



Ref. No.: DNIL/L&S/2021/S-17B/63

August 25, 2021

National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai- 400051
Stock Code: DENORA EQ

BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
Phone: 022 22721233
Scrip Code: 590031

Attn.: The Manager, Listing

Dear Sir,

Sub: Notice of the 32nd Annual General meeting of De Nora India Limited and Annual Report 2020-21

In accordance Regulation 34 (1)(a) and Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations') we are enclosing herewith copy of the Notice convening the 32nd Annual General Meeting of the Company along with the Annual report of the Company for the year 2020-21 which is being sent to the members through electronic means whose email id are registered with the Company and with the Depository Participants.

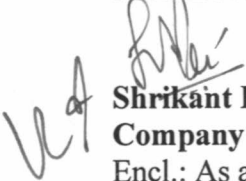
A copy of the Notice and Annual Report is also made available at Company's website at india.denora.com.

Kindly take the same on record.

Thanking you.

Yours faithfully,

For **DE NORA INDIA LIMITED**


Shrikant Pai
Company Secretary
Encl.: As above

our research - your future

DE NORA INDIA LIMITED



ANNUAL REPORT 2020-21



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STATUTORY AUDITORS M/s. MSKA & Associates ICAI Firm Registration No. 105047W Floor 2, Enterprise Centre, Nehru Road, Near Domestic Airport, Vile Parle (E), Mumbai – 400 099			



DE NORA INDIA LIMITED

CIN: L31200GA1993PLC001335

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

Tel. No.: 0832 6731100; Email: info.dni@denora.com; Website: india.denora.com

NOTICE

Notice is hereby given that the 32nd (Thirty Second) ANNUAL GENERAL MEETING ('AGM') of the Members of DE NORA INDIA LIMITED ('the Company') will be held on Thursday, 23rd September 2021 at 11.00 A.M. through Video Conference (VC)/ Other Audio-Visual Means (OAVM) to transact the following business.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115, which shall be the deemed Venue of the AGM.

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements for the Financial Year 2020-21

To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021, together with the report of the Board of Directors ('the Board') and the Auditor's thereon.

2. Declaration of dividend on equity shares

To declare dividend of ₹ 1 per equity share for the Financial Year ended March 31, 2021.

3. Re-appointment of Mr. Francesco L'Abbate (DIN: 08063332)

To appoint a Director in place of Mr. Francesco L'Abbate (DIN: 08063332) 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

4. Appointment of Mr. Purushottam S. Mantri (DIN: 06785989) as an Independent Director

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Purushottam S. Mantri (DIN: 06785989) who was appointed by the Board of Directors pursuant to the provision of Section 161 of the Act as an Additional Director of the Company in

the category of Non-Executive Independent Director with effect from February 05, 2021 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations") as amended from time to time and pursuant to recommendation of the Nomination and Remuneration Committee and the Board, Mr. Purushottam S. Mantri, a Director of the Company who meets the criteria for independence as stipulated in the aforesaid legislations and who has submitted a declaration to that effect, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from February 05, 2021 up to February 04, 2026.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to take such steps and do all such acts, deeds, matters and things including filings as may be considered necessary, proper and expedient to give effect to this 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: May 10, 2021

**Shrikant Pai
Company Secretary**

NOTES:

- AGM through VC/OAVM:** In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its Circular No. 14/2020 dated April 08, 2020 read with, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, and Circular No. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India



(“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (“collectively referred to as “SEBI Circulars”) 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 MCA circulars and SEBI circulars the Thirty Second Annual General Meeting (the “AGM”) of the Company is being held through VC/OAVM. The Members can attend and participate in the AGM through VC/OAVM.

2. **Explanatory Statement:** The 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 No. 4 given above as Special Business in the forthcoming AGM, as it is unavoidable in nature. The recommendation of the Board of Directors of the Company in terms of Regulation 17(11) of the Listing Regulations is also provided in the said Statement. Brief resume and other requisite details 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 (SS-2) on General Meetings. The consent/declaration for the appointment/ re-appointment as required under the Companies Act, 2013 and the Rules framed thereunder is received from the concerned Director.
3. **E-voting facility:** 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. **No proxy facility:** 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/OAVM,

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.

