's Discussion and Analysis, appended to the Board's Report as '**Annexure-I**'.

8. DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director that they meet the criteria of independence laid down in Section 149(6). In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be anticipated that could impair or impact their ability to discharge their duties.

9. AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee, number of meetings etc. are included in the Corporate Governance Report, which forms part



of this Report. All the recommendations made by the Audit Committee during the year under review were accepted by the Board of Directors.

10. ADEQUACY OF INTERNAL FINANCIAL CONTROLS ('IFC')

The Board of Directors confirm having laid down internal financial controls and that such internal financial controls are adequate and were operating effectively with no significant deficiency or material weakness. The main aim of the IFC is to ensure that all the assets of the Company are safeguarded and protected, compliance of all laws applicable to the Company, proper prevention and detection of frauds and errors and all transactions are authorized, recorded and reported appropriately. These controls are routinely tested and certified by the Statutory as well as the Internal Auditors. The Audit Committee also periodically reviews the adequacy and effectiveness of the Company's internal control systems and monitors the implementation of the audit recommendations.

11. RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on 'arm's length' basis. During the year under review, the Company had obtained approval for entering into Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual turnover as per the last audited Financial Statements of the Company with Industrie De Nora S.p.A, Italy and De Nora Italy S.r.l., Italy. The details of these transactions, as required to be provided under Section 134(3)(h) of the Act are disclosed in Form AOC-2 as 'Annexure-II' and forms part of this report.

In line with the requirements of the Companies Act, 2013 and Listing Regulations, the Company has formulated a Policy on Related Party Transactions which can be accessed on the Company's website at <https://india.denora.com/company/shareholder-information.html>.

12. PARTICULARS OF REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES

Information as per Section 197 (12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as 'Annexure-III'.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not provided since there were no employees who

were drawing remuneration more than ₹ 102 lakhs per annum during the year or ₹ 8.5 lakhs per month if employed for part of the financial year under review.

The Company does not have any employee who was employed throughout the financial year or a part thereof and was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at the rate which in aggregate, is in excess of remuneration drawn by the Managing Director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

13. REMUNERATION POLICY & BOARD MEMBERSHIP CRITERIA

On the recommendation of the Nomination and Remuneration Committee, the Company has put in place a Nomination & Remuneration Policy for the Directors, Key Management Personnel and the Senior Management Employees. The salient feature of this policy is to lay down the criteria for membership to the Board and Senior Management positions in the Company and to ensure that the level and composition of remuneration paid to the Directors, KMPs and Senior Management Employees is reasonable and sufficient to attract, motivate and retain their high caliber talent.

During the year under review, no changes were made to the above policy. Details of the remuneration paid to the Board of Directors is provided in the Corporate Governance Report.

The Policy is available on the Company's website <https://india.denora.com/company/shareholder-information.html>.

14. ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013, an extract of the Annual Return as on March 31, 2020 in the prescribed Form No. MGT - 9 is appended as 'Annexure-IV' to this report.

15. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act, the Directors confirm to the best of their knowledge and belief:

- a. that in the preparation of the Annual Financial Statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of



the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- c. that 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. that the annual Financial Statements have been prepared on a going concern basis;
- e. that proper internal financial controls are in place and that such internal financial controls were adequate and operating effectively;
- f. that proper systems have been devised to ensure compliance with the provisions of the applicable laws and that such systems were adequate and operating effectively.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the Amendment to Section 135 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, which became effective from 19th September 2018, only the Companies having a net worth of ₹ 500 crores or more or Turnover of ₹ 1000 Crores or more or Net profit of ₹ 5 crores or more in the immediately preceding financial year, shall spend in every financial year, at least 2% of the average net profit of the Company made during the three immediately preceding financial years, towards Corporate Social Responsibility.

As the Company, was not covered under the above prescribed criteria for undertaking CSR activity for the year 2019-20 under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, it has not undertaken any CSR activities during the year under review. In view of the above, the Annual Report on CSR prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not included in the Board's report.

The Company has formulated a Policy on Corporate Social Responsibility which can be accessed on Company's website at <https://india.denora.com/company/shareholder-information.html>

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy

The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. Though the

manufacturing activities of the Company involve consumption of energy, it is not of major significance and no substantial investment was made for reduction of energy consumption. However, following efforts were initiated by the Company to conserve energy in the best possible way.

- (i) the steps taken or impact on conservation of energy;
 - 60% energy conservation in the fabrication and coating section due to the LED lights installed.
 - 50% energy conservation through replacement of Fronius TIG welding machines in place of Old TIG machines
- (ii) the steps taken by the Company for utilizing alternate sources of energy;
 - Conceptualizing the possibility of SOLAR power utilisation in the facility.
- (iii) the capital investment on energy conservation equipments;
 - LED lights
 - Planned investment on Thyristor based Furnace Panels, Battery charger and New ETP system.

Research and Development ('R&D') & Technology absorption

The Company has an ongoing technical collaboration for Ion Exchange Membrane Electrolysers for chlor-alkali industry, electrochlorinators for water treatment and cathodic protection (anti corrosion) systems. The Company did not incur any expenditure on R&D during the year under review.

Foreign Exchange Earnings & Outgo

Foreign Exchange Earnings - ₹ 1,208.93 Lakhs

Foreign Exchange Outgo - ₹ 1,572.27 Lakhs

18. RISK MANAGEMENT

The Company has put in place a robust Risk Management framework to identify and evaluate business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The assessment of the risks covers business risks, operational risks, physical risks, regulatory risks, fraud risks, people risk, information risk, information technology risks and other risks which are identified and prioritized based on severity, likelihood and effectiveness of current detection. Such risks are reviewed by the Senior Management on a yearly basis. These are discussed at the meetings



of the Audit Committee and the Board. These have also been reported and discussed in the Management Discussion and Analysis Report, annexed to the annual report.

19. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Vigil Mechanism as envisaged in the Companies Act, 2013, the rules prescribed thereunder and the Listing Regulations is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. During the year under review, there has been no incidence reported to the Audit Committee under the aforesaid mechanism.

The detailed Policy may be accessed on the Company's website at the link <https://india.denora.com/company/shareholder-information.html>.

20. STATUTORY AUDITORS

M/s. MSKA & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W) is the Statutory Auditor of the Company, who had been appointed by the Members of the Company for a term of 5 years i.e. from the conclusion of the 29th Annual General Meeting held on 26th September, 2018 until the conclusion of 34th Annual General Meeting of the Company to be held in the year 2023. The Auditors' Report to the Members on the Financial Statements for the year ended 31st March, 2020 forms part of the annual report and does not contain any qualification / reservations or adverse comments.

The Company has received a certificate from the Statutory Auditors confirming that they are eligible to act as the Statutory Auditor of the Company under Companies Act, 2013 and the rules made thereunder.

21. SECRETARIAL AUDIT

The Board of Directors had appointed Mr. Sadashiv V. Shet, Practicing Company Secretary as the Secretarial Auditor of the Company to conduct the Secretarial Audit for FY 2019-20 and his report is appended as 'Annexure-V'. The said report does not contain any adverse remark, qualification or reservation.

22. COST AUDIT

The maintenance of cost records is not applicable to the Company as per the Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

23. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

24. CORPORATE GOVERNANCE

Pursuant to the requirements of the Listing Regulations, a detailed report on Corporate Governance along with the Auditor's Certificate confirming thereon forms part of this Report as 'Annexure-VI'.

25. PARTICULARS OF INVESTMENTS, LOANS AND GUARANTEES

Details of investment, loans/advances and guarantees covered under the provisions of Section 186 of the Companies Act, 2013 for the financial year 2019-20 are provided in the notes to the Financial Statements which forms part of this annual report.

The Company has not made any loan or advances in the nature of loans to its Holding Company or to Firms/ Companies in which the Directors are interested. Hence, disclosure pursuant to Regulation 34(3) read with Part A of Schedule V of the Listing Regulations is not required.

26. SUBSIDIARY COMPANIES

The Company does not have any subsidiary, associate company or a joint venture.

27. INDUSTRIAL RELATIONS

Relationship between the Management of the Company and Worker's Union continue to remain cordial. The Management's Discussion & Analysis gives an overview of the developments in Human Resources/Industrial Relations during the year.

28. COMPLIANCE WITH THE PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee ('ICC') and has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. The ICC is composed of internal members and an external member who has extensive experience in the field. The Company is committed to provide a safe and respectable work environment to all its employees.

The following is reported pursuant to sub-clause 10(I) of Clause C of Schedule V of the Listing Regulations:

- a. Number of complaints of sexual harassment received/ filed during the year: Nil



- b. Number of complaints disposed off during the year: Nil
- c. Number of complaints pending as on end of financial year: Nil

29. DETAILS OF NODAL OFFICER

The details of the Nodal Officer appointed by the Company under the provisions of the IEPF are given below and the same are disseminated on the website of the Company viz., india.denora.com.

Name of the Nodal Officer	Mr. Shrikant Pai – Company Secretary
Phone No.	0832 3981151
Email ID	shrikant.pai@denora.com
Correspondence Address	De Nora India Limited Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115

30. INVESTOR EDUCATION AND PROTECTION FUND

Details pertaining to the unpaid/unclaimed dividend and the shares transferred or due to be transferred to the Investor Education and Protection Fund are provided in the notes to the Notice of the Annual General Meeting which forms part of this annual report.

31. GENERAL

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. No change in the nature of business of the Company during the financial year ended 31st March, 2020;

- b. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations;
- c. No material changes and commitments occurred between the end of the financial year 31st March 2020 and the date of this Report which would affect the financial position of the Company;
- d. No issue of any equity shares with differential rights as to dividend, voting or otherwise;
- e. No revision in the financial statements;
- f. No issue of Sweat Equity Shares or Bonus Shares during the year under review;
- g. No Employee Stock Option and Employee Stock Purchase Schemes were launched during the year under review;
- h. During the year under review, the Company has not accepted any deposits from the public or its employees;
- i. There were no instances of frauds reported by the Statutory Auditors or Secretarial Auditors of the Company during the year under review.

32. ACKNOWLEDGEMENT

The Board of Directors takes this opportunity to thank the employees, customers, dealers, members, suppliers, bankers, government authorities, stock exchanges and all other business associates for their consistent support and co-operation to the Company during the year under review and look forward to their support in future as well.

**For and on behalf of the Board of Directors
For De Nora India Limited**

**Satish Dhume
Chairman
DIN: 00336564**

Place: Kundaim, Goa
Date: June 03, 2020



Annexure-I

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

De Nora India Limited ('DNIL') started its operations in India in 1989 with technical and financial collaboration of 'Industrie De Nora' of Italy, mainly catering to chlor-alkali industry for manufacture and coating of anode and cathode for electrolytic process for several industrial applications such as water, pulp & paper manufacturing, surface finishing and plating industries and cathodic protection systems of steel structure, electrochlorination systems, platinized titanium anodes for surface finish application. DNIL continues its market presence in India with sea water electro chlorination products (Seaclor®).

Recoating of anode and cathode is a specialised process, formulation of which involves use of noble metals. These formulations and processes are proprietary and because of its affiliation to 'Industrie De Nora', the Company has the authority to use these formulations and processes, giving it the prominent market share in India. DNIL not only provides support to caustic soda industry customers in India but is also equipped to give technical support to electrolytic processes sector.

From first quarter of 2020, the whole world is facing unexpected challenges due to Covid-19 pandemic and your Company has managed to perform operational activities without being hampered. In this trying times the Company continues to be competitive because of its traditional values ("*Durantes Vincunt*"- *persistence prevails*) and through its latest vision and mission statement "*Our research, your future*" and its long history to improve efficiency and resilience of its business operations through their core technology. De Nora has partnered with organizations around the world to leverage its knowledge and expertise in electrochemistry to protect local communities and businesses through our Together We Care program.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The chlor-alkali industry in India forms an important component of the basic chemicals industry. Caustic soda, soda ash, chlorine alongside hydrogen and hydrochloric acid comprise the chlor-alkali industry's components. These chemicals find their applications in several industries such as textiles, chemicals, paper, PVC, water treatment, alumina, soaps & detergents, glass, chlorinated paraffin wax, among others. The various technologies, which are being used in the chlor-alkali industries, include mercury, membrane cell and diaphragm cells. In India, membrane cell technologies are widely used for caustic soda production.

Due to Covid-19 pandemic, pharma industry has gained importance which in turn relies on chlor-alkali industry. Most of the modern medicines today rely on chlor-alkali chemistry for part of their production process for which is likely to favour ancillary industries of chlor-alkali.

Sodium Hypochlorite is one of the side products of many chlor-alkali manufacturers in India & looking at the long term demand of Sodium Hypochlorite in view of the ongoing Covid-19 crisis, the chlor-alkali suppliers are likely to work upon their plant upkeep & continued operations resulting in quicker service support by important technology based service providers like DNIL.

chlor-alkali industries are adopting upgraded membrane cell zero-gap technologies to reap benefits of lower power consumption per ton of caustic produced for ex:nX-BiTAC & BM2.7 generation VI electrolyzers. DNIL is also the leading service provider of anode and cathode elements used in these latest zero gap technology membrane cell electrolyzers. DNIL performs recoating and mechanical repairs to the anode and cathode half shells and retrofitting with zero gap solution to cathode structure used in the membrane cell technology of the chlor-alkali industry. The dynamics of the chlor-alkali industry has a considerable effect on the overall performance of the Company.

DNIL is the industry leader in technology and in this challenging environment has made extra efforts to keep the cell technology competitive by reducing power consumption and has also set in motion initiatives to redefine its business model to maintain margins and to best deliver value to its stakeholders by ensuring continuous improved productivity and good financial performance.

OPPORTUNITIES AND THREATS

The Goa factory is equipped with all the necessary equipment and facilities to meet the demands of the chlor-alkali industry. The Company continues to remain the market leader in the chlor-alkali and cathodic protection systems business. The main activity of the Company is dependent on recoating of electrodes for membrane cell electrolyzers in chlor-alkali plant, which is cyclic in nature because the life of the coating lasts for 6 to 8 years.

The income from recoating business contributes a major share in the Company's total income. The mercury cell plants have gradually been converted to membrane cell plants. The Company does not get the business of anode/cathodes coating at this conversion stage since these are inbuilt in the new cells and the complete set of cell elements are imported by the customers. The Company is not in the business of manufacturing membrane cell elements and the recoating business in respect of these anode/cathodes will happen only after 8 years.

The chlor-alkali market in India is undergoing consolidation in recent past & entry of newer technology suppliers has put the Company in more challenging environment to continue to maintain its market share.

Dependency on the chlor-alkali business has made the Company to seek opportunities in sea water electro chlorination. The seawater projects fructification and their final delivery is becoming longer due to many uncertainties in the Indian market, site conditions and Covid-19 pandemic. Further, this business operates in an environment which is long in tenure, volatile and fraught with uncertainties which may impact the business and financial performance of the Company.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

From the financial year ended March 31, 2019 the Company has reported an additional new segment of Water Technologies in terms of the provisions of the Indian Accounting Standards. An annual turnover of ₹ 4,827.67 lakhs was registered by the Company during the year under review from the sale of its products.



OUTLOOK

The Company is looking forward to maintain its position of market leader in membrane recoating activity and cathodic protection systems. DNIL is catering to mostly India and south east asia region, however now DNIL has also made foray into the business of catering to refurbishment of IEM cells of Middle East customers during the current fiscal.

RISKS & CONCERNS

Risk management is embedded in all processes across the Company’s operating framework. The Company’s approach to addressing business risks is comprehensive and includes a framework for identifying, monitoring, assessing, mitigating and reporting such risks. Risk Control Matrix has been prepared for all the key processes and business transactions. The Board and the Audit Committee periodically reviews the risk management framework and formulates strategies to mitigate those risks. The Senior Management team led by the Managing Director, is responsible to proactively manage risks with appropriate mitigation measures and implementation thereof.

Disruptive technology changes, drastic raw material price change, potential supply chain disruptions, and regulatory changes have been identified as the some of the main sources of risk for the coming year. Moreover longer supply chain distribution lead times, changes in import policy due to Covid-19 crisis is likely to further affect the overall supply chain of critical raw materials required in production. Due to the sharp slowing down of major economies and lowering of growth rate in India which is likely to have an impact on the earnings of the Company in short and medium term. Also the Company’s operations may be impacted due to incapacitation of supply chain, logistics due to exposure to Covid-19 pandemic, reduced productivity due to while under lockdown and due to suppliers inability to adhere to the contractual terms may impact the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The responsibility for establishing and maintaining adequate internal control lies with the Management of the Company. This internal control mechanism comprises a well-defined organization, which undertakes time bound audits and reports its findings to the Audit Committee, documents policy guidelines and determines authority levels and processes. The Company also has an Internal Audit function to provide reasonable assurance regarding the effectiveness and efficiency of operations, safeguarding of assets, reliability of financial records and reports and compliance with applicable laws and regulations. To ensure and review the effectiveness and implementation of the systems and operations, the Audit Committee regularly reviews them and further initiates corrective actions wherever deemed necessary.

The application systems for the business is backed by an integrated SAP Accounting System which provides complete integration of all transactions including financial

transactions and statements. Process and systems are subject to Internal Audit through an annual internal audit plan approved by the Audit Committee. These are further supported by the Statutory Auditors who validate that the financial reporting is true and fair. The results of all audits are discussed with the Senior Management and reviewed by the Audit Committee on a quarterly basis.

FINANCIAL PERFORMANCE

The financial results of operations of the Company for the year under review are detailed in the Directors’ Report. As per the same, the Company’s operations have resulted in a pre-tax profit of ₹1,035.32 lakhs for the current year as against ₹182.03 lakhs for the previous financial year. The post-tax profit for the current year is ₹812.81 lakhs whereas it stood at ₹158.70 lakhs for 2018-19. The Earning per Share (EPS) (Basic & Diluted) of your Company for the financial year ended March 31, 2020 was at ₹15.31.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Key Financial Ratios	FY 2019-20	FY 2018-19	Change (%)	Reason
Debtors Turnover Ratio	5.3	6.4	-18%	Faster realisation
Inventory Turnover Ratio	2.25	2.76	-18%	Better management of inventory
Interest Coverage Ratio	-	-	-	-
Current Ratio	4.48	4.11	9%	Marginal increase due to change in working capital components
Debt Equity Ratio	0.01	0	0	No debt in the previous year
Return on Net Worth (%)	13.25	3.56	272%	Improved overall Profitability in core business
Operating Profit Margin (%)	21.45	5.55	286%	Controlled operational cost and efficiency in core business resulted in higher operating profit
Net Profit Margin (%)	16.84	5.78	191%	Controlled operational cost and efficiency in core business resulted in higher net profit



MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Your Company has created a culture that encourages and supports continuous employee learning and value employee contributions.

The Company strives to maintain a cordial relationship with it's human resources and create a healthy working environment, since employees are considered the most important and valuable assets of the Company. Industrie De Nora has been continuously working on various initiatives to improve human resources skills, competencies and capabilities in all the Group Companies. Some key initiatives undertaken during the year 2019-2020 in this direction are:

- Setting of De Nora Academy, Get-Fit, Innovation Governance etc.
- Your Company has encouraged wholehearted participation of the employees and union in improving productivity as well as quality of its products and introduced Innovation Governance to gather ideas and suggestions for improvements in procedures and implementation of new processes. Any suggestions which generated cost savings are suitably rewarded.
- The Company has a portal wherein Company information is available to employees such as New/ Revised policies, recent achievements, awards received, important announcements, new recruitments etc.
- There is also the De Nora Academy in the portal. The platform gives instant access to many e-learning courses. All that a user needs to access the platform is a personal login/password and an internet connection, thus the accessibility is 24h/7 days. The users can also earn points based on the number of courses cleared.
- Industrial relations at the Company have been harmonious and peaceful with active involvement of the workmen.
- DNIL, in process of getting ISO 45001 certification from TUV-SUD for health and safety which gives customers and other stakeholders confidence in our safe operations.
- As on March 31, 2020, there were 58 permanent employees on the rolls of the Company.

Employee & Industrial Relations

Your Company maintained cordial and harmonious

relationship with all the employees. All issues were amicably settled through regular and healthy discussions with the workmen. There was no occurrence of any untoward incident in the Company during the year. Your Company has also encouraged wholehearted participation of the employees and union in improving productivity as well as quality of its products. Ensuring high productivity, employee satisfaction and persistent motivation are the key focus areas of the HR team.

The earlier signed three-year agreement with workmen union has ended on 31st March 2020 & the new charter of demand has been submitted by the workmen union. In view of the Covid-19 crisis, the agreement negotiations are likely to get prolonged.

KMPs/Senior Management Personnel & Other Staff

As recommended by the Nomination and Remuneration Committee (NRC), the Board has adopted a Remuneration Policy for KMPs/Senior Management Personnel. The remuneration is recommended by the NRC based on factors such as industry benchmarks, the Company's performance vis-à-vis the industry, performance/track record of the KMPs/Senior Management Personnel.

The Remuneration paid to other staff is based on the grade, role and position in the Company, the experience, qualification, skills and competencies of the related employees. There exists a global Compensation System (CS), led by human resources, which is set with the aim of:

- being competitive to attract and retain talents on the local job markets where DNIL operates;
- paying fairly for accountability and on; merit;
- rewarding solid and outstanding performance, i.e. people results.

The objective is to ensure that the compensation motivates the employees to give their best performance.

CAUTIONARY STATEMENT

Statements in this 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates, expectations, plans or predictions or industry conditions or events are 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in government regulations, tax regimes, economic developments within the country and outside the country and other factors such as litigation and labour negotiations.



Annexure-II

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contract/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis -

There were no contracts or arrangements or transactions entered into during the financial year ended March 31, 2020, which were not on arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis -

The details of material contracts or arrangements or transactions at arm's length basis for the financial year ended March 31, 2020 are as follows:

Sr. No.	Name of the related party & Nature of relationship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (₹ in Lakhs)	Duration of Contracts/ arrangements/ transactions	Salient terms of Contracts/ arrangements/ transactions	Date of approval by the Board, if any	Amount paid as advance (₹ in Lakhs)
1.	Industrie De Nora S.p.A., Italy (Ultimate Holding Company)	Purchase of Services	305.90 lakhs	Ongoing and continue to be in effect until terminated	The related party transaction (RPT) entered during the year was in the ordinary course of business and on arm's length basis. The RPT is also subject to transfer pricing guidelines.	All RPTs are reviewed and approved by Board and Audit Committee from time to time. The Audit Committee and Board members have reviewed these transactions in their meetings held on 12 th February 2020. Moreover, pursuant to the provisions of the Listing Regulations, the Members of the Company accorded their approval for the Material RPT, entered into with Industrie De Nora S.p.A, Italy, up to a maximum aggregate value of ₹ 350 Lakhs for the Financial year 2019-20, by passing an ordinary resolution at the 30 th Annual General Meeting held on 26 th September, 2019. Further the members have passed an ordinary resolution dated 24 th February 2020 for increase in limit from ₹ 350 Lakhs to ₹ 450 Lakhs by postal ballot.	Nil



Sr. No.	Name of the related party & Nature of relationship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (₹ in Lakhs)	Duration of Contracts/ arrangements/ transactions	Salient terms of Contracts/ arrangements/ transactions	Date of approval by the Board, if any	Amount paid as advance (₹ in Lakhs)
2.	De Nora Italy S.r.L., Italy (Subsidiary of Ultimate Holding Company)	Sale /Purchase of goods or materials	1,090.00 lakhs	Ongoing, subject to renewal as per contractual terms	The related party transaction (RPT) entered during the year was in the ordinary course of business and on arm's length basis. The RPT is also subject to transfer pricing guidelines.	All RPTs are reviewed and approved by Board and Audit Committee from time to time. The Audit Committee and Board members have reviewed these transactions in their meeting held on 12 th February 2020. Moreover, pursuant to the provisions of the Listing Regulations, the Members of the Company have accorded approval for the Material RPT, entered into with De Nora Italy S.r.l., Italy up to a maximum aggregate value of ₹ 1,200 Lakhs (Rupees Twelve Hundred Lakhs) during the financial year 2019-20 by passing an Ordinary resolution dated 24 th March 2020 by postal ballot.	Nil

**For and on behalf of the Board of Directors
For De Nora India Limited**

**Satish Dhume
Chairman
DIN : 00336564**

Place: Kundaim, Goa
Date: June 03, 2020



Annexure-III

Information pursuant to 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/KMP to the median remuneration of all the employees of the Company for the Financial Year 2019-20 and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year 2019-20**

Median remuneration of all the employees of the Company for the financial year	4.92 Lakhs
Percentage increase in the median remuneration of employees in the financial year	1.65%
Number of permanent employees on the rolls of the Company as on March 31, 2020	58

Sr. No.	Name of Director	Designation	Remuneration (₹ in Lakhs)	Ratio of Directors remuneration to median remuneration	% increase in the remuneration in the FY 2019-20
I Executive Director					
1.	Mr. Vinay Chopra	Managing Director	34.38	6.99:1	(11.11%) ^{***}
II Non-Executive Directors					
1.	Mr. Robert Scannell	Non – Executive Director	-	NA [#]	-
2.	Mr. Francesco L'Abbate	Non – Executive Director	-	NA [#]	-
3.	Mr. Satish Dhume	Independent Director	-	NA [#]	-
4.	Ms. Sarita D'Souza	Independent Director	-	NA [#]	-
5.	Ms. Supriya Banerji	Independent Director	-	NA [#]	-
III Key Managerial Personnel					
1.	Mr. Deepak Nagvekar	Chief Financial Officer	26.01	5.29:1	2.56%
2.	Ms. Jyoti Bandodkar*	Company Secretary	6.48	1.32:1	-
3.	Mr. Shrikant Pai**	Company Secretary	3.65	0.74:1	-

[#]The Independent Directors and the Non-Executive Directors do not receive any remuneration except sitting fees for attending Board/Committee Meetings.

* Resigned w.e.f. 30.09.2019

** Appointed w.e.f. 14.10.2019

*** Owing to Incentive of ₹ 5.69 lakhs paid in 2019-20 against ₹ 9.71 lakhs paid in 2018-19

2. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

Average percentile increase made in the salaries of employees other than Managerial personnel in the last financial year i.e. 2019-20 was 10% whereas the increase in the managerial remuneration for the same financial year was 15%.

3. **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

**For and on behalf of the Board of Directors
For De Nora India Limited**

Place: Kundaim, Goa
Date: June 03, 2020

**Satish Dhume
Chairman
DIN : 00336564**



Annexure-IV

FORM No. MGT-9 EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN:	L31200GA1993PLC001335
ii	Registration Date:	07.06.1989
iii	Name of the Company :	DE NORA INDIA LIMITED
iv	Category/Sub-Category of the Company:	Public Company limited by shares
v	Address of the Registered Office and contact details:	Plot. Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim - 403115, Goa, India Ph. No.:0832-3981100 Email-id : info.dni@denora.com Website: india.denora.com
vi	Whether listed Company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent(RTA)	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri (East), Mumbai 400059 Ph. No.: 022 62638200/62638204 Fax No.: 022 62638299 Email ID: info@bigshareonline.com Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turn over of the Company shall be stated:-

Sr. No.	Name and Description of main Products/Services	NIC Code of the Product/ Services	% to total turnover of the Company
1	Manufacture of other fabricated metal products n.e.c.	25999	97.82 %
2	Manufacture of other special purpose machinery n.e.c.	28299	2.18 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Oronzio De Nora International B. V. Prins Bernhardplein 200, 1097 JB Amsterdam, Netherlands	Not Applicable	Holding Company	53.68	2(46)



IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2019)				No. of Shares held at the end of the year(31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f. Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1) :	0	0	0	0.00	0	0	0	0.00	0.00
(2) Foreign									
a. NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b. Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corporate	2849500	0	2849500	53.68	2849500	0	2849500	53.68	0.00
d. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e. Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2):	2849500	0	2849500	53.68	2849500	0	2849500	53.68	0.00
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	2849500	0	2849500	53.68	2849500	0	2849500	53.68	0.00
B. Public Shareholding									
(1) Institutions									
a. Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
b. Banks/FI	595	0	595	0.01	0	0	0	0.00	(0.01)
c. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d. State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g. FIs	0	0	0	0.00	0	0	0	0.00	0.00
h.Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i. Foreign Portfolio Investors	10000	0	10000	0.19	0	0	0	0.00	(0.19)
j. Others (Specify)	0	0	0	0.00	0	0	0	0.00	(0.19)
Sub-Total (B)(1):	10595	0	10595	0.20	0	0	0	0.00	(0.20)
(2) Non-Institutions									
a. Bodies Corporate									
i) Indian	125221	8616	133837	2.52	58900	8616	67516	1.27	(1.25)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00



Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2019)				No. of Shares held at the end of the year(31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b. Individuals									
i) Individual Shareholders holding nominal share capital upto ₹1 lakh	1464352	99065	1563417	29.45	1420602	93308	1513910	28.52	(0.93)
ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh	646865	0	646865	12.19	684648	0	684648	12.90	0.71
c. Others									
i) Clearing Members	16861	0	16861	0.32	101656	0	101656	1.91	1.61
ii) Non Resident Indians (NRI)	2051	0	2051	0.04	3574	0	3574	0.07	0.03
iii) Non Resident Indians (Repat)	12333	0	12333	0.23	11185	0	11185	0.21	(0.02)
iv) Non Resident Indians(Non Repat)	54191	0	54191	1.02	55201	0	55201	1.04	0.02
v) Trusts	155	0	155	0.00	155	0	155	0.00	0.00
vi) Investor Education and Protection Fund	18829	0	0.35	18829	21289	0	21289	0.40	0.05
Sub-Total (B) (2):	2340858	107681	2448539	46.12	2357210	101924	2459134	46.32	0.20
Total Public Shareholding (B) = (B) (1)+(B)(2)	2351453	107681	2459134	46.32	2357210	101924	2459134	46.32	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	5200953	107681	5308634	100.00	5206710	101924	5308634	100.00	0.00

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% change in share holding during the period
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Oronzio De Nora International B. V.	2849500	53.68	0	2849500	53.68	0	0
	Total	2849500	53.68	0.00	2849500	53.68	0	0.00

iii) Change in Promoter's Shareholding

Sr. No.	Shareholder's Name	No. of Shares at the beginning of the year	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shares during the year	% of total Shares of the Company during the year
1.	Oronzio De Nora International B. V.	2849500	53.68		No change		2849500	53.68



iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Shareholder's Name	Date	Increase/ Decrease in Shareholding (-) denotes Sale	Shareholding Beginning of financial year		Cumulative Shareholding during the year	
				No. of Shares	% total Shares of the Company	No. of Shares	% total Shares of the Company
1	NITIN SAXENA	01-04-2019		113,300	2.13		
		19-04-2019	15,315			128,615	2.42
		26-04-2019	8,385			137,000	2.58
		03-05-2019	500			137,500	2.59
		10-05-2019	398			137,898	2.60
		17-05-2019	350			138,248	2.60
		14-06-2019	-163			138,085	2.60
		12-07-2019	-46			138,039	2.60
		23-08-2019	1,570			139,609	2.63
		06-09-2019	412			140,021	2.64
		13-09-2019	100			140,121	2.64
		20-09-2019	50			140,171	2.64
		26-09-2019	954			141,125	2.66
		27-09-2019	65			141,190	2.66
		04-10-2019	1,560			142,750	2.69
		01-11-2019	-3,186			139,564	2.63
		08-11-2019	2,650			142,214	2.68
		15-11-2019	2,000			144,214	2.72
		22-11-2019	-9,059			135,155	2.55
		29-11-2019	-2,311			132,844	2.50
		06-12-2019	-5,400			127,444	2.40
		13-12-2019	-2,329			125,115	2.36
		20-12-2019	225			125,340	2.36
		27-12-2019	400			125,740	2.37
		10-01-2020	-12,872			112,868	2.13
		17-01-2020	-6,100			106,768	2.01
		24-01-2020	-9,535			97,233	1.83
		31-01-2020	-4,075			93,158	1.75
		07-02-2020	-10,825			82,333	1.55
		14-02-2020	-7,600			74,733	1.41
		21-02-2020	-6,350			68,383	1.29
		28-02-2020	-24,200			44,183	0.83
06-03-2020	-9,850			34,333	0.65		
13-03-2020	-1,250			33,083	0.62		
20-03-2020	-5,675			27,408	0.52		
27-03-2020	-11,451			15,957	0.30		
31-03-2020				15,957	0.30		



Sr. No.	Shareholder's Name	Date	Increase/ Decrease in Shareholding (-) denotes Sale	Shareholding Beginning of financial year		Cumulative Shareholding during the year	
				No. of Shares	% total Shares of the Company	No. of Shares	% total Shares of the Company
2	RAMESHWAR PRASAD	01-04-2019		100	0.00		
		12-04-2019	-100			0	0.00
		07-06-2019	100			100	0.00
		14-06-2019	3,600			3,700	0.07
		21-06-2019	4,300			8,000	0.15
		28-06-2019	2,300			10,300	0.19
		26-07-2019	2,700			13,000	0.24
		02-08-2019	20,599			33,599	0.63
		09-08-2019	14,187			47,786	0.90
		16-08-2019	2,214			50,000	0.94
		23-08-2019	7,499			57,499	1.08
		30-08-2019	4,501			62,000	1.17
		13-09-2019	3,400			65,400	1.23
		19-09-2019	5,200			70,600	1.33
		20-09-2019	100			70,700	1.33
		26-09-2019	599			71,299	1.34
		27-09-2019	1			71,300	1.34
		04-10-2019	3,800			75,100	1.41
		11-10-2019	1,700			76,800	1.45
		18-10-2019	4,100			80,900	1.52
		01-11-2019	2,700			83,600	1.57
		15-11-2019	5,600			89,200	1.68
		22-11-2019	799			89,999	1.70
		29-11-2019	1			90,000	1.70
		07-02-2020	500			90,500	1.70
		27-03-2020	100			90,600	1.71
				31-03-2020			90,600
3	LALAN A. KAPADIA	01-04-2019		75,000	1.41		
		31-03-2020				75,000	1.41
4	BHARAT AJAY KAPADIA	01-04-2019		75,000	1.41		
		31-03-2020				75,000	1.41
5	PRABIR KUMAR GHOUSHAL	01-04-2019		58,551	1.10		
		31-05-2019	5			58,556	1.10
		07-06-2019	13			58,569	1.10
		14-06-2019	1			58,570	1.10
		06-12-2019	12			58,582	1.10
		27-12-2019	1			58,583	1.10
		07-02-2020	1,800			60,383	1.14
		14-02-2020	50			60,433	1.14
		27-03-2020	11			60,444	1.14
		31-03-2020				60,444	1.14