5. **Dispatch of Annual Report through E-mail:** In compliance with the General Circular No. 20/2020 dated May 05, 2020 issued by MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board’s Report, Auditor’s report or other documents required to be attached therewith), such statements including the Notice of AGM will be sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). The Company will not be dispatching physical copies of the Notice and Annual Report to any Member.
6. The Notice calling the AGM along with Annual report 2020-21 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 i.e., www.evotingindia.com.
7. **Authorization u/s 113 of the Act by Corporate Shareholders:** 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/Authorization 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. **Book closure:** The Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, September 17, 2021 to Thursday, September 23, 2021 (both days inclusive).

The Company has fixed Thursday, September 16, 2021 as the cut-off date for remote e-voting. The remote e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the cut-off date i.e., Thursday, September 16, 2021 only. 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. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.



9. **Dividend:** Dividend for the financial year 2020-21, as recommended by the Board, if approved, at the AGM will be paid, subject to deduction of tax at source, as applicable, on and from October 11, 2021, to those Members whose names appear in the Register of Members as at the end of business hours on Thursday, September 16, 2021 and who are beneficial owners as at the close of business hours on the said date as per the beneficiary list provided by Central Depository Services (India) Limited and National Securities Depository Limited.

Pursuant to Regulation 12 of Listing Regulations read with Schedule I to the said regulations, it is mandatory for the Company to use bank details as furnished by the investors for the payment of dividend through any RBI approved electronic mode of payment. In case, the bank details are not available, or the Company is unable to pay the dividend directly through electronic mode, the Company shall, dispatch the dividend warrant / banker's cheque / demand draft to such Members. However, such members may please note that the Company will be able to dispatch the dividend warrants / bankers' cheque/ demand drafts only upon normalization of the postal services and other activities.

Further in terms of Schedule I to the Listing Regulations, the Company is required to mandatorily print the bank account details of the investors on such payment instruments and in cases where the bank details of investors are not available, the Company shall mandatorily print the address of the investor on such payment instruments.

The members are requested to update their bank account details with the Depository Participant (in case the shares are held in demat form) or with the RTA of the Company, Bigshare Services Private Limited (in case shares are held in physical form). This will facilitate the remittance of the dividend amount, declared by the Company, in the Bank Account electronically.

10. **TDS on Dividend:** Pursuant to the changes introduced by the Finance Act 2020, w.e.f. April 1, 2020, the Company would be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. In compliance with the said provisions, the Company shall make the payment of dividend after necessary deduction of tax at source. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Members are hereby requested to refer to the Income Tax Act, 1961, in this regard. In general, to enable compliance with TDS requirements, Members are requested to update the details like Residential Status, PAN and category as per the Income Tax Act, 1961, with their Depository Participants or in case shares are held in physical mode, with the Company / RTA.

A Resident individual member with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to RTA of the Company at tds@bigshareonline.com or to the Company at info.dni@denora.com on or before Monday, September 20, 2021.

Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. However, in case of Resident individuals, TDS would not apply if the aggregate of total dividend distributed to them during financial year 2020-21 does not exceed ₹ 5,000. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by e-mail to the Company at info.dni@denora.com or the RTA of the Company at investor@bigshareonline.com on or before Monday, September 20, 2021.

Kindly note that the Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company. Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder. No claim shall lie against the Company for such taxes deducted.

11. All relevant documents referred to in the Annual Report including AGM Notice and Explanatory Statement are available for inspection through electronic mode up to the date of AGM, on the basis of request being sent to dni.secretarial@denora.com. 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.
12. **Transfer of Unclaimed/Unpaid Dividend to IEPF:** In terms of Section 124 of the Act and Rules made thereunder, dividends that are unclaimed/ unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, unpaid / unclaimed dividend for the financial year ended on December 31, 2012 has been transferred to the IEPF, during the financial year, 2020-21.