Sr. No.	Shareholder's Name	Date	Increase/ Decrease in Shareholding	Shareholding Beginning of financial year		Cumulative Shareholding during the year	
			(-) denotes Sale	No. of Shares	% total Shares of the Company	No. of Shares	% total Shares of the Company
6	ORBIS FINANCIAL CORPORATION LIMITED	01-04-2019		0	0.00		
		10-05-2019	100			100	0.00
		23-08-2019	-100			0	0.00
		13-03-2020	54,899			54,899	1.03
		20-03-2020	11,000			65,899	1.24
		31-03-2020				65,899	1.24
7	VIJAY GUPTA (HUF)	01-04-2019		39,029	0.74		
		31-03-2020				39,029	0.74
8	AJITSINH GOKALDAS KHIMJI	01-04-2019		35,000	0.66		
		31-03-2020				35,000	0.66
9	VIJAY PRAKASH GUPTA	01-04-2019		33,037	0.62		
		31-03-2020				33,037	0.62
10	KAMLESH RAMNIKLAL MEHTA	01-04-2019		30,000	0.57		
		06-03-2020	1,250			31,250	0.59
		31-03-2020				31,250	0.59
11	MAINAK BASU	01-04-2019		30,014	0.57		
		06-12-2019	-5,000			25,014	0.47
		13-12-2019	-6,000			19,014	0.36
		31-01-2020	-900			18,114	0.34
		07-02-2020	-200			17,914	0.34
		06-03-2020	-1,500			16,414	0.31
		31-03-2020				16,414	0.31
12	JAIN PAL JAIN	01-04-2019		24,264	0.46		
		06-03-2020	2,000			26,264	0.49
		31-03-2020				26,264	0.49
13	DHRITI VIKRAM SHAH	01-04-2019		25,000	0.47		0.49
		31-03-2020				25,000	0.47

vi) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director/Key Managerial Personnel	Shareholding at the beginning of the year		Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Jyoti Bhandodkar – Company Secretary*	1	0.00	0	0	1	0.00

*Ms. Jyoti Bhandodkar resigned as Company Secretary (KMP) w.e.f.30.09.2019



V. INDEBTEDNESS

Indebtedness of the Company including interest out standing/accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year as on 01.04.2019	0	0	0	0
a. Principal Amount	0	0	0	0
b. Interest due but not paid	0	0	0	0
c. Interest accrued but not due	0	0	0	0
Total (a+b+c)	0	0	0	0
Change in Indebtedness during the financial year	0	0	0	0
Addition	76.72	0	0	76.72
Reduction	0	0	0	0
Net Change	76.72	0	0	76.72
Indebtedness at the end of the financial year as on 31.03.2020	76.72	0	0	76.72
a. Principal Amount	76.71	0	0	76.71
b. Interest due but not paid	0.01	0	0	0.01
c. Interest accrued but not due	0	0	0	0
Total (a+b+c)	76.72	0	0	76.72

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager
		Mr. Vinay Chopra – Managing Director
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	23.70
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	1.62
	(c) Profits in lieu of salary u/s 17(3) of the Income-Tax Act, 1961	-
2.	Stock Options	-
3.	Sweat Equity	-
4.	Commission	
	- as % of profit	-
	- others, specify....	-
5.	Others-Incentive	5.69
	Pension/PF/Superannuation	3.37
	Total	34.38
	Ceiling as per the Act	5% of net profit of the Company



B. Remuneration to other Directors:

(Amount in ₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Satish Dhume	Ms. Sarita D'Souza	Ms. Supriya Banerji	
1	Independent Directors				
	• Fee for attending Board/ Committee meetings	0.65	0.85	0.50	2.0
	• Commission	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	0.65	0.85	0.50	2.0
2	Other Non-Executive Directors	Mr. Robert Scannell	Mr. Francesco L'Abbate		
	• Fee for attending Board/ Committee meetings	0.45	0.05		0.95
	• Commission	Nil	Nil		Nil
	• Others, please specify	Nil	Nil		Nil
	Total (2)	0.45	0.05		0.50
	Total (B) = (1+2)	1.10	0.90	0.50	2.50
	Total Managerial Remuneration (A+B)				36.88
	Over all Ceiling as per the Act	11% of net profit of the Company			

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

(Amount in ₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Deepak Nagvekar - CFO	Ms. Jyoti Bandodkar - CS*	Mr. Shrikant Pai - CS**	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	21.90	5.79	3.02	30.71
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	1.23	0.21	0.16	1.60
	(c) Profits in lieu of salary u/s 17(3) of the Income-Tax Act, 1961	-	-	-	-
2.	Stock Options	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
5.	Others, specify....				
	Pension/PF/Superannuation	2.88	0.48	0.47	3.83
	Total	26.01	6.48	3.65	36.14

*Resigned as Company Secretary w.e.f 30th September 2019

**Appointed as Company Secretary w.e.f 14th October 2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the breach of any sections of the Companies Act against the Company or its Directors or other officers during the financial year ended 31st March 2020.

**For and on behalf of the Board of Directors
De Nora India Limited**

**Mr. Satish Dhume
Chairman
DIN: 00336564**

Place: Kundaim, Goa
Date: June 03, 2020



Annexure-V

ANNEXURE TO THE BOARDS' REPORT
FORM NO. MR- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020.

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

To,
The Members,
De Nora India Limited
Plot Nos. 184, 185 & 189,
Kundaim Industrial Estate,
Kundaim, Goa - 403 115

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DE NORA INDIA LIMITED**, (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **DE NORA INDIA LIMITED'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 and 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;
- (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, 2009;**Not applicable to the Company during the period under review.**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;**Not applicable to the Company during the period under review.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), 2008;**Not applicable to the Company during the period under review.**
 - (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 period under review.**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;**Not applicable to the Company during the period under review.**



(vi) Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

The following other Laws applicable specifically to the Company are:

1. The Water (Prevention and Control of Pollution) Act, 1974 ;
2. The Air (Prevention and Control of Pollution) Act, 1981 ;
3. The Environment (Protection) Act, 1986 & the Environment (Protection) Rules, 1986;
4. The Noise Pollution (Regulation and Control) Rules, 2000;
5. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
6. Legal Metrology Act, 2009.

I further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of yearly compliance report by the respective departmental heads / Company Secretary / Internal Auditor, taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws and other legislations.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015.

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

I 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there are no instances of major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc.

Date: June 03, 2020
Place : Panaji, Goa

Sadashiv V Shet
Practicing Company Secretary
FCS No. 2477
C P No.: 2540
UDIN :F002477B000312402



Annexure-VI

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

Corporate Governance is a set of principles, processes and systems to be followed by the Directors, Management and all employees of the Company for enhancement of shareholder value, keeping in view the interests of other stakeholders of the Company. Integrity, transparency and compliance with regulations in all dealings with government, customers, suppliers, employees and other stakeholders are the objectives of good corporate governance.

The Company is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. It pursues to carry its business operations in a fair, transparent and ethical manner and holds itself accountable and responsible to the society it belongs. Your Company is striving for excellence through adoption of best governance and disclosure practices which go beyond the statutory and regulatory requirements as it's endeavour is to follow the spirit of good governance than mere compliance with the conditions specified by regulatory authorities.

Board of Directors

The Company has a balanced and diverse Board of Directors comprising of Executive, Non-Executive, Independent and Women Directors who are experienced, competent and highly renowned persons from the fields of manufacturing, finance & taxation, economics, law, governance etc. The Board plays an imperative role in the management, general affairs, strategic directions and performance of the Company. The Board has delegated the operational conduct of the business to the Managing Director of the Company who looks after the day to day affairs of the Company.

Composition and category of Directors

As on 31st March 2020, the Board consists of 6 Members comprising 5 Non-Executive Directors (3 Independent and 2 Non-Independent) and 1 Executive Director (Managing Director). The Independent Directors account for not less than 50% of the strength of the Board, as against minimum requirement of 33.33% as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. There are 2 Women Independent Directors on the Board of the Company. The names and categories of the Directors on the Board, the number of directorships and committee positions held by them in other companies as on 31st March, 2020 are given as below:

Name of the Director	Category of the Director	DIN of the Director	Committee Memberships [#]		No. of other Directorships*
			Member	Chairman	
Mr. Satish Dhume	Chairman/Non-Executive Independent Director	00336564	-	-	-
Mr. Vinay Chopra	Managing Director	06543610	-	-	-
Mr. Robert Scannell	Non-Executive Director (NED)	06818489	-	-	-
Ms. Sarita D'Souza	Non-Executive Independent Director	06949439	-	-	-
Ms. Supriya Banerji	Non-Executive Independent Director	05209284	-	-	-
Mr. Francesco L'Abbate	Non-Executive Director (NED)	08063332	-	-	-

[#] Disclosure of Chairmanship & Membership includes only two committee's viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies whether listed or not excluding De Nora India Limited.

* Excludes directorships held in private limited companies, foreign companies and section 8 companies.

Board Meetings

Six Board meetings were held during the year under review and the intervening period between two meetings did not exceed 120 days. These meetings were held on 9th May, 2019, 12th August, 2019, 10th October, 2019, 12th November 2019, 24th December, 2019 and 12th February, 2020.

Agenda papers containing all necessary information/documents are made available to the Board/Committees in advance to enable the Board/Committees to discharge its responsibilities effectively and take informed decisions. Where it was not practicable to attach, or send the relevant information as a part of agenda papers, the same are tabled at the meeting or/ and the representations are made by the concerned managers to the Board, subject to compliance with legal requirements. The information as specified in Schedule II of the Listing Regulations is regularly made available to the Board, whenever applicable, for discussion and consideration.



Key Board Skills, Expertise and Attributes

The Board of Directors of the Company comprises of qualified members in terms of skills, knowledge, experience, personal attributes etc. who contribute and guide the Management towards the effective functioning of the Company. All the Board members are committed to ensure that the Company complies with the highest standards of Corporate Governance.

The Board has identified the following skills/expertise/competencies of the Directors as required in the context of its business and operations and those actually available with the Board:

Name of Director	Skills/ Expertise / Competence
Mr. Satish Dhume, Chairman cum Independent Director	Finance, Audit, Internal control and Risk Management
Mr. Vinay Chopra, Managing Director	Corporate Strategy, Policy decision, and Technical expertise
Mr. Robert Scannell, Non-Executive Director	Technical expertise and Industrial experience
Ms. Sarita D’Souza, Independent Director	Legal and Regulatory knowledge
Ms. Supriya Banerji, Independent Director	Policy Decisions and Corporate Governance
Mr. Francesco L’Abbate, Non-Executive Director	Strategic Due diligence

Independent Directors

Independent Directors are Non-Executive Directors as defined under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations. In terms of the aforesaid provisions, the Independent Directors are appointed for a period of 5 years by the Members of the Company at the General Meetings.

The Company has issued a formal letter of appointment to the Independent Directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment are disclosed on the website of the Company. Further, the Independent Directors have confirmed that they meet the criteria of Independence as mandated by the Listing Regulations and the Companies Act, 2013.

During the financial year under review, the Independent Directors met on 08th May, 2019, to discuss the following:

- Review the performance of the Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairperson of the Company.
- Assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The said meeting was conducted without the attendance of Non-Independent Directors and members of Management. Further, all the Independent Directors of the Company were present at the meeting.

The details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company <https://india.denora.com/company/shareholder-information.html>.

The Board of Directors hereby confirms that in its opinion the Independent Directors fulfil the conditions specified in the Listing Regulations and the Independent Directors are independent of the Management of the Company.

Other Disclosures

The necessary disclosures regarding directorships, memberships and chairmanships in various other Boards and Committees and shareholding in the Company have been made by all the Directors.

None of the Directors hold directorships in more than 8 listed Companies and neither of them served as an Independent Director in more than 7 listed Companies. None of the Directors on the Board is a Member of more than 10 Committees and acts as a Chairman of more than 5 Committees across all Companies in which they are Directors.

Further, the Managing Director of the Company is not serving as an Independent Director on the Board of any other listed Company.

There is no inter-se relationship between any of the Directors of the Company and between Directors and the employees of the Company. None of the Directors held any shares in the Company during the year under review.

Board Committees

The Board of Directors has constituted the following Committees of Directors with adequate delegation of powers to discharge the Company’s requisite business:

Audit Committee

The Company’s Audit Committee comprises of 3 members, all being Non-Executive Directors with a majority being Independent Directors. The Chairman of the Audit Committee, Mr. Satish Dhume is a Non-Executive Independent Director. Ms. Sarita D’Souza and Mr. Robert Scannell act as the other Members of the Audit Committee. All the Members of the Audit Committee are financially literate.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company’s internal controls and financial reporting process and inter alia, performs the following functions: -

- overseeing the Company’s financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;



- reviewing and examining with the Management the quarterly and annual financial statement and the auditors' report thereon before submission to the Board for approval;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval of payment for any other services;
- reviewing about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; reviewing Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- reviewing with Management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- reviewing the functioning of the Whistle Blowing mechanism of the Company.

The Committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

The Audit Committee meets the criteria laid down under Section 177 of the Companies Act, 2013, read with Regulation 18 of the Listing Regulations in terms of its composition, quorum for its meetings, functioning, role and powers etc.

The Committee members met five times during the financial year ended 31st March, 2020 viz: on 9th May, 2019, 12th August, 2019, 10th October, 2019, 12th November, 2019 and 12th February, 2020.

The Company Secretary is the Secretary of the Audit Committee. The Managing Director, the Chief Financial Officer as well as the representatives of the Internal and Statutory Auditors of the Company attend the Committee meetings. The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee.

Nomination & Remuneration Committee ('N&RC')

The Nomination and Remuneration Committee comprises of 3 members, all being Non-Executive Directors and majority being Independent Directors. The Chairperson of the Committee is Ms. Sarita D'Souza, Non-Executive and Independent Director. Mr. Robert Scannell and Ms. Supriya Banerji are other members of the Committee.

The Committee met Three Times during the year under review on 8th May, 2019, 10th October 2019 and 24th December, 2019. The Company Secretary is the Secretary to the Committee.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule-II of the Listing Regulations, the Committee is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director, devising a policy on diversity of Board of Directors. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

The Board has adopted the Policy on Board Diversity and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which are available on the Company's website viz. india.denora.com.

In addition to the duties cast under Section 178 of the Act, the other responsibilities of this Committee are related to Board composition and succession, evaluation of Director's performance, remuneration and other functions.

Stakeholder's Relationship Committee ('SRC')

The Stakeholders' Relationship Committee comprises of 3 members. The Chairperson of the Committee, Ms. Sarita D'Souza is a Non-Executive and Independent Director. Mr. Vinay Chopra, and Mr. Satish Dhume act as the other Members of the Committee.

The terms of reference of the Committee include resolving shareholder grievances including shareholder's complaints relating to transfer/transmission of shares, non-receipt of annual report, non-receipt of dividends declared, etc.

The SRC met twice during the financial year ended 31st March, 2020 viz: on 8th May, 2019 and 12th November 2019. The Company Secretary is the Secretary to the Committee and is the Compliance Officer of the Company, pursuant to the requirements of the Listing Regulations.

Details of Member's / Investor's Complaints

The Company and the Registrar and Transfer Agent of the Company, Bigshare Services Private Limited attends to all the grievances of the Members. During the financial year ended 31st March, 2020, 40 grievances/correspondences were received from the Members. All the grievances have been promptly redressed to the satisfaction of the Members and none of them were pending as on 31st March, 2020.



The details of complaints received, cleared / pending during the Financial Year 2019-20 are given below:

Nature of Complaints	Received	Cleared	Pending
Letters from SEBI / SCORES Site	1	1	0
Letters from Stock Exchanges	1	1	0
Letters from Depositories	0	0	0
Letters from Ministry of Corporate Affairs	0	0	0

Corporate Social Responsibility Committee ('CSR')

The Corporate Social Responsibility Committee comprises Ms. Supriya Banerji, as the Chairperson, Mr. Robert Scannell, Mr. Vinay Chopra and Ms. Sarita D'Souza as the Members of the Committee. The Company Secretary acts as the Secretary to the Committee.

The role of the CSR Committee includes formulating and recommending to the Board the CSR Policy and CSR activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of Company in the area of CSR etc.

During the financial year ended 31st March, 2020, the Committee met one time on 08th May, 2019.

Share Transfer Committee ('STC')

The Share Transfer Committee has been formed to look into share transfer and related applications received from Members, with a view to accelerate the transfer procedures. The Committee comprises the Managing Director and the Chief Financial Officer.

The Committee inter alia considers applications for transfer, transmission, split, consolidation of share certificates and cancellation of any share certificate etc. as per the request received from Members to ensure that share transfers, and other related requests are registered and returned within a period of 15 days from the date of receipt, provided the documents are complete in all respects.

Attendance of Directors / Members at Board and Committee Meeting(s)

The following table shows attendance of Directors at the Board Meeting(s) and statutory Committee Meeting(s) for the year ended 31st March, 2020. Attendance is presented as number of meeting(s) attended, out of the number of meeting(s) required to be attended.

Name	Board Meeting	Audit Committee Meeting	Corporate Social Responsibility Committee Meeting	Nomination & Remuneration Committee Meeting	Stakeholder's Relationship Committee Meeting
Mr. Satish Dhume	6 of 6	5 of 5	-	-	2 of 2
Mr. Vinay Chopra	6 of 6	-	1 of 1	-	2 of 2
Mr. Robert Scannell	3 of 6	3 of 5	1 of 1	2 of 3	-
Ms. Sarita D'Souza	6 of 6	5 of 5	1 of 1	3 of 3	2 of 2
Ms. Supriya Banerji	6 of 6	-	1 of 1	3 of 3	2 of 2
Mr. Francesco L'Abbate	1 of 6	-	-	-	-

The last AGM of the Company held on 26th September, 2019 was attended by all the Members of the Board of Directors except Mr. Robert Scannell and Mr. Francesco L'Abbate who sought leave of absence from attending the meeting. Mr. Satish Dhume attended the Annual General Meeting ('AGM') in the capacity as the Chairman of the Board & Audit Committee and Ms. Sarita D'Souza attended the AGM in the capacity as the Chairperson of the Nomination & Remuneration Committee & Stakeholder's Relationship Committee. Ms. Supriya Banerji attended the AGM in the capacity as the Chairperson of the Corporate Social Responsibility Committee.