The due dates of transferring unclaimed / unpaid dividends declared by the Company for the financial year ended December 31, 2013 and thereafter to IEPF are as under:

Dividend for FY	Date of declaration of Dividend	Due date by which unclaimed dividend can be claimed
December 31, 2013	May 14, 2014	June 17, 2021
December 31, 2014	June 29, 2015	July 28, 2022
March 31, 2016*	September 21, 2016	October 23, 2023
March 31, 2017	September 27, 2017	November 01, 2024
March 31, 2018	September 26, 2018	October 30, 2025

*The financial year ended March 31, 2016 comprised of fifteen months from January 1, 2015 to March 31, 2016.

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, i.e., india.denora.com.

13. **Transfer of shares to IEPF:** Pursuant to the provisions of Section 124, 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended, 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.

In accordance with the aforesaid IEPF Rules, during the financial year 2020-21 the Company has transferred 2608 equity shares, in aggregate in respect of 29 Members to the IEPF Account, on which the dividends remained unpaid or unclaimed for seven consecutive years, after following the prescribed procedure. The voting rights on shares transferred to IEPF remains frozen until the rightful owner claims the shares.

Further, all the Members who have not claimed/ encashed their dividends in the last seven consecutive years from 2013 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, i.e., india.denora.com.

The Members whose unclaimed dividend / shares have been transferred to the IEPF Authority, can claim the same 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. **Nomination Facility:** 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 the prescribed Form SH-13 duly filled, to the Company's Registrar & Transfer Agent (RTA) i.e., M/s. Bigshare Services Private Limited. Members holding shares in demat form may contact their Depository Participants ('DP') for availing this facility.
15. SEBI has mandated submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. The Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, Bank account details, nominations, power of attorney, 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.
16. In case individual shareholder, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of the AGM and holding shares in demat mode as on the cut-off date, may follow the steps mentioned under Sl. No. 21 and 22 below for obtaining login credentials. Any shareholder holding shares in physical form or non-individual shareholder who acquire shares of the Company after



dispatch of the Notice and becomes the member as on cut-off date, may obtain the login credentials by sending a request at helpdesk.evoting@cdslindia.com or investors@bigshareonline.com.

17. 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.
18. The Scrutinizer shall after the conclusion of e-voting at the AGM, unblock the votes cast through e-voting (e-voting during the AGM and 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. The resolutions shall be deemed to be passed at the AGM of the Company subject to obtaining requisite votes thereto.
19. 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 & BSE Limited, Mumbai.
20. **Transfer of shares permitted in demat form only:** In terms of Regulation 40 of Listing Regulations with effect from April 01, 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. In view of this and to eliminate risks associated with physical shares, all the Members holding shares in Physical Form are requested to demat their shares at the earliest.
21. **INTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING:**
 - (i) The remote e-voting period commences on Monday, September 20, 2021 (9:00 a.m.) and ends on Wednesday, September 22, 2021 (5:00 p.m.). The 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., Thursday, September 16, 2021 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) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. It has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 for e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the E-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

Individual Shareholders holding securities in demat mode with NSDL	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

(v) **Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on “Shareholders” module.
3. 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.

4. Next enter the Image Verification as displayed and Click on Login.
5. 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.
6. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than Individual and Physical Form
PAN	Enter your 10-digit alphanumeric 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).

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) 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.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the “DE NORA INDIA LIMITED”.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) **Facility for Non – Individual Shareholders and Custodians – Remote e-voting**

- 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.

22. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:

- (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 investor@bigshareonline.com.
- (ii) **For Demat shareholders:** Members holding shares in dematerialized mode are requested to register / update their e-mail addresses & Mobile no. with the relevant Depository Participant(s).
- (iii) **For Individual Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

23. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING ARE AS UNDER:

- (i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting. Shareholder will also 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.



- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- (iii) 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.
- (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.
- (v) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (vi) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vii) 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.
- (viii) 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.
- (ix) 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 September 20, 2021 by 5.00 PM (IST) 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.
- (x) Members of the Company, holding the shares as on the cut-off date i.e. September 16, 2021 and who would like to express their views/

ask questions during the AGM may register themselves as a speaker by sending their request at least by 5.00 PM (IST) on September 20, 2021, mentioning their name, demat account number/folio number, email id, mobile number at info.dni@denora.com. The members who do not wish to speak during the AGM but have queries may send their queries at least by 5.00 PM (IST) on September 20, 2021, 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.

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

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact 022-23058738 and 022- 23058542/ 43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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 on 022-23058542/43.

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

Place: Kundaim, Goa
Date: May 10, 2021

**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.4 of the accompanying Notice dated May 10, 2021:

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. Purushottam S. Mantri (DIN:06785989), as an Additional Director of the Company in the category of Non-executive and Independent Director, with effect from February 05, 2021. Mr. Purushottam S. Mantri holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("the Act") and in respect of whom the Company has received a notice in writing from a Member, proposing his candidature for the office of the Director of the Company.

Mr. Mantri has given his consent to act as a Director and has also provided a declaration to the effect that he meets the criteria of independence as provided in the Act read with the Rules framed thereunder and the Listing Regulations. Mr. Mantri is not disqualified from being appointed as a Director in terms of Section 164 of the Act and he is not debarred from accessing the capital market and / or restrained from holding the position of Director in any listed Company by virtue of any order of SEBI or any other such authority.

Brief resume of Mr. Mantri and details as stipulated under Regulation 36(3) of Listing Regulations and SS-2 on General Meetings, are given in the Annexure to the Notice. Copy of the draft letter of appointment of Mr. Purushottam S. Mantri as an Independent Director setting out the terms and conditions shall be available for electronic inspection by Members during business hours on any working day of the Company, up to the date of the AGM without payment of any fees.

In the opinion of the Board, Mr. Mantri fulfills the conditions specified in the Act and the Listing Regulations for his appointment as an Independent Director and possesses appropriate balance of skills, experience and knowledge to enable the Board to discharge its functions and duties effectively and is independent of the Management of the Company.

Keeping in view his vast expertise and knowledge, the Nomination and Remuneration Committee and the Board of the Directors of the Company have recommended passing of Resolution as set out in the Item No. 4 of the Notice as an Ordinary Resolution in the interest of the Company.

Save and except Mr. Mantri, none of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the Resolution set out at Item No. 4 of this notice.

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

Place: Kundaim, Goa
Date: May 10, 2021

**Shrikant Pai
Company Secretary**



Annexure

Details of Directors seeking appointment and re-appointment at the 32nd 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 issued by ICSI]

Particulars	Item No. 3	Item No. 4
Name	Francesco L'Abbate	Purushottam Sitaram Mantri
DIN	08063332	06785989
Date of Birth	31.10.1981	23.12.1957
Qualification	Graduate in Economy and Business Administration from Luigi Bocconi University, Milan	Mr. Purushottam S. Mantri aged 63 years is Fellow member of The Institute of Company Secretaries of India, L.L.B (Bachelor of Laws) from University of Bombay and is B. Com Graduate (Bachelor of Commerce) from University of Bombay.
Experience (including expertise in Specific Functional Area)/Brief Resume	He has vast experience of over 20 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.	He has more than 40 years of experience in Corporate Management which includes all Company Secretarial matters, Corporate Laws, Corporate Finance, Share Department Functioning, Personnel, Property, Insurance and General Administration etc. His work experience includes service in Dempo Group of Companies as Group Company Secretary and Chief Compliance Officer. He has also served as Company secretary in leading Listed Companies which includes Roche Products Limited (now Piramal Healthcare Limited), NGL Fine Chem Ltd, MTZ Polyester Ltd. and Thomas Cook (India) Ltd. He retired from a listed Company belonging to Dempo Group of Companies in Goa as Group Company Secretary and Chief compliance officer and currently continues as Corporate advisor to group Chairman. Presently he is functioning as Company Secretary in one of the Company of the Dempo Group. He is also on the Board of Southern Gas Limited as an Independent Director.
Relationship with other Directors inter-se	NIL	NIL
Directorship held in other Companies	NIL	The Southern Gas Limited
Chairman/ Member in the Committees of the Boards of other Companies	NIL	The Southern Gas Limited (Member in Audit Committee and Nomination and Remuneration Committee)
Date of first appointment on the Board of the Company	January 29, 2018	February 05, 2021
Shareholding in the Company	NIL	NIL
No. of Board meetings attended in FY 2020-21	3	1



BOARD'S REPORT

Dear Members,

Your Directors hereby present their report on the business and operations of the Company and the financial statements for the year ended March 31, 2021.