REMUNERATION OF DIRECTORS

a. None of the NEDs had any pecuniary relationship or transaction with the Company other than the Director's sitting fees received by them during the year under review.

b. Criteria of Payments to Non-Executive Directors

The NEDs including Independent Directors are entitled to sitting fees for attending the Board and Committee meetings, the quantum of which is determined by the Board subject to the overall limits prescribed under the Companies Act, 2013. The Non-Executive Directors/Independent Directors are not paid any commission on the Net Profits of the Company.



c. Disclosures of Remuneration of Directors

i. Details of remuneration to Directors during the year under review:

Amount (₹) in lakhs

Name of the Director	Sitting fees paid during FY 2019-20	Salary & Allowances	Perquisites & Benefits	Retirement Benefits	Performance linked Incentive	Total
Mr. Vinay Chopra	-	23.70	1.62	3.37	5.69	34.38
Mr. Satish Dhume	0.65	-	-	-	-	0.65
Mr. Francesco L'Abbate	0.05	-	-	-	-	0.05
Mr. Robert Scannell	0.45	-	-	-	-	0.45
Ms. Sarita D'Souza	0.85	-	-	-	-	0.85
Ms. Supriya Banerji	0.50	-	-	-	-	0.50

ii. Details of fixed component and performance linked incentives

The remuneration payable to the Executive Director is governed by the Companies Act, 2013, Listing Regulations and the Nomination and Remuneration Policy of the Company and is subject to approval of the Board and the Members. Remuneration of the Executive Director [i.e. the Managing Director] consists of a fixed salary and a variable performance linked incentive. The performance linked incentive is based on the profits of the Company and individual performance of the Director which is payable to him as an employee of the Company as per Company Policy. The Board on the recommendation of the Nomination and Remuneration Committee determines the variable incentive every year. The terms and conditions of his appointment and remuneration may be varied, altered, increased, enhanced or widened from time to time by the Board, on a yearly basis based on performance as the Board may in its discretion deems fit within the maximum amount payable in accordance with the provisions of the Companies Act, 2013 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 or any amendments made hereafter in this regard. In addition, the Executive Director also receives benefits such as Company car and driver, telephone at home, mobile & internet connectivity, medical reimbursement etc. as per the Company Policy.

As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, these amounts pertaining to the Executive Director are not included above.

iii. Service contracts, notice period & severance fees

The appointment of the Executive Director is governed by resolution passed by the Members of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. The term of appointment of Managing Director as per the resolution passed in the 30th Annual General Meeting of the Company is from 16th July 2019 to 15th July 2022. The notice period for the Executive Director is of three months. No severance fee is payable to the Executive Director.

iv. Stock option details

The Company does not have any Stock Options Scheme for its Directors or employees.

Remuneration Policy and Performance evaluation criteria for Independent Directors

The Board had adopted a Nomination cum Remuneration Policy in accordance with Section 178 of the Companies Act, 2013, the Rules made there under and the provisions of Regulation 19 of the Listing Regulations. The Policy provides for criteria and qualifications for appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel, remuneration to them, Board diversity etc. The policy has been amended from time to time to align it in requirement with the provisions of applicable laws, rules and regulations. The Nomination cum Remuneration Policy is available on the website of the Company: <https://india.denora.com/company/shareholder-information.html>.

The key areas of performance evaluation of individual directors, including Independent Directors are knowledge of business, diligence and preparedness, effective interaction with others, constructive contribution to discussion and strategy, concern for stakeholders, ethical conduct issues etc. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors, the Directors being evaluated had not participated.



GENERAL BODY MEETINGS

1. ANNUAL GENERAL MEETINGS:

Year ended on	AGM	Day & Date	Location	Time	Special Resolution passed
31.03.2017	28 th	Wednesday, September 27, 2017	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403 115	11.00 a.m.	No
31.03.2018	29 th	Wednesday, September 26, 2018			No
31.03.2019	30 th	Thursday, September 26, 2019			Re-appointment of Ms. Sarita D'Souza (DIN 06949439) as an Independent Director

2. POSTAL BALLOT:

Special Resolutions passed through Postal Ballot during the year:

During the year under review, there was no special resolution that was passed through postal ballot.

During the year under review, the Company had issued postal ballot notice dated February 12, 2020 in accordance with the provisions of Section 110 of the Companies Act, 2013. Mr. Umesh P Maskeri, Practicing Company Secretary (COP No. 12704) was appointed as the Scrutinizer for conducting postal ballot in a fair and transparent manner. The voting was conducted through physical mode as well as electronic mode. The Company had engaged the services of CDSL to provide e-voting facility to its Members.

The notice of postal ballot was accompanied with detailed instructions to enable the Members to understand the procedure and manner in which postal ballot voting (including remote e-voting) is to be carried out. The following Ordinary Resolutions were deemed to have been passed on the last date for e-voting and receipt of Postal Ballot forms i.e. on 24th March 2020. The Results of the Postal ballot including the Scrutinizer's Report has been displayed on the website of the Company and CDSL. The resolutions were approved with requisite majority.

Details of voting pattern of the said Postal ballot is as below.

Sr. No.	Particulars	No. & % of votes received	No. & % of votes in favour	No. & % of votes against	Details of invalid votes
1.	To approve Material Related Party Transaction with De Nora Italy S.r.l., Italy upto a maximum aggregate value of ₹ 1,200 Lakhs	175799 (3.3115%)	175798 (99.9999%)	1 (0.0001%)	620 (0.0001%)
2.	To approve increase in limits for Material Related Party Transaction with Industrie De Nora S.p.A., Italy upto a maximum aggregate value of ₹ 550 Lakhs	175799 (3.3115%)	175798 (99.9999%)	1 (0.0001%)	620 (0.0001%)

None of the businesses proposed to be passed at the ensuing AGM require passing a resolution through Postal Ballot.

3. EXTRAORDINARY GENERAL MEETING (EGM):

No EGM was held during the financial year 2019-20.

MEANS OF COMMUNICATION

Quarterly results: Quarterly, half-yearly and annual financial results are published in the 'Business Standard', English newspaper circulating in the whole of India and in 'Lokmat', Marathi newspaper and are also posted on the Company's website; india.denora.com.

Annual Reports: The Annual Reports are emailed to Members and others entitled to receive them. It is also available on the Company's website in a user-friendly and downloadable form.

NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (Listing Centre): Both NEAPS & Listing Centre are web based applications designed for corporates by the respective stock exchanges. The Company submits to NSE all disclosures/intimations, price sensitive information or such other



matters which in its opinion are material and of relevance to the Members through NEAPS portal. Similar filings are also made to BSE on the Listing Centre.

Designated email-id: The Company has also designated email ID: dni.secretarial@denora.com exclusively for investor servicing.

Company Website: Comprehensive information about the Company, its business and operations, press releases and investor information can be viewed at the Company's website india.denora.com. An exclusive section on 'Investors' enables them to access information relating to the Company.

SEBI Complaint Redressal System (SCORES): The investor's complaints are also being processed through the centralized web based complaint redressal system. Through SCORES, the investors can view online, the actions taken and current status of the complaints.

GENERAL SHARE HOLDER INFORMATION

a.	Annual General Meeting	Wednesday, September 23, 2020 at 11.00 a.m. through Video conference (VC)/ Other Audio Visual Means (OAVM) and the registered office located at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim-Goa, is deemed to be venue of the Meeting.
b.	Financial Year	April 1, 2019 to March 31, 2020
c.	Date of Book Closure	17 th September, 2020 (Thursday) to 23 rd September, 2020 (Wednesday) (both days inclusive)
d.	Dividend Payment Date (subject to approval of shareholders)	-
e.	Listing of Shares on Stock Exchanges	National Stock Exchange of India Ltd. Exchange Plaza, 5 th floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400051
f.	Stock Code	DENORA EQ
g.	ISIN	INE244A01016
h.	Listing Fees	Paid to the above Stock Exchange for the year 2019-20
i.	Corporate Identification Number (CIN) of the Company	L31200GA1993PLC001335
j.	Registered Office & Plant location	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115
k.	Registrar and Share Transfer Agent	M/s. Bigshare Services Private Limited, 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri East, Mumbai 400059. Ph. No.: 022 62638200/62638204 Fax No.: 022 62638299 email: info@bigshareonline.com website: www.bigshareonline.com
l.	Details of securities suspended	None
m.	Outstanding GDRs/Warrants/ADRs/ Convertible Instruments, conversion dates and likely impact on equity	None
n.	Commodity Price Risk or Foreign Exchange Risk & Hedging Activities	Nil
o.	Address for correspondence	Registrar and Share Transfer Agent: M/s. Bigshare Services Private Limited: 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri East, Mumbai 400059. Ph. No.: 022-62638200/ 62638204 Registered office of the Company: De Nora India Limited Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim – Goa Ph. No.: 0832-3981100
p.	Details of Compliance Officer	Mr. Shrikant Pai, Company Secretary Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115 Tel. No. 0832 3981100; Email: info.dni@denora.com
q.	E-mail id designated by the Company for Investor Complaints	dni.secretarial@denora.com



r.	Credit Ratings for debt instruments/ fixed deposit scheme	Not applicable
s.	Details of Demat Suspense Account/ Unclaimed Suspense Account	Not applicable
t.	Share Transfer System	
	<p>As per SEBI Notification requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders holding shares in physical form are requested to take action by applying with their respective Depository Participants (DPs) to dematerialize the Equity Shares of the Company.</p> <p>Members holding shares in physical form may please note that instructions regarding transmission, transposition of securities, change of address, bank details, email ids, nomination and power of attorney should be given directly to the Company's RTA M/s. Bigshare Services Private Limited.</p> <p>Transfer of shares held in dematerialized form are done through the depositories with no involvement of the Company. For queries relating to transfer of Shares held in dematerialized form Members should address correspondence to their respective Depository Participants (DPs).</p> <p>As per the requirement of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained half-yearly certificates from Practicing Company Secretary for due compliance of share transfer formalities and filed the same with the Stock Exchanges.</p>	

Market Price Data

Month	National Stock Exchange		Bombay Stock Exchange	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-19	328.05	282.00	330.00	283.20
May-19	329.50	239.00	326.50	240.00
Jun-19	250.80	228.05	251.50	229.75
Jul-19	246.95	211.05	245.00	212.00
Aug-19	256.00	195.95	254.80	193.00
Sept-19	238.00	193.00	245.00	192.05
Oct-19	235.00	195.05	246.00	195.70
Nov-19	258.40	201.00	265.00	200.15
Dec-19	238.30	190.05	238.60	191.00
Jan-20	256.10	209.55	256.00	209.80
Feb-20	249.00	205.00	245.85	206.60
Mar-20	231.90	110.30	232.30	112.20

Share price performance in comparison to broad based indices – NSE Nifty & BSE Sensex

Month	De Nora India Limited		NSE Nifty		BSE Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-19	328.05	282.00	11856.15	11549.10	39487.45	38460.25
May-19	329.50	239.00	12041.15	11108.30	40124.96	36956.10
Jun-19	250.80	228.05	12103.05	11625.10	40312.07	38870.96
Jul-19	246.95	211.05	11981.75	10999.40	40032.41	37128.26
Aug-19	256.00	195.95	11181.45	10637.15	37807.55	36102.35
Sept-19	238.00	193.00	11694.85	10670.25	39441.12	35987.80
Oct-19	235.00	195.05	11945.00	11090.15	40392.22	37415.83
Nov-19	258.40	201.00	12158.80	11802.65	41163.79	40014.23
Dec-19	238.30	190.05	12293.90	11832.30	41809.96	40135.37
Jan-20	256.10	209.55	12430.50	11929.60	42273.87	40476.55
Feb-20	249.00	205.00	12246.70	11175.05	41709.30	38219.97
Mar-20	231.90	110.30	11433.00	7511.10	39083.17	25638.90



Distribution of Shareholding as on 31.03.2020

Range of holding	Number of shares				Number of Shareholders			
	Physical	Demat	Total	%	Physical	Demat	Total	%
1-500	70629	635236	705865	13.30	645	6030	6675	91.25
501-1000	6855	268650	275505	5.19	9	345	354	4.84
1001-5000	9480	431685	441165	8.31	4	225	229	3.13
5001-10000	14960	178323	193283	3.64	2	24	26	0.36
10001-50000	0	485126	485126	9.14	0	25	25	0.34
50001 & above	0	3207690	3207690	60.42	0	6	6	0.08

Shareholding Pattern as on 31.03.2020

Particulars	Equity shares of ₹10 each	
	No. of Shares	%
Promoters (including Promoter Group)	2849500	53.68
Directors and their relatives	-	-
Financial Institutions/Banks	-	-
Clearing Members	101656	1.91
Corporate Bodies	67516	1.27
Trusts	155	0.00
Resident Individuals & HUF	2198558	41.42
Central/State Governments	-	-
Foreign Institutional Investors	-	-
Foreign Portfolio Investors – Corporate	-	-
Non-Resident Indians	69960	1.32
IEPF A/c	21289	0.40
Total	5308634	100.00

Dematerialisation of shares and liquidity

Particulars of shares	Shares of ₹ 10 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL	4232274	79.72	3829	52.34
CDSL	974436	18.36	2826	38.63
Sub-Total	5206710	98.08	6655	90.98
Physical form	101924	1.92	660	9.02
Total	5308634	100.00	7315	100.00

OTHER DISCLOSURES

- All the transactions with related parties are disclosed in the notes annexed to the Audited Financial Statements and the materially significant related party transactions are disclosed in Form AOC – 2 (as applicable) forming part of the Director's Report. The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large.
- There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authority.
- The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said policy has been posted on the Company's website. The Company



affirms that no personnel have been denied access to the Audit Committee.

- (d) All mandatory requirements as per Listing Regulations have been complied with by the Company. The status of compliance with the non-mandatory requirements, as stated under Part E of Schedule-II to the Listing Regulations is as under:

- The Non-Executive Chairman does not maintain any office at the expense of the Company.
- The Company does not send half-yearly financial results including summary of the significant events in the last six months to the household of each shareholder as the financial results are published in the newspapers and posted on the website of the Company and the websites of NSE and BSE.
- Company's financial statements are unqualified.
- The Internal Auditor reports to the Audit Committee of Directors.

- (e) The Company does not have any Subsidiary Company.

- (f) A Policy on Related Party Transactions formulated pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and approved by the Board is available on the website of the Company at <https://india.denora.com/company/shareholder-information.html>.

- (g) During the year, the Company did not raise any money through public issue, right issue, preferential issue or qualified institutions placement.

- (h) During the year under review there was no instance where the Board of Directors had not accepted the recommendations of Board Committees.

- (i) The total fees paid by the Company to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part for all the services rendered for the FY 2019-20 is as below.

Particulars	Amount (₹)
Audit fees for statutory auditors	17,50,000
Tax audit	2,00,000
Re-imbursement of expenses	1,05,093
Total	20,55,093

- (j) Disclosure in respect of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is provided in the Director's Report.

- (k) The Company has complied with the applicable corporate governance requirements as stipulated in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations 2015.

- (l) Declaration signed by Managing Director stating that the members of Board of Directors and Senior Management personnel have affirmed compliance with Code of Conduct of Board of Directors and Senior Management is annexed herewith as part of the report.

- (m) A certificate from a Company Secretary in practice that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed herewith as part of the report.

- (n) Compliance Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed herewith as part of the report.



**PRACTISING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE**

To,
The Members
DE NORA INDIA LIMITED

I have examined the compliance of conditions of Corporate Governance by **DE NORA INDIA LIMITED** (the Company), for the financial year ended on **31st March, 2020**, as stipulated under the relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors & the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further 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.

Sadashiv V. Shet
PRACTISING COMPANY SECRETARY
CP No.: 2540; Membership No.: 2477
UDIN:F002477B000312371

Place: Panjim, Goa
Date: June 03, 2020



**PRACTICING COMPANY SECRETARY'S CERTIFICATE UNDER SUB-PARA 10(i) OF PART C
OF SCHEDULE V OF SEBI (LODR), REGULATIONS, 2015**

To,
The Members
DE NORA INDIA LIMITED

I, Sadashiv V Shet, Practicing Company Secretary, hereby certify that I have examined and verified the records, books and papers of the Company **DE NORA INDIA LIMITED** as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder, as regards the Directors of the Company for the Financial Year ended on 31st March, 2020.

I further certify that based on the examinations carried out by me and the explanations and representations furnished to me by the said Company, its officers and agents, none of the Directors on the Board of the Company as stated below for the financial year ended 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI or Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of the Director	DIN	Category
1.	Vinay Chopra	06543610	Managing Director
2.	Robert Scannell	06818489	Non - Executive Director
3.	Sarita Clifford D'Souza	06949439	Non - Executive cum Independent Director
4.	Francesco L'Abbate	08063332	Non - Executive Director
5.	Supriya Banerji	05209284	Non - Executive cum Independent Director
6.	Satish Dhume	00336564	Independent Director cum Chairman

Sadashiv V. Shet
PRACTISING COMPANY SECRETARY
CP No.: 2540; Membership No.: 2477
UDIN: F002477B000312380

Place: Panjim, Goa
Date: June 03, 2020

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and Senior Management of the Company, which has been posted on the website of the Company. It suitably incorporates the duties of the Independent Directors as laid down in the Companies Act, 2013.

It is hereby affirmed that all the Directors and Senior Management personnel have complied with the code of conduct framed by the Company for the Financial Year 2019-20 and a confirmation to that effect has been obtained from all the Directors and Senior Management.

For De Nora India Limited

Vinay Chopra
Managing Director
DIN: 06543610

Place: Kundaim, Goa
Date: June 03, 2020



INDEPENDENT AUDITOR'S REPORT

To The Members of De Nora India Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of De Nora India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the 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.

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 Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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 (ICAI) 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.

Emphasis of Matter

We draw attention to Note 43 to the Financial Statements which describes the management's assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that no impact is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements. However, in view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

1. Revenue Recognition

The Company's revenue is derived from sale and service activities relating to electrolytic and water technology products. The Company recognises revenue when performance obligations as per the underlying contracts are satisfied. The terms set out in the Company's sales contracts are varied which affect the timing of revenue recognition. Revenue recognition was identified as a Key Audit Matter because revenue is one of the key performance indicators and is subject to inherent risk of misstatement due to management judgement involved in the timing of revenue recognition.

Our audit procedures to assess the recognition of revenue included the following –

- a. Evaluating the design, implementation and operating effectiveness of internal controls over the existence, accuracy and timing of revenue recognition.
- b. Identifying the performance obligations under the contract to validate for the sample of transactions selected that the revenue is recognised and recorded in the period in which the performance obligation is satisfied.
- c. Performed substantive transactional testing for a sample of transactions and applied analytical procedures to validate the recognition of revenue.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures, 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

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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss(including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow 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, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020,taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - (g) 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 39 to the Financial Statements;
 - ii. The Company did not have any long term contracts, including derivative contracts, for which there were material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra
Partner

Place : Pune
Date : June 03, 2020

Membership No. 061083
UDIN: 20061083AAAACG100



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF DE NORA INDIA LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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 internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra
Partner
Membership No. 061083
UDIN: 20061083AAAACG100

Place : Pune
Date : June 03, 2020



ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DE NORA INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2020.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of De Nora India Limited on the Financial Statements for the year ended March 31, 2020]

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
- (b) All the fixed assets (Property, Plant and Equipment) have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provision of section 186 of the Act. Accordingly provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits in accordance with the provisions of 73 to 76 of the Act and the rules framed thereunder.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and records examined by us, the Company has been generally regular in depositing undisputed statutory dues relating to investor education and protection fund, income tax, goods and service tax, custom duty, professional tax, provident fund, employees state insurance, and other statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding undisputed statutory dues as at March 31, 2020 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which has not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the banks. The Company does not have dues to financial institutions and has not issued any debentures and therefore repayment to financial institutions and debenture holders is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, 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.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, 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.



- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under India Accounting Standards (Ind AS) 24, "Related Party Disclosures" specified under Section 133 of the Act, read with relevant rules issued thereunder.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, 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 stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra
Partner
Membership No. 061083
UDIN: 20061083AAAACG100

Place : Pune
Date : June 03, 2020



ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DE NORA INDIA LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of De Nora India Limited on the Financial Statements for the year ended March 31, 2020]

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

We have audited the internal financial controls with reference to Financial Statements of De Nora India Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements 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) (the "Guidance Note"). 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

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls 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.

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 with reference to Financial Statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A Company's internal financial control 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 control 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

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 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

In our opinion, the Company has, in all material respects, internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2020, based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Anup Mundhra
Partner
Membership No. 061083
UDIN: 20061083AAAACG100

Place : Pune
Date : June 03, 2020



BALANCE SHEET

As at 31 March, 2020

[All amount in INR, unless otherwise stated]

	Notes	As at 31 st March 2020	As at 31 st March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,21,21,124	6,25,84,846
Capital work-in-progress		58,73,041	25,98,807
Other intangible assets	5	3,99,84,180	5,67,52,196
Financial assets			
Investments	6	5,35,500	12,86,500
Other financial assets	7	-	84,85,693
Deferred tax asset (net)	29	77,41,778	51,17,231
Other non-current assets	8	1,80,25,755	2,96,13,052
Total non-current assets		13,42,81,378	16,64,38,325
Current assets			
Inventories	9	25,96,48,917	16,95,19,612
Financial assets			
Investments	6	4,67,81,004	13,47,02,852
Trade receivables	10	12,84,84,008	5,50,07,569
Cash and cash equivalents	11	2,41,12,508	1,52,79,157
Bank balances other than cash and cash equivalent	12	12,02,74,023	10,15,65,831
Loans and Deposits	13	15,47,871	12,50,726
Other current assets	14	3,69,45,271	93,85,481
Total current assets		61,77,93,602	48,67,11,228
Total assets		75,20,74,980	65,31,49,553
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	5,30,86,340	5,30,86,340
Other equity	16	56,02,43,886	47,91,68,356
Total equity		61,33,30,226	53,22,54,696
Liabilities			
Non-current liabilities			
Provisions	17	7,48,652	76,07,263
Total non-current liabilities		7,48,652	76,07,263
Current liabilities			
Financial liabilities			
Borrowings	18	76,72,693	-
Trade payables	19	4,56,50,560	5,97,29,276
Other financial liabilities	20	72,35,137	1,17,72,191
Provisions	17	1,03,39,685	40,55,577
Other current liabilities	21	6,70,98,027	3,77,30,550
Total current liabilities		13,79,96,102	11,32,87,594
Total liabilities		13,87,44,754	12,08,94,857
Total equity and liabilities		75,20,74,980	65,31,49,553
See accompanying notes to the financial statements	1-44		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.:105047W

Anup Mundhra

Partner

Membership No: 061083

Place : Pune

Date : June 03, 2020

For and on behalf of the Board of Directors

De Nora India Limited

CIN: L31200GA1993PLC001335

Satish Dhume

Chairman

DIN : 00336564

Deepak Nagvekar

Chief Financial Officer

Place : Kundaim, Goa

Date : June 03, 2020

Vinay Chopra

Managing Director

DIN : 06543610

Shrikant Pai

Company Secretary



STATEMENT OF PROFIT AND LOSS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

	Notes	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Income			
Revenue from operations	22	48,27,67,313	32,78,33,674
Other income	23	2,41,27,943	3,98,61,536
Total income		50,68,95,256	36,76,95,210
Expenses			
Cost of raw material consumed	24	20,73,37,727	19,23,53,915
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	(63,02,029)	(7,26,29,565)
Employee benefits expense	26	5,20,42,783	6,49,46,991
Depreciation and amortization expense	27	2,59,26,480	2,53,07,339
Other expenses	28	12,43,58,335	13,95,13,472
Total expenses		40,33,63,296	34,94,92,152
Profit before tax		10,35,31,960	1,82,03,058
Tax expense			
Current tax			
For current year profits	29	2,62,32,328	9,74,111
Adjustments for earlier years	29	(11,73,326)	50,262
Deferred tax charge/ (benefit)	29	(28,08,027)	13,08,354
Total income tax expense		2,22,50,975	23,32,727
Profit for the year		8,12,80,985	1,58,70,331
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Changes in fair value of FVTOCI equity Securities		(7,51,000)	(1,36,501)
Remeasurement of net defined benefit liability		7,29,027	(11,72,546)
Income tax relating to the above items		(1,83,481)	3,26,202
Other comprehensive income for the year, net of tax		(2,05,455)	(9,82,845)
Total comprehensive income for the year		8,10,75,530	1,48,87,486
Earnings per share			
Basic earnings per share (INR)	30	15.31	2.99
Diluted earnings per share (INR)	30	15.31	2.99
See accompanying notes to the financial statements	1-44		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.:105047W

Anup Mundhra

Partner

Membership No: 061083

Place : Pune

Date : June 03, 2020

For and on behalf of the Board of Directors

De Nora India Limited

CIN: L31200GA1993PLC001335

Satish Dhume

Chairman

DIN : 00336564

Deepak Nagvekar

Chief Financial Officer

Place : Kundaim, Goa

Date : June 03, 2020

Vinay Chopra

Managing Director

DIN : 06543610

Shrikant Pai

Company Secretary



STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March, 2020 [All amount in INR, unless otherwise stated]

(A) Equity share capital

	As at 31 st March 2020		As at 31 st March 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares of [Face value] each issued, subscribed and fully paid				
Opening	53,08,634	5,30,86,340	53,08,634	5,30,86,340
Add: issue during the year	-	-	-	-
Closing	53,08,634	5,30,86,340	53,08,634	5,30,86,340

(B) Other equity

	Reserve and surplus			Items of OCI		Total	
	Securities premium reserve	Capital Redemption Reserve	General reserve	Retained earnings	FVTOCI Reserve on defined benefit plan		FVTOCI Reserve on equity instruments
Balance as at 1 April 2018	7,36,07,945	24,65,000	7,06,76,362	32,26,37,784	40,619	12,53,000	47,06,80,710
Profit for the year	-	-	-	1,58,70,331	-	-	1,58,70,331
Other comprehensive income	-	-	-	-	(8,46,344)	(1,36,501)	(9,82,845)
Total other comprehensive income for the year	-	-	-	1,58,70,331	(8,46,344)	(1,36,501)	1,48,87,486
Dividend on Equity Shares paid during the year	-	-	-	(53,08,634)	-	-	(53,08,634)
Dividend Distribution Tax paid	-	-	-	(10,91,206)	-	-	(10,91,206)
Balance as at 31 March 2019	7,36,07,945	24,65,000	7,06,76,362	33,21,08,275	(8,05,725)	11,16,499	47,91,68,356
Balance as at 1 April 2019	7,36,07,945	24,65,000	7,06,76,362	33,21,08,275	(8,05,725)	11,16,499	47,91,68,356
Profit for the year	-	-	-	8,12,80,985	-	-	8,12,80,985
Other comprehensive income	-	-	-	-	5,45,545	(7,51,000)	(2,05,455)
Total other comprehensive income for the year	-	-	-	8,12,80,985	5,45,545	(7,51,000)	8,10,75,530
Dividend on Equity Shares paid during the year	-	-	-	-	-	-	-
Dividend Distribution Tax paid	-	-	-	-	-	-	-
Balance as at 31 March 2020	7,36,07,945	24,65,000	7,06,76,362	41,33,89,260	(2,60,180)	3,65,499	56,02,43,886

See accompanying notes to the financial statements

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.: 105047W

For and on behalf of the Board of Directors

De Nora India Limited

CIN: L31200GA1993PLC001335

Anup Mundhra

Partner

Membership No: 061083

Place : Pune

Date : June 03, 2020

Satish Dhume

Chairman

DIN : 00336564

Place : Kundaime, Goa

Date : June 03, 2020

Vinay Chopra

Managing Director

DIN : 06543610

Deepak Nagvekar

Chief Financial Officer

Shrikant Pai

Company Secretary



STATEMENT OF CASH FLOW

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

	Note	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Cash flow from operating activities			
Profit before tax		10,35,31,960	1,82,03,058
Adjustments for:			
Depreciation and amortization expenses		2,59,26,480	2,53,07,339
Interest income		(1,01,18,770)	(77,90,734)
Provision for estimated loss (EPC Contract)		-	2,49,61,819
Liabilities written back		(15,00,000)	(23,00,000)
(Gain)/ loss on sale of fixed assets		3,35,491	17,722
Net unrealised gain on foreign exchange		(5,26,425)	2,00,582
Provision/ (Reversal) of Doubtful/ Bad Debts (net)		(25,86,041)	7,38,000
Provision withdrawn for warranty (net)		63,00,000	(98,46,052)
Provision for obsolete Stock		53,29,486	7,56,026
Dividend received		(52,38,029)	(82,66,121)
Gain on sale of investment		(9,08,202)	-
Fair value change in Investment		(25,729)	(1,12,022)
Operating Profit before working capital changes		12,05,20,221	4,18,69,617
Changes in working capital			
Decrease/ (Increase) in inventories		(9,54,58,791)	(11,46,63,801)
Decrease/ (Increase) in trade receivables		(7,02,46,279)	(82,42,283)
Decrease/ (increase) in other financial assets		84,85,693	(4,79,148)
Decrease/ (increase) in current assets		(2,78,56,935)	1,17,18,773
(Decrease)/ Increase in trade payables		(1,41,96,336)	1,45,44,543
(Decrease)/ Increase in other financial liabilities		(39,56,392)	(3,05,23,039)
(Decrease)/ Increase in provisions		(61,45,477)	13,82,515
(Decrease)/ increase in other current liabilities		2,93,67,477	2,65,89,727
Cash generated used in operations		(5,94,86,819)	(5,78,03,096)
Income tax refund		1,04,03,520	52,91,401
Income tax paid		(2,32,71,551)	(80,23,703)
Net cash flows used in operating activities (A)		(7,23,54,850)	(6,05,35,398)



STATEMENT OF CASH FLOW

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

	Note	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Cash flow from Investing activities			
Payment for property, plant and equipment and intangible assets		(1,19,93,803)	(87,32,073)
Purchase of Investments		(4,58,59,300)	(9,32,66,124)
Proceeds from sales of investments		13,47,15,005	16,00,00,000
Proceeds from sale/ disposal of fixed assets		5,000	-
Net investment in fixed deposits		(1,87,08,193)	(1,25,423)
Interest received		1,01,18,770	77,90,734
Dividend received		52,38,029	82,66,121
Net cash flow from investing activities (B)		7,35,15,508	7,39,33,235
Cash flow from Financing activities			
Proceeds from short-term borrowings		76,72,693	-
Dividend and Distribution Tax paid		-	(63,99,840)
Net cash flow from financing activities (C)		76,72,693	(63,99,840)
Net increase in cash and cash equivalents (A+B+C)		88,33,351	69,97,997
Cash and cash equivalents at the beginning of the year		1,52,79,157	82,81,160
Cash and cash equivalents at the end of the year		2,41,12,508	1,52,79,157
Cash and cash equivalents comprise (Refer note 16)			
Balances with banks			
On current accounts		2,40,56,473	1,43,86,140
In exchange earner's foreign currency accounts		-	8,81,976
Cash on hand		56,035	11,041
Total cash and bank balances at end of the year		2,41,12,508	1,52,79,157
See accompanying notes to the financial statements	1-44		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.:105047W

Anup Mundhra

Partner

Membership No: 061083

Place : Pune

Date : June 03, 2020

For and on behalf of the Board of Directors

De Nora India Limited

CIN: L31200GA1993PLC001335

Satish Dhume

Chairman

DIN : 00336564

Deepak Nagvekar

Chief Financial Officer

Place : Kundaim, Goa

Date : June 03, 2020

Vinay Chopra

Managing Director

DIN : 06543610

Shrikant Pai

Company Secretary



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

1. General Information

De Nora India Limited ("the Company" or "De Nora") was incorporated in June 1989 as Titanor Components Limited ('Titanor') and commenced business in November 1989. The Company's name was changed to De Nora India Limited on 27 June 2007. The Company has been incorporated under the provisions of the Companies Act and its equity shares are listed on National Stock Exchange (NSE) in India. The Company has its manufacturing facilities at Kundaim, Goa which is also its principal place of business and is involved in the business of manufacturing and servicing of Electrolytic products.

2. Significant accounting policies

Significant accounting policies adopted by the Company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain Financial Assets and Financials Liabilities	Fair Value
Net Defined Benefit(asset)/liability	Present value of defined benefit obligation less fair value of plan assets

(c) 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 to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

(e) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Rupee, unless otherwise indicated.

2.2 Property, plant and equipment

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. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other



incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

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 Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

Depreciation methods, estimated useful lives

The Company depreciates Property, plant and equipments using the straight line method over their estimated useful lives as under :

Property, plant and equipment	
Leasehold improvement*	Lease period
Building	30 years
Plant & Machinery	15 years
Furniture and Fixtures	10 years
Vehicles	5 years
Office Equipment	5 years
Computers	3 years

* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Computer Software	3-5 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements 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.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.



All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

2.5 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ♦ In the principal market for the asset or liability, or
- ♦ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ♦ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ♦ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ♦ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.6 Revenue Recognition

Sale of goods

Revenue from the sale of goods is recognised when the Company satisfies the performance obligation by transferring promised goods to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, Goods and Services Tax (GST) and amounts collected on behalf of third party.

Rendering of services

The Company primarily earns revenue from recoating / repairs of electrolytic products. Revenue from recoating / repairs of electrolytic products is recognized in accordance with the terms of the contract with customers when the identified performance obligation is completed. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of Goods and Services Tax (GST) and amounts collected on behalf of third party.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend from investment is recognised as revenue when right to receive is established.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. 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.



(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in 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 year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised 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.

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 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 and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Leases

As a lessee

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

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the 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.

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Work in progress and manufactured finished goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

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

The comparison of cost and net realizable value is made on item by item basis.



2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighing of all possible outcomes by their associated probabilities.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed 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.

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured 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.



(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

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

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. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 15-quarters ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 15 quarters ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 15 quarters ECL is a portion of the lifetime ECL which results from default events that are possible within 15 quarters after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial



instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 90 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) 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 financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) 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.



2.14 Employee Benefits

(a) 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 year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: 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, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

(iii) Other long term employee benefit obligations

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.15 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.16 Segment reporting

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

The Company operates in two reportable segments i.e "Electrode Technologies" and "Water Technologies".



2.17 Rounding off amounts

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

3. Significant accounting judgments, estimates and assumptions

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2020 are as below :

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end 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.

(a) Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

(b) Impairment of non financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

(c) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

(d) Revenue Recognition

The Company derives significant revenue from recoating / repairs of electrolytic products. Such revenue is recognised in accordance with the terms of the contracts when identified performance obligation is completed. The terms of the contracts are varied which affects the identification of performance obligation, allocation of transaction price to the performance obligation and timing of revenue recognition. The Company exercises the significant judgment In assessing the performance obligation and timing of revenue recognition.

3.2. Ministry of Corporate affairs ("MCA") notifies new standard or amendments to the existing standards. There are neither new standards nor amendments to existing standards which are effective for the annual period beginning from April 01, 2020.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

4 Property, plant and equipment

	Gross block				Depreciation				Net block			
	As at 1 st April 2019	Additions/ Adjustments	Deductions/ Adjustments	Assets classified as held for sale	As at 31 st March 2020	As at 1 st April 2019	For the year	Deductions/ Adjustments	Assets classified as held for sale	As at 31 st March 2020	As at 1 st April 2019	
Owned assets												
Leasehold Improvement	10,84,260	-	-	-	10,84,260	58,574	19,583	-	-	78,157	10,06,103	10,25,686
Office building	17,31,381	-	-	-	17,31,381	1,29,460	43,283	-	-	1,72,743	15,58,638	16,01,921
Factory building	2,47,21,285	-	-	-	2,47,21,285	54,21,084	18,47,599	-	-	72,68,883	1,74,52,602	1,93,00,201
Plant and Machinery	4,61,05,238	68,26,953	95,97,818	-	4,33,34,373	1,07,86,030	45,60,182	92,64,765	-	60,81,447	3,72,52,925	3,53,19,208
Furniture and Fixtures	25,02,994	44,863	-	-	25,47,857	9,09,330	2,85,346	-	-	11,94,676	13,53,181	15,93,664
Vehicles	24,95,951	-	-	-	24,95,951	8,23,156	3,24,714	-	-	11,47,870	13,48,081	16,72,795
Office Equipment	43,42,631	9,18,702	5,37,655	-	47,23,677	26,36,145	6,49,752	5,30,217	-	27,55,680	19,67,997	17,06,486
Computers	18,03,792	98,490	64,995	-	18,37,287	14,38,907	2,81,779	64,995	-	16,55,691	1,81,596	3,64,885
Total	8,47,87,532	78,89,008	1,02,00,468	-	8,24,76,071	2,22,02,686	80,12,238	98,59,977	-	2,03,54,947	6,21,21,124	6,25,84,846
Owned assets												
Leasehold Improvement	10,84,260	-	-	-	10,84,260	39,032	19,542	-	-	58,574	10,25,686	10,45,228
Office building	17,31,381	-	-	-	17,31,381	86,266	43,194	-	-	1,29,460	16,01,921	16,45,115
Factory building	2,47,21,285	-	-	-	2,47,21,285	35,77,281	18,43,803	-	-	54,21,084	1,93,00,201	2,11,44,004
Plant and Machinery	4,33,75,986	45,11,548	17,82,296	-	4,61,05,238	82,35,698	43,14,908	17,64,576	-	1,07,86,030	3,53,19,208	3,51,40,288
Furniture and Fixtures	22,68,361	2,34,633	-	-	25,02,994	6,32,217	2,77,113	-	-	9,09,330	15,93,664	16,36,144
Vehicles	24,95,951	-	-	-	24,95,951	4,76,042	3,47,114	-	-	8,23,156	16,72,795	20,19,909
Office Equipment	40,77,197	2,65,434	-	-	43,42,631	19,88,149	6,47,996	-	-	26,36,145	17,06,486	20,89,048
Computers	16,77,373	1,26,419	-	-	18,03,792	9,58,872	4,80,035	-	-	14,38,907	3,64,885	7,18,501
Total	8,14,31,794	51,38,034	17,82,296	-	8,47,87,532	1,59,93,557	79,73,705	17,64,576	-	2,22,02,686	6,25,84,846	6,54,38,237



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

5 Other intangible assets

	Gross block				Depreciation				Net block		
	As at 1 st April 2019	Additions/ Adjustments	Deductions/ Adjustments	Assets classified as held for sale	As at 31 st March 2020	As at 1 st April 2019	For the year	Deductions/ Adjustments	Assets classified as held for sale	As at 31 st March 2020	As at 1 st April 2019
Computer Software	8,67,29,462	-	11,46,225	-	8,78,75,687	2,99,77,266	1,79,14,242	-	-	3,99,84,180	5,67,52,196
Total	8,67,29,462	-	11,46,225	-	8,78,75,687	2,99,77,266	1,79,14,242	-	-	3,99,84,180	5,67,52,196

	Gross block				Depreciation				Net block		
	As at 1 st April 2018	Additions/ Adjustments	Deductions/ Adjustments	Assets classified as held for sale	As at 31 st March 2019	As at 1 st April 2018	For the year	Deductions/ Adjustments	Assets classified as held for sale	As at 31 st March 2019	As at 1 st April 2018
Computer Software	8,51,88,415	-	15,41,047	-	8,67,29,462	1,26,43,632	1,73,33,634	-	-	2,99,77,266	7,25,44,783
Total	8,51,88,415	-	15,41,047	-	8,67,29,462	1,26,43,632	1,73,33,634	-	-	2,99,77,266	7,25,44,783



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

6 Financial Assets- Investments

	As at 31 st March 2020	As at 31 st March 2019
Non Current Investments		
Fair value through Other Comprehensive Income (FVOCI)		
Quoted equity shares		
10,000 (31 March 2019 : 10,000) equity shares of Bank of Baroda of Rs 2 each, (31 March 2019 : Rs.2 each) fully paid-up	5,35,500	12,86,500
	5,35,500	12,86,500
Current Investments		
Fair value through profit and loss (FVTPL)		
- Investments in Mutual Funds (unquoted) (Refer footnote i)	4,67,81,004	13,47,02,852
	4,67,81,004	13,47,02,852
Current	4,67,81,004	13,47,02,852
Non- Current	5,35,500	12,86,500
	4,73,16,504	13,59,89,352
Aggregate book value of:		
Mutual Funds (unquoted)	4,67,81,004	13,47,02,852
Aggregate market value of:		
Mutual Funds (unquoted)	4,67,81,004	13,47,02,852
Aggregate amount of impairment in value of Investments	-	-

Footnotes:

i. Details of investments in Mutual Funds designated at FVTPL:

Particulars	Number of units		Amount (in Rs.)	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
HDFC Cash Management Fund - Savings Plan - daily dividend reinvestment	33,302	47,429	3,54,21,562	5,04,47,677
HDFC Liquid Fund - Direct Plan - Dividend - Daily Reinvest	11,116	19,810	1,13,33,713	2,02,02,264
Tata Floater Fund - Plan A - weekly dividend payout	-	61,565	-	6,21,88,812
Tata Floater Fund - Growth Plan	649	649	25,729	18,64,097
	45,067	1,29,453	4,67,81,004	13,47,02,850

7 Other financial assets (non current)

	As at 31 st March 2020	As at 31 st March 2019
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date.	-	84,85,693
	-	84,85,693



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

8 Other non-current assets

	As at 31 st March 2020	As at 31 st March 2019
Capital advance*	6,61,719	58,045
Advance income tax (net of provisions amounting to Rs. 8,28,71,066/- (31 st March 2019 - Rs. 6,20,19,211/-))	1,73,64,036	2,95,55,007
Total other non-current assets	1,80,25,755	2,96,13,052

* Value of contracts in capital account remaining to be executed as at 31 March 2020 is Rs. 44,34,766/- (31 March 2019: Rs. 4,58,295/-)

9 Inventories

	As at 31 st March 2020	As at 31 st March 2019
Raw material in stock (At cost)	15,56,65,790	7,35,42,937
Raw material in transit	44,21,349	27,16,926
Work in progress in stock (At cost)	9,06,06,075	8,40,88,126
Finished goods in stock (At lower of cost and net realizable value)	89,55,703	91,71,623
	25,96,48,917	16,95,19,612

10 Trade receivable

	As at 31 st March 2020	As at 31 st March 2019
Secured, considered good	-	-
Unsecured		
-Considered good	12,84,84,008	5,50,07,569
-Considered doubtful	84,84,384	1,16,66,518
Less : Allowance for bad and doubtful debts	(84,84,384)	(1,16,66,518)
	12,84,84,008	5,50,07,569
Further classified as:		
Receivable from related parties (Refer Note 32)	6,30,18,454	13,03,938
Receivable from others	6,54,65,554	5,37,03,631
	12,84,84,008	5,50,07,569

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

11 Cash and cash equivalents

	As at 31 st March 2020	As at 31 st March 2019
Balances with banks:		
On current accounts	2,40,56,473	1,43,86,140
In exchange earner's foreign currency accounts	-	8,81,976
Cash on hand	56,035	11,041
	2,41,12,508	1,52,79,157



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

12 Bank balances other than Cash and cash equivalent

	As at 31 st March 2020	As at 31 st March 2019
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date*	11,89,93,512	10,00,00,000
Earmarked Balances - Unpaid dividend #	12,80,511	15,65,831
	12,02,74,023	10,15,65,831

* Lien on FDR amounting to Rs. 3,41,13,455/- (31st March 2019 - Rs. 3,28,30,957/-) against bank overdraft of Rs. 76,72,693/- (31st March 2019 - Rs. Nil/-) and bank gurarantee amounting to Rs. 2,64,40,762/- (31st March 2019 - Rs. 3,28,30,957/-).

Amount restricted in use on account of unpaid dividend. No amount is due to be transferred to the Investors Education & Protection Fund as at 31st March 2020 (31st March 2019 - Rs. Nil).

13 Current financial assets - Loans and Deposits

	As at 31 st March 2020	As at 31 st March 2019
<u>Unsecured, considered good</u>		
Loan to Staff	11,32,076	8,50,017
Security deposits	4,15,795	4,00,709
	15,47,871	12,50,726

14 Other current assets

	As at 31 st March 2020	As at 31 st March 2019
Advance recoverable in kind	96,48,209	29,81,890
Balance with Government authorities	2,30,75,498	36,93,751
Revenue deposit with Customs authorities	2,27,623	2,27,623
Prepaid expenses	10,97,207	7,63,119
Other receivables	28,96,734	17,19,098
Total Other current assets	3,69,45,271	93,85,481



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

15 Share capital

(a) Equity shares

	As at 31 st March 2020	As at 31 st March 2019
Authorized		
1,00,00,000 (31 st March 2019 - 1,00,00,000) Equity shares of Rs. 10 each	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000
Issued, subscribed and paid up		
53,08,634 (31 st March 2019 - 53,08,634) Equity Shares of Rs. 10 each fully paid	5,30,86,340	5,30,86,340
Total	5,30,86,340	5,30,86,340

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 st March 2020		As at 31 st March 2019	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	53,08,634	5,30,86,340	53,08,634	5,30,86,340
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	53,08,634	5,30,86,340	53,08,634	5,30,86,340

(c) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Shares held by the holding Company

	As at 31 st March 2020	As at 31 st March 2019
Oronzio De Nora International B. V.	28,49,500	28,49,500

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

Name of the shareholder	As at 31 st March 2020		As at 31 st March 2019	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of Rs. 10 each fully paid				
Oronzio De Nora International B. V.	28,49,500	53.68%	28,49,500	53.68%



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

16 Other equity

(A) Securities premium reserve (SPR)*

	As at 31 st March 2020	As at 31 st March 2019
Opening balance	7,36,07,945	7,36,07,945
Add : Securities premium credited on share issue	-	-
Closing balance	7,36,07,945	7,36,07,945

*SPR record premium on issue of shares to be utilized in accordance with the Companies Act, 2013.

(B) General reserve (GR)*

	As at 31 st March 2020	As at 31 st March 2019
Opening balance	7,06,76,362	7,06,76,362
Add: movement during the year	-	-
Closing balance	7,06,76,362	7,06,76,362

* GR is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

(C) Capital redemption reserve (CRR)*

	As at 31 st March 2020	As at 31 st March 2019
Opening balance	24,65,000	24,65,000
Movement during the year	-	-
Closing balance	24,65,000	24,65,000

* CRR up to the nominal value of shares is created out of distributable profit for buyback of shares as per the Act.

(D) Surplus/(deficit) in the Statement of Profit and Loss

	As at 31 st March 2020	As at 31 st March 2019
Opening balance	33,21,08,275	32,26,37,784
Add: Net Profit for the current year	8,12,80,985	1,58,70,331
Dividend on Equity Shares	-	(53,08,634)
Corporate Tax paid on Dividend	-	(10,91,206)
Closing balance	41,33,89,260	33,21,08,275

(E) Investments FVTOCI Reserve on equity instruments

	As at 31 st March 2020	As at 31 st March 2019
Opening balance	11,16,499	12,53,000
Fair valuation changes for the year (net of tax affect)	(7,51,000)	(1,36,501)
Closing balance	3,65,499	11,16,499

(F) FVTOCI reserve on defined benefit plan (net of tax)

	As at 31 st March 2020	As at 31 st March 2019
Opening Balance	(8,05,725)	40,619
Remeasurement gain / (loss) on defined bebefit plans (net of tax)	5,45,545	(8,46,344)
Closing balance	(2,60,180)	(8,05,725)
Total other equity	56,02,43,886	47,91,68,356



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

17 Provisions

	Long term		Short term	
	As at 31 st March 2020	As at 31 st March 2019	As at 31 st March 2020	As at 31 st March 2019
Provision for employee benefits (Refer note 31)				
Provision for gratuity (funded)	2,12,141	38,49,601	-	-
Provision for leave encashment (funded)	5,36,511	37,57,662	66,885	82,777
	7,48,652	76,07,263	66,885	82,777
Other provisions				
Provision for warranties (Refer note 38)	-	-	1,02,72,800	39,72,800
	-	-	1,02,72,800	39,72,800
Total Provisions	7,48,652	76,07,263	1,03,39,685	40,55,577

18 Short-Term Borrowings

	As at 31 st March 2020	As at 31 st March 2019
Secured, from bank		
-Overdrawn bank balances#	76,72,693	-
	76,72,693	-

The above facility from the bank is secured by lien on Fixed Deposit of the Company (Refer Note 12)

19 Trade payables

	As at 31 st March 2020	As at 31 st March 2019
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,56,50,560	5,97,29,276
Total trade payables (I)	4,56,50,560	5,97,29,276

*Based on the information available with the Company, there are no outstanding dues and payments made during the year to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

20 Other financial liabilities

	As at 31 st March 2020	As at 31 st March 2019
Other financial liabilities at amortised cost		
Employee Payable	44,31,426	96,02,498
Unpaid Dividend #	12,80,511	15,65,831
Capital creditors	15,23,200	6,03,863
Total other financial liabilities (II)	72,35,137	1,17,72,191
Total financial liability (I+II)	5,28,85,697	7,15,01,467

During the year unpaid dividend of Rs. 2,74,926/- was transferred to Investor Education Protection Fund on August 05, 2019.

21 Other current liabilities

	As at 31 st March 2020	As at 31 st March 2019
Statutory due payable	11,25,077	13,90,283
Advance from customer	6,59,72,950	3,63,40,267
Total other current liabilities	6,70,98,027	3,77,30,550



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

22 Revenue from operations

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Sale of goods	10,23,07,414	10,74,46,297
Sale of services	37,99,78,138	21,98,19,937
Sale of Scarp	4,81,761	5,67,440
Total revenue from operations	48,27,67,313	32,78,33,674

23 Other income

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Interest income		
- On deposits with bank	79,05,898	70,44,998
- On income taxes	20,08,840	6,49,739
- On Others	2,04,032	95,997
Dividend income		
- from current investments	52,38,029	82,66,121
Profit on sale of current investments	9,08,202	-
Other non operating income		
- Fair valuation adjustments of Investments designated as FVTPL*	25,729	1,12,022
Income from deputations services	28,12,042	1,08,15,671
Warranty provision written back	-	98,46,053
Provision for doubtful debts written back (Net)	25,86,041	-
Foreign exchange fluctuation	9,39,130	-
Miscellaneous income	-	7,30,935
Liabilities written back	15,00,000	23,00,000
Total other income	2,41,27,943	3,98,61,536

* FVTPL of investments represent fair valuation changes in mutual funds.

24 Cost of material consumed

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Inventory at the beginning of the year	7,62,59,863	4,76,93,571
Add: Purchases	29,11,65,003	22,09,20,207
Less: Inventory at the end of the year	(16,00,87,139)	(7,62,59,863)
Cost of raw material consumed	20,73,37,727	19,23,53,915



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

25 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Inventories at the beginning of the year		
-Finished goods	91,71,623	72,37,695
-Work-in-progress	8,40,88,126	1,33,92,489
	9,32,59,749	2,06,30,184
Less: Inventories at the end of the year		
-Finished goods	89,55,703	91,71,623
-Work-in-progress	9,06,06,075	8,40,88,126
	9,95,61,778	9,32,59,749
Net decrease/ (increase)	(63,02,029)	(7,26,29,565)

26 Employee benefits expense

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Salaries, wages, bonus, ex-gratia and other allowances	4,31,25,163	5,44,81,151
Contribution to Provident Fund and Other Social Securities fund / schemes # (Refer Note 31)	39,83,654	52,81,111
Contribution to Gratuity fund (Refer Note 31)	15,36,399	8,22,144
Staff welfare and other employee expenses	33,97,567	43,62,585
Total employee benefits expense	5,20,42,783	6,49,46,991

Based on the Supreme Court Judgement dated February 28, 2019, the Company was required to reassess the components to be included in the basic salary for the purposes of deduction of PF. However, the Company believes that there is not likely to be material impact and hence has not provided for any additional liability as on March 31, 2020 in the books of account.

27 Depreciation and amortization expense

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Depreciation (Refer note 4)	80,12,238	79,73,705
Amortization (Refer note 5)	1,79,14,242	1,73,33,634
Total depreciation and amortization expense	2,59,26,480	2,53,07,339



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

28 Other expenses

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Stores and spares consumed	89,78,163	1,09,62,661
Packing material consumed	2,94,216	1,46,881
Job work charges	34,13,321	40,96,613
Labour charges	1,87,85,002	1,59,41,846
Electricity and water	74,86,409	71,65,217
Rates and Taxes	8,08,019	5,26,425
Repairs and maintenance-Building	25,74,146	28,10,067
Repairs and maintenance- Machinery	25,69,687	18,01,514
Repairs and maintenance - others	53,87,075	84,58,249
Insurance	19,87,444	14,19,757
Provision for Bad & Doubtful Debts	-	7,38,000
Provision for Warranty	63,00,000	-
Foreign exchange fluctuation	-	2,71,726
Travel and conveyance	91,16,472	1,62,36,100
Freight and forwarding	10,71,780	29,66,827
Communication, broadband and internet expenses	11,98,902	13,24,314
Loss on sale/disposal of fixed assets	3,35,491	17,722
Corporate Social Responsibility (CSR) expenses #	-	17,00,096
Printing & Stationery	4,64,633	6,97,309
Advertisement and sales promotion	16,78,796	9,23,057
Legal and professional charges*	3,58,35,770	4,58,94,791
Bank charges	6,46,646	11,51,600
Donation	13,501	11,000
Royalty	1,19,38,258	97,19,287
Security Charges	18,40,147	23,24,176
Membership & subscription	4,73,027	3,48,667
Miscellaneous expenses	11,61,429	18,59,570
Total other expenses	12,43,58,335	13,95,13,472

*Note : Includes Auditors remuneration (exclusive of GST) as follows:

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
As auditor:		
Statutory audit	17,50,000	23,50,000
In other capacity:		
Tax audit	2,00,000	2,00,000
Reimbursement of expenses	1,05,093	1,87,688
Total	20,55,093	27,37,688



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for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

Note :- Expenditure incurred on corporate social responsibility activities ## :

The Expenditure incurred for complying with the provision for the CSR expenditure required under section 135 of the Companies Act, 2013 is as follows:

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Gross amount required to be spent by the company during the year	-	17,00,350
Amount Spent during the year on :		
- Promotion of education	-	17,00,096
- Promoting gender equality and empowering women	-	-
- Making available safe drinking water	-	-
- Promoting health care including preventive health care and sanitation	-	-
Total	-	17,00,096

for the Financial year ended March 31, 2020, the Company is not required to incur Corporate Social Responsibility (CSR) expenditure as per the provisions of section 135 of the Companies Act, 2013 is not applicable to the Company.

29 Income Tax

Deferred tax relates to the following:

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
(A) Deferred tax assets		
On provision for employee benefits	13,95,798	32,88,909
On disallowance u/s 40A of Income Tax Act, 1961	32,40,656	26,21,578
On re-measurements gain/(losses) of post-employment benefit obligations	-	3,26,202
On Provision for warranty	25,85,458	11,05,233
On Provision for doubtful receivables	11,35,475	21,40,392
On Provision for inventory obsolescence	71,07,756	63,74,050
On revenue recognised on percentage completion mentioned - ICDS IV	6,04,575	-
On others	9,99,874	11,05,233
	1,70,69,592	1,69,61,597
(B) Deferred tax liabilities		
On property, plant and equipment	91,37,857	1,17,13,189
On re-measurements gain/(losses) of post-employment benefit obligations	1,83,481	-
On others	6,475	1,31,177
	93,27,814	1,18,44,366
Deferred tax income	77,41,778	51,17,231
Less: Deferred tax asset not recognized	-	-
Deferred tax asset, net	77,41,778	51,17,231



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

(C) Reconciliation of deferred tax assets/ (liabilities) (net):

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Opening balance as of 1 April	51,17,232	60,99,384
Tax liability recognized in Statement of Profit and Loss	28,83,514	(61,14,201)
Tax liability recognized in OCI	-	-
On re-measurements gain/(losses) of post-employment benefit obligations	(1,83,481)	3,26,202
Tax asset recognized in Statement of Profit and Loss	(75,487)	48,05,847
Closing balance as at 31 March	77,41,778	51,17,232

(D) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Tax liability	(28,83,514)	61,14,201
Tax asset	75,487	(48,05,847)
	(28,08,027)	13,08,354

(E) Income tax expense

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
- Current tax	2,62,32,328	9,74,111
- Adjustments in respect of current income tax of previous year	(11,73,326)	50,262
- Deferred tax charge / (income)	(28,08,027)	13,08,354
Income tax expense reported in the statement of profit or loss	2,22,50,975	23,32,727

(F) Income tax expense charged to OCI

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Net loss/(gain) on remeasurements of defined benefit plans	1,83,481	(3,26,202)
Income tax charged to OCI	1,83,481	(3,26,202)

(G) Reconciliation of tax charge

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Profit before tax	10,35,31,960	1,82,03,058
Tax Rate	25.17%	27.82%
Income tax expense at tax rates applicable	2,60,56,924	50,64,091
Tax effects of:		
- Item not deductible for tax / (taxable)	(18,34,462)	19,43,548
- Others (exempt income)	(11,67,299)	(22,99,635)
		-
Earlier year adjustment	(11,73,326)	50,262
Effect due to change in tax rate for deferred tax	3,69,138	-
MAT Credit Availed	-	(24,25,538)
Income tax expense	2,22,50,974	23,32,728



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

30 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Profit attributable to equity holders	8,12,80,985	1,58,70,331
Weighted average number of equity shares for basic EPS*	53,08,634	53,08,634
Effect of dilution:		
Share options	-	-
Convertible preference shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution	53,08,634	53,08,634
Basic Earnings per share (INR)	15.31	2.99
Diluted Earnings per share (INR)	15.31	2.99

31 Employee benefits

(A) Defined Contribution Plans

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –		
Employers' Contribution to Provident Fund	18,14,846	23,48,267
Employers' Contribution to Pension Fund	8,66,495	10,20,118
Employers' Contribution to Superannuation Fund	12,86,533	18,80,557
Social securities employers' contributions	15,780	32,169
Employer contribution to Employee State Insurance and employee social securities fund / scheme	39,83,654	52,81,111

(B) Defined benefit plans

	As at 31 st March 2020	As at 31 st March 2019
a) Gratuity payable to employees (Refer Note 17)	2,12,141	38,49,601

i) Actuarial assumptions

	As at 31 st March 2020	As at 31 st March 2019
Discount rate (per annum)	6.61%	7.45%
Rate of increase in Salary	8.00%	8.00%
Expected average remaining working lives of employees (years)	9.15	10.23
Attrition rate	3.00%	3.00%
	IALM (2012-14) Ult.	IALM (2006-08) Ult.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

ii) Changes in the present value of defined benefit obligation and plan assets

	As at 31 st March 2020	As at 31 st March 2019
Present value of obligation at the beginning of the year	2,04,12,414	1,71,48,147
Interest cost	14,33,147	12,40,434
Current service cost	13,37,178	12,85,508
Benefits paid	(10,31,972)	(4,12,318)
Actuarial (gain)/ loss on obligations	(6,21,608)	11,50,643
Present value of obligation at the end of the year*	2,15,29,159	2,04,12,414
Plan assets at the beginning of the year	1,65,62,813	1,52,93,186
Expected return of plan assets	12,33,926	11,69,929
Contributions	44,44,880	5,33,869
Benefits paid	(10,32,022)	(4,12,268)
Actuarial gain / (loss)	1,07,421	(21,903)
Plan assets at the end of the year	2,13,17,018	1,65,62,813

iii) Expense recognized in the Statement of Profit and Loss

	As at 31 st March 2020	As at 31 st March 2019
Current service cost	13,37,178	12,85,508
Interest cost	14,33,147	12,40,434
Expected return on plan assets	(12,33,926)	(11,69,929)
Settlements	-	(5,33,869)
Total expenses recognized in the Statement Profit and Loss*	15,36,399	8,22,144

*Included in Employee benefits expense (Refer Note 26). Actuarial (gain)/loss of Rs. (6,21,606)/- (31 March 2019: Rs. 11,50,643/-) is included in other comprehensive income.

iv) Assets and liabilities recognized in the Balance Sheet

	As at 31 st March 2020	As at 31 st March 2019
Present value of funded obligation as at the end of the year	2,15,29,159	2,04,12,414
Fair Value of Plan Assets	2,13,17,018	1,65,62,813
Net defined benefit asset / (liability) recognized in Balance Sheet*	2,12,141	38,49,601

*Included in provision for employee benefits (Refer note 17)

v) Expected contribution to the fund in the next year

	As at 31 st March 2020	As at 31 st March 2019
Expected contribution to the fund in the next year	27,46,886	23,51,090



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

vi) **A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below**

	As at 31 st March 2020	As at 31 st March 2019
Impact on defined benefit obligation		
Discount rate		
100 basis points increase	2,01,24,652	1,89,82,684
100 basis points decrease	2,31,02,318	2,20,25,904
Rate of increase in salary		
100 basis points increase	2,30,65,639	2,20,01,470
100 basis points decrease	2,01,29,512	1,89,76,889

vii) **Maturity profile of defined benefit obligation**

Years	As at 31 st March 2020	As at 31 st March 2019
Year 1	27,46,886	23,51,090
Year 2	14,73,342	13,05,865
Year 3	24,94,956	14,97,669
Year 4	16,17,421	25,03,657
Year 5	13,05,641	15,90,275
Years 6 to 10	1,07,73,974	95,75,069

32 Related Party Disclosures: 31 March 2020

(A) Names of related parties and description of relationship as identified and certified by the Company:

Parent & Ultimate Holding Company

Industrie De Nora S.p.A

Holding Company

Oronzio De Nora International B.V.

Key Management Personnel (KMP)

Mr. Satish Dhume	Chairman/Independent Director
Mr. Vinay Chopra	Managing Director
Mr. Robert Scannell	Non-Executive Director
Ms. Sarita D'Souza	Non-Executive/ Independent Director
Ms. Supriya Banerji	Non-Executive/ Independent Director
Mr. Francesco L'Abbate	Non-Executive Director
Mr. Deepak Nagvekar	Chief Financial Officer
Mr. Shrikant Pai (w.e.f 14 Oct 19)	Company Secretary
Ms. Jyoti Bhandodkar (upto 30 Sep 19)	Company Secretary



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

Other related parties with whom transactions have taken place during the year

De Nora Deutschland GmbH	Fellow subsidiaries
De Nora Tech LLC	--do--
De Nora Water Technologies LLC- Singapore Branch	--do--
De Nora Italy S.r.l Singapore Branch	--do--
De Nora Permelec Ltd	--do--
De Nora Elettrodi (Suzhou) Co. Ltd	--do--
De Nora Italy S.r.L	--do--
Thyssenkrupp Uhde Chlorine Engineers (Japan) Ltd	--do--
Thyssenkrupp Uhde Chlorine GmbH	--do--
YPK & Associates	Relative of Director

(B) Details of transactions with related party in the ordinary course of business for the year ended 31 March 2020

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	Total
Purchase of raw material, trading goods and spares					
De Nora Deutschland GmbH	-	-	2,37,98,454	-	2,37,98,454
	(-)	(-)	(37,32,610)	(-)	(37,32,610)
De Nora Italy S.r.L	-	-	4,21,732	-	4,21,732
	(-)	(-)	(23,68,580)	(-)	(23,68,580)
De Nora Permelec Ltd	-	-	2,68,181	-	2,68,181
	(-)	(-)	(1,58,005)	(-)	(1,58,005)
De Nora Tech LLC	-	-	2,00,992	-	2,00,992
	(-)	(-)	(-)	(-)	(-)
Thyssenkrupp Uhde Chlorine Engineers (Japan) Ltd	-	-	28,45,105	-	28,45,105
	(-)	(-)	(-)	(-)	(-)
<i>De Nora Water Technologies LLC- Singapore Branch</i>	-	-	-	-	-
	(-)	(-)	(2,07,61,291)	(-)	(2,07,61,291)
<i>De Nora Water Technologies Inc. USA</i>	-	-	-	-	-
	(-)	(-)	(2,50,823)	(-)	(2,50,823)
Purchase of services					
Industrie De Nora S.p.A	-	3,05,90,161	-	-	3,05,90,161
	(-)	(3,09,83,122)	(-)	(-)	(3,09,83,122)



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	Total
De Nora Deutschland GmbH	-	-	23,43,429	-	23,43,429
	(-)	(-)	(15,67,915)	(-)	(15,67,915)
De Nora Permelec Ltd	-	-	9,49,136	-	9,49,136
	(-)	(-)	(-)	(-)	(-)
De Nora Italy S.r.L	-	-	1,65,620	-	1,65,620
	(-)	(-)	(82,892)	(-)	(82,892)
<i>De Nora Elettrodi (Suzhou) Co. Ltd</i>	-	-	-	-	-
	(-)	(-)	(1,71,270)	(-)	(1,71,270)
De Nora Water Technologies LLC- Singapore Branch	-	-	98,09,891	-	98,09,891
	(-)	(-)	(1,73,650)	(-)	(1,73,650)
De Nora Water Technologies Texas LLC, US	-	-	-	-	-
	(-)	(-)	(21,73,728)	(-)	(21,73,728)
Purchase of intangible assets					
Industrie De Nora S.p.A	-	11,46,225	-	-	11,46,225
	(-)	(15,42,978)	(-)	(-)	(15,42,978)
Royalty					
Industrie De Nora S.p.A	-	1,19,38,257	-	-	1,19,38,257
	(-)	(97,19,287)	(-)	(-)	(97,19,287)
Sale of goods and services					
De Nora Italy S.r.L	-	-	10,84,13,151	-	10,84,13,151
	(-)	(-)	(57,39,665)	(-)	(57,39,665)
De Nora Deutschland GmbH	-	-	21,64,234	-	21,64,234
	(-)	(-)	(84,78,083)	(-)	(84,78,083)
De Nora Italy S.r.l Singapore Branch	-	-	9,15,971	-	9,15,971
	(-)	(-)	(-)	(-)	(-)
De Nora Tech LLC	-	-	54,75,828	-	54,75,828
	(-)	(-)	(21,824)	(-)	(21,824)
Thyssenkrupp Uhde Chlorine GmbH	-	-	1,21,775	-	1,21,775
	(-)	(-)	(-)	(-)	(-)
Industrie De Nora S.p.A - Singapore Branch	-	-	-	-	-
	(-)	(-)	(14,27,319)	(-)	(14,27,319)



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	Total
Recovery of expenses					
De Nora Elettrodi (Suzhou) Co. Ltd	-	-	26,55,944	-	26,55,944
	(-)	(-)	(26,96,877)	(-)	(26,96,877)
De Nora Water Technologies LLC- Singapore Branch	-	-	1,56,098	-	1,56,098
	(-)	(-)	(1,62,855)	(-)	(1,62,855)
De Nora Water Technologies Texas LLC, US	-	-	-	-	-
	(-)	(-)	(79,55,938)	(-)	(79,55,938)
Dividends paid					
Oronzio De Nora International B.V.	-	-	-	-	-
	(28,49,500)	(-)	(-)	(-)	(28,49,500)
Commission & Sitting Fees to Non-Executive Directors					
Mr. Satish Dhume	-	-	-	65,000	65,000
	(-)	(-)	(-)	(-)	(-)
Mr. M A Sundaram	-	-	-	-	-
	(-)	(-)	(-)	(1,05,000)	(1,05,000)
Ms. Sarita D'Souza	-	-	-	85,000	85,000
	(-)	(-)	(-)	(1,05,000)	(1,05,000)
Ms. Supriya Banerji	-	-	-	50,000	50,000
	(-)	(-)	(-)	(25,000)	(25,000)
Mr. Robert Scannell	-	-	-	45,000	45,000
	(-)	(-)	(-)	(35,000)	(35,000)
Mr. Francesco L'Abbate	-	-	-	5,000	5,000
	(-)	(-)	(-)	(5,000)	(5,000)
Managerial Remuneration					
Mr. Vinay Chopra	-	-	-	34,38,555	34,38,555
	(-)	(-)	(-)	(38,68,250)	(38,68,250)
Mr. Deepak Nagvekar	-	-	-	26,01,313	26,01,313
	(-)	(-)	(-)	(25,36,782)	(25,36,782)
Mr. Shrikant Pai (w.e.f 14 Oct 19)	-	-	-	3,65,060	3,65,060
	(-)	(-)	(-)	(-)	(-)
Ms. Jyoti Bandodkar (upto 30 Sep 19)	-	-	-	6,48,724	6,48,724
	(-)	(-)	(-)	(7,02,330)	(7,02,330)



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

(C) Amount from / due to related party as at year end 31 March 2020

Amount due from					
Industrie De Nora S.p.A - Singapore Branch	-	-	-	-	-
	(-)	(-)	(4,79,624)	(-)	(4,79,624)
De Nora Elettrodi (Suzhou) Co. Ltd	-	-	6,32,007	-	6,32,007
	(-)	(-)	(6,43,825)	(-)	(6,43,825)
De Nora Water Technologies LLC- Singapore Branch	-	-	1,56,098	-	1,56,098
	(-)	(-)	(1,62,855)	(-)	(1,62,855)
De Nora Italy S.r.L	-	-	6,22,30,350	-	6,22,30,350
	(-)	(-)	(17,633)	(-)	(17,633)
Amount due to					
Industrie De Nora S.p.A	-	2,30,90,171	-	-	2,30,90,171
	(-)	(2,17,97,466)	(-)	(-)	(2,17,97,466)
De Nora Tech LLC	-	-	1,23,149	-	1,23,149
	(-)	(-)	(-)	(-)	(-)
De Nora Water Technologies LLC- Singapore Branch	-	-	9,94,543	-	9,94,543
	(-)	(-)	(1,73,650)	(-)	(1,73,650)
De Nora Deutschland GmbH	-	-	48,27,390	-	48,27,390
	(-)	(-)	(13,20,293)	(-)	(13,20,293)

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019 - Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Company's international / domestic transfer pricing certification is carried out by an independent firm of Chartered Accountants. The Company has established a system of maintenance of documents and information as required by the transfer pricing legislation u/s. 92-92F of the Income Tax Act, 1961. Up to 31 March, 2018, the last date for which the transfer pricing certification was carried out, there were no adjustments made to the transactions entered into with 'associated enterprises' as defined in section 92A of the Income Tax Act, 1961. The Management believes that the international transactions and specified domestic transactions entered into with 'associated enterprises' during the financial year are at arm's length price and that there will be no impact on the amount of tax expense or the provision of tax on the application of the transfer pricing legislation to such transactions.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

33 Disclosure pursuant to Indian Accounting Standard (Ind AS) 108, Operating Segments

A. Basis for segmentation :

Operating segments are identified as those components of the Company

- (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components);
- (b) whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and performance assessment and
- (c) for which discrete financial information is available.

The Company has two reportable segments as described under 'Segment Composition' below. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements

B. Reportable segments :

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

C. Segment profit :

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the Company's Board of Directors.

D. Segment composition :

As per the criteria specified under Ind AS 108 - Operating Segments, commencing from the year ended 31 March 2019, the Company for first time has identified "Electrode Technologies" and "Water Technologies" as its Operating Segments.

E. Information about reportable segments :

	2019-20		2018-19	
	Electrode technologies	Water technologies	Electrode technologies	Water technologies
Revenue				
External Customers	47,21,82,834	1,05,84,480	30,44,26,278	2,34,07,395
Inter-segment	-	-	-	-
Total revenue	47,21,82,834	1,05,84,480	30,44,26,278	2,34,07,395
Segment profit	11,74,65,536	(21,68,369)	3,78,53,018	(1,13,44,018)
Segment assets	54,03,67,495	9,86,39,268	32,79,26,469	10,39,11,812
Segment liabilities	6,62,72,236	7,24,72,518	6,78,79,380	5,30,15,477

F. Reconciliation of information on reportable segments:

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Revenue from reportable segments	48,27,67,313	32,78,33,673
Other Income from reportable segments	1,79,78,910	2,36,92,659
Un-allocable income	61,49,033	1,61,68,878
Less: Inter-segment Revenue	-	-
Total revenue	50,68,95,256	36,76,95,210
Total profit before tax for reportable segments	11,52,97,167	2,65,09,000
Un-allocable expenditure net-off un-allocable income	(1,17,65,208)	(83,05,942)
Total profit before tax from operations as reported in Statement of profit and loss	10,35,31,958	1,82,03,058



NOTES TO THE FINANCIAL STATEMENTS

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[All amount in INR, unless otherwise stated]

Total assets from reportable segments	63,90,06,763	43,18,38,281
Un-allocated assets	11,30,68,215	22,13,11,272
Total assets as reported in Balance sheet	75,20,74,979	65,31,49,553
Total liabilities from reportable segments	13,87,44,754	12,08,94,857
Un-allocated liabilities	-	-
Total liabilities as reported in Balance sheet	13,87,44,754	12,08,94,857

G. Geographical information

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table.

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
India	36,29,06,937	31,08,63,988
Outside India	11,98,60,376	1,69,69,686
Total	48,27,67,313	32,78,33,674

H. Non-current operating assets

All non-current assets other than financial instruments, deferred tax assets of the company are located in India

I. Major customers

	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:		
Customer A	10,56,33,456	4,81,39,281
Customer B	6,40,84,700	4,18,01,000
Customer C	4,74,16,000	4,01,73,260
Total	21,71,34,156	13,01,13,541

34 Fair values of financial assets and financial liabilities

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash, bank balances, short-term deposits, trade and other short-term receivables, trade payables, short term borrowings and other financial liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.
2. The fair value of non-current financial assets comprising of security term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

35 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Fair value measurement hierarchy of assets

(a) Financial Assets measured at fair value

	As at 31 st March 2020	As at 31 st March 2019
Level 1 (Quoted price in active markets)		
Investments in mutual funds FVTPL	4,67,81,004	13,47,02,852

(b) Financial assets measured at FVTOCI

Level 1		
Investments in equity instruments FVTOCI	5,35,500	12,86,500

Investment in equity shares is designated as FVTOCI*

*The equity instruments which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss are strategic investments and the Company has considered this to be more relevant.

There have been no transfers between Level 1 and Level 2 during the period

Financial assets measured at amortized cost (at level 3)

	As at 31 st March 2020	As at 31 st March 2019
Other financial non-current assets (Note 7)	-	84,85,693
Trade receivables (Note 10)	12,84,84,008	5,50,07,569
Cash and cash equivalents (Note 11)	2,41,12,508	1,52,79,157
Banks and other Cash and cash equivalents (Note 12)	12,02,74,023	10,15,65,831
Loans and Deposits (Note 13)	15,47,871	12,50,726
Financial liabilities measured at amortized cost (at Level 3)		
Short term Borrowings (Note 18)	76,72,693	-
Trade payables (Note 19)	4,56,50,560	5,97,29,276
Other Payables (Note 20)	72,35,137	1,17,72,191

36 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rates as the Company does not have long-term debt obligations outstanding as at balancesheet date and short term debt obligations are with fixed interest rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency). The risk is measured through monitoring the net exposure to various foreign currencies and the same is minimized to the extent possible.

(a) 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:

	As at 31 st March 2020		As at 31 st March 2019	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables #	2,255	7,64,284	2,345	14,560
	2,255	7,64,284	2,345	14,560
Financial liabilities				
Trade payables #	34,128	3,43,040	21,593	2,94,982
	34,128	3,43,040	21,593	2,94,982
Net exposure to foreign currency risk assets / (liabilities)	(31,873)	4,21,244	(19,248)	(2,80,422)

the foreign currency exposure hedged by the Company as at 31 March 2020 is Nil (31 March 2019 - Nil)

(b) Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and EURO exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a INR 1 change in foreign currency rates.

	Impact on profit before tax	
	For the Year ended 31 st March 2020	For the Year ended 31 st March 2019
USD		
- Increase by 1%	(23,869)	(13,370)
- Decrease by 1%	23,869	13,370
EUR		
- Increase by 1%	3,46,473	(2,19,767)
- Decrease by 1%	(3,46,473)	2,19,767



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

(iii) Price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds and equity shares. The price risk arises due to uncertainties about the future market values of these investments.

As at March 31, 2020, the investments in mutual funds amounts to Rs. 4,67,55,275 (31 March 2019: Rs. 13,47,02,787). These are exposed to price risk.

The Company has laid policies and guidelines which it adheres to in order to minimize price risk arising from investments in equity mutual funds.

1% increase in prices would have led to approximately an additional Rs. 4.67 lakhs gain in the Statement of Profit and Loss (2018-19: Rs.13.47 lakhs gain). 1% decrease in prices would have led to an equal but opposite effect.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

However, the credit risk arising on cash and cash equivalents is limited as the Company invest in deposits with banks and financial institution with credit ratings and strong repayment capacity. Investment in securities primarily include investment in liquid mutual funds units and equity shares.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	As at 31 st March 2020	As at 31 st March 2019
Not due	11,92,68,043	2,52,80,936
Past due 1-180 days	79,32,790	2,10,13,798
Past due for more than 180 days	96,23,593	2,03,79,353
	13,68,24,426	6,66,74,087

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

Movement of provision for doubtful debts:

	As at 31 st March 2020	As at 31 st March 2019
Balance at the beginning of the year	1,16,66,518	1,16,32,496
Amount provided during the year (net of reversal)	(25,86,041)	7,38,000
Amounts written off	(5,96,094)	(7,03,978)
Balance at the end of the year	84,84,383	1,16,66,518

Cash and cash equivalent

As at the year end, the Company held cash and cash equivalents Rs 2,41,12,508/- [31 March 2019 - Rs. 1,52,79,157/-] The cash and cash equivalents are held with banks with good credit rating.

Other bank balances

Other bank balances are held with banks with good credit rating.

Investments

The Company limits its exposure to credit risk by generally investing in liquid mutual funds and securities of counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties.

Other financial assets

Other financial assets are neither past due nor impaired.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and liquid mutual funds with appropriate maturities to optimize the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

	Carrying amount	Upto 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31 March 2020					
Trade payables	4,56,50,560	4,56,50,560	-	-	4,56,50,560
Other financial liability	72,35,137	72,35,137	-	-	72,35,137
Short Term Borrowings	76,72,693	76,72,693	-	-	76,72,693
	<u>6,05,58,390</u>	<u>6,05,58,390</u>	<u>-</u>	<u>-</u>	<u>6,05,58,390</u>
As at 31 March 2019					
Trade payables	5,97,29,276	4,51,84,733	-	-	4,51,84,733
Other financial liability	1,17,72,191	3,17,41,466	-	-	3,17,41,466
Short Term Borrowings	-	-	-	-	-
	<u>7,15,01,467</u>	<u>7,69,26,199</u>	<u>-</u>	<u>-</u>	<u>7,69,26,199</u>



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

37 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current and current borrowings. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		As at 31 st March 2020	As at 31 st March 2019
Total equity	(i)	61,33,30,226	53,22,54,696
Borrowings other than convertible preference shares		76,72,693	-
Less: cash and cash equivalents		2,41,12,508	1,52,79,157
Total debt	(ii)	(1,64,39,815)	(1,52,79,157)
Overall financing	(iii) = (i) + (ii)	59,68,90,411	51,69,75,539
Gearing ratio	(ii)/ (iii)	0.00%	0.00%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

38 Provisions

Warranties/ recoating

The Company offers warranties for one of the critical parts of certain electro chlorinators and for some of its coating / recoating services for an initial period of two years followed by support contracts for a period of four years in the case of electro chlorinators and for a period of six years in the case of coating, eight years in case of recoating services during which period amounts are recoverable from the customers based on pre-defined terms. Estimated costs from warranty terms standard to the deliverable are recognised when revenue is recorded for the related deliverable. The Company estimates its warranty costs standard to the deliverable based on historical warranty claim experience and applies this estimate to the revenue stream for deliverables under warranty. Future costs for warranties applicable to revenue recognised in the current period are charged to the revenue account.

The warranty accrual is reviewed periodically to verify that it properly reflects the remaining obligation based on the anticipated expenditures over the balance of the obligation period. Adjustments are made when the actual warranty claim experience differs from estimates. Provisions include estimated costs of support maintenance contracts to the extent such estimated costs are expected to exceed the expected recovery during the obligation period. No assets are recognised in respect of the expected recovery on support contracts.

Factors that could impact the estimated claim information include the Company's productivity, costs of materials, power and labour and the actual recoveries on support contracts.

The movement in the provision for warranties/ recoating are summarised as under :

	As at 31 st March 2020	As at 31 st March 2019
Opening carrying amount	39,72,800	1,38,18,853
Additional provision during the year	63,00,000	-
Unused amounts reversed during the year	-	98,46,053
Closing carrying amount	1,02,72,800	39,72,800



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March, 2020

[All amount in INR, unless otherwise stated]

39 Contingencies and Commitments

	As at 31 st March 2020	As at 31 st March 2019
Contingent liabilities	-	-
Commitments		
Estimated gross amount of Contracts remaining to be executed on capital account	44,84,766	4,58,295
Less :- Capital Advance (refer note 8)	6,61,719	58,045
Estimated net amount of contracts remaining to be executed on capital account, not provided for	38,23,047	4,00,250

40 Bank Gurarantees

Bank to whom given	Nature	As at 31 st March 2020	As at 31 st March 2019
Bank of Baroda	Performance Bank Gurarantees	2,26,70,762	3,15,20,957
Bank of Baroda	Financial Bank Guraantees	37,70,000	13,10,000
		2,64,40,762	3,28,30,957

41 During the year the Company has not capitalised any borrowing costs as per Ind AS 23 - "Borrowing costs".

42 As per Ind AS 36 "Impairment of Assets", the Company has reviewed potential generation of economic benefits from Property, Plant and Equipment. Accordingly, no impairment loss has been provided for the year ended 31 March 2020 (31 March 2019: ₹ Nil) in the books.

43 The Pandemic 'COVID-19' has severely impacted business globally, including India. There has been severe disruption in regular business operations. This pandemic is creating disruption in global supply chain and adversely impacting most of the industries which has resulted in a global slowdown, including India.

The Company has evaluated the impact of the pandemic on its business operations, liquidity, internal financial reporting and control and financial position and based on the management's review of the current indicators and economic conditions, there is no material impact on its financial results as at 31st March 2020. The assessment of impact of COVID -19 is a continuing process given the uncertainties associated with the nature and duration of the pandemic. The Company will continuously monitor any material changes to future economic conditions and business of the Company.

44 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.:105047W

Anup Mundhra

Partner

Membership No: 061083

Place : Pune

Date : June 03, 2020

For and on behalf of the Board of Directors

De Nora India Limited

CIN: L31200GA1993PLC001335

Satish Dhume

Chairman

DIN : 00336564

Deepak Nagvekar

Chief Financial Officer

Place : Kundaim, Goa

Date : June 03, 2020

Vinay Chopra

Managing Director

DIN : 06543610

Shrikant Pai

Company Secretary



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Form No. SH-13

NOMINATION FORM

[Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014]

To,

De Nora India Limited

Plot Nos. 184, 185 & 189, Kundaim Industrial Estate,

Kundaim, Goa – 403 115

I/We _____

residing at _____

the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following person in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

2) PARTICULARS OF NOMINEE

Name:		Date of Birth: ____/____/____		Signature of the Nominee
Father's/ Mother's/ Spouse's name:		Occupation:	Nationality:	
E-mail id:				
Phone No :	Relationship with the security holder:			
Address: _____ _____				Signature of the Nominee
Pin code _____				

3) IN CASE NOMINEE IS A MINOR

Date of birth: ____/____/____	Date of attaining Majority: ____/____/____	Name of guardian:
Address of guardian: _____		Pincode : _____

Name of the Security Holder(s)	Signature
1.	
2.	
3.	
Name of witness	Signature of Witness with date
Address: _____ Pincode _____	
Place: _____ Date: ____/____/____	



1. The Nomination can be made by individuals only holding shares singly or jointly. Non-individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
3. The Member[s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
4. As per Section 72 of Companies Act 2013, if the shares are held by more than one person jointly, then the joint holders may together nominate a person to whom all the rights in the shares of the Company shall vest, in the event of death of all the joint holders.
5. If the shares are held jointly, subsequent to the death of any one of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving Members.
6. The nomination form filled in “**duplicate**” should be lodged with the Registrar and Share Transfer Agent of the Company i.e. **M/s. Bigshare Services Private Limited, (Unit: De Nora India Limited), 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri East, Mumbai 400059. Ph. No.: 022 62638200/62638204 Fax No.: 022 62638299.** The Registrar will return one copy of the nomination form to the Member after registering the nomination. The registration number allotted will be furnished in the said form.
7. The Member[s] can delete or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form)
8. Nomination stands cancelled whenever the shares in the given folio are transferred / dematerialized. Also incase of change in folio due to consolidation/transmission a new nomination has to be filed.
9. The nomination made through Form No. SH-13 will be considered valid if the nomination made by the holder[s] of the shares is registered with the Company before the death of the registered holder[s] of the shares.
10. Kindly note that the nomination being a legal document should be dated by the nominator and the witness certify that the nominator has signed the form in their presence. Furthermore, the date of execution on the Nomination Form should match with the date of witness, witnessing the document.
11. A copy of photo identity proof (like PAN/Passport) of nominee is required.

FOR OFFICE USE ONLY		
Nomination Registration No.	Date of Registration	Signature of Employee with Code No.



Updation of Shareholder Information

Dear Shareholder,

In order to update the details, we request you to submit the form given below to:

- **Depository Participant** with whom you have your **demat** account.

or

- Registrar and Transfer Agents, **Bigshare Services Private Limited**, in case the shares are held in **physical** form.

To,

I / We request you to record the following information against my /our Folio No. /DP ID /Client ID :

General Information:

Folio No. /DP ID/Client ID :	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: * (applicable to Corporate shareholders)	
Tel No. with STD Code	
Mobile No.:	
Address:	
Email Id:	

*Self-attested copy of the document(s) enclosed

Bank Details:

Name of the Bank:	
Bank A/c No.: *	
Bank A/c Type:	
MICR:(9 digit)	
IFSC:(11 digit)	
Bank Branch Address:	

* Original cancelled cheque is enclosed to enable verification of bank details

I /We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I /we hold the securities under the above mentioned Folio No. / beneficiary account.

Place :

Signature of Sole /First holder

Date:

If undelivered, please return to :

DE NORA INDIA LIMITED

Registered Office and Works:

Plot Nos. 184, 185 & 189, Kundaim Industrial Estate
kundaim, Goa - 403 115.