1. FINANCIAL RESULTS

The financial statements for the year ended March 31, 2021, 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 following are the financial highlights for the Financial Year 2020-21.

(₹ in Lakhs)

Particulars	FY	FY
	2020-21	2019-20
	Audited	Audited
Revenue from Operations	5,054.10	4,822.85
Other Income	182.82	246.10
Total	5,236.92	5,068.95
Profit before Depreciation, Exceptional items and Tax Expense	1,017.66	1,294.58
Less: Depreciation/ Amortization/ Impairment	260.23	259.26
Profit before Exceptional items and Tax Expense	757.43	1,035.32
Exceptional Items	-	-
Profit/(Loss) before Taxation	757.43	1,035.32
Less: Tax Expense (Current & Deferred)	192.86	222.51
Net Profit	564.57	812.81
Other Comprehensive Income/ (Loss) (net of tax)	(0.28)	(2.05)
Total Income for the year	564.29	810.76

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 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 Pandemic COVID-19 has severely impacted business globally, including India. This has created disruption in global supply chain and adversely impacting most of the business sectors which has resulted in a global slowdown, including India.

During the year under review, there was severe disruption in regular business operations due to COVID-19 pandemic forced nationwide lockdown and other restrictions. The Company had to temporarily shut down and scale down manufacturing operations in line with the directives issued by Central and State Governments. The operations of the Company were resumed pursuant to the relaxations or necessary permissions from concerned authorities and after undertaking necessary health and safety measures as per the guidelines issued by the government and health authorities.

The Management has made an assessment of impact of the pandemic on the Company's operations, financial performance, 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 financial statements as at March 31, 2021. 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.

Despite the challenges due to COVID-19 situation, the turnover of the Company was ₹ 5,054.10 lakhs for the year ended March 31, 2021 as compared to ₹ 4,822.85 lakhs in the previous year. The Company's Profit from Operations for the year ended March 31, 2021 was ₹ 757.43 lakhs as compared to ₹ 1,035.32 lakhs in the previous year.

The Profit after tax for the year ended March 31, 2021 was ₹ 564.29 lakhs as compared to ₹ 810.76 lakhs for the previous year ended March 31, 2020.

3. DIVIDEND

The Board of Directors has recommended payment of dividend at the rate of 10% (i.e., ₹ 1 per equity share of ₹ 10/- each) for the financial year ended March 31, 2021 subject to the approval of Members at the 32nd Annual General Meeting ('AGM').

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 March 31, 2021.



5. SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2021 was ₹ 530.86 lakhs comprising of 53,08,634 equity 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

Change in Board composition:

Mr. Francesco L'Abbate (DIN:08063332) was appointed as regular Non-Executive, Non-Independent Director, being liable to retire by rotation, on the Board of Directors of the Company by Members at the AGM held on September 23, 2020.

In term of Section 152 of the Act, Mr. Robert Scannell (DIN: 06818489) Non-Executive, Non-Independent Director being liable to retire by rotation, was re-appointed by the Members at the AGM held on September 23, 2020.

Ms. Sarita D'Souza (DIN: 06949439) resigned as Non-executive and Independent Director of the Company with effect from close of business hours of January 02, 2021 due to personal reasons.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Mr. Purushottam S. Mantri (DIN: 06785989) as an Additional Director (Non-Executive and Independent Director) of the Company with effect from February 05, 2021, to hold office up to the date of ensuing Annual General Meeting.

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.

Directors seeking appointment/ re-appointment

In compliance with the Section 152 Act, Mr. Francesco L'Abbate, Non-executive, Non-Independent Director, retires by rotation at the ensuing AGM and being eligible for re-appointment, offers himself for re-appointment.

The Nomination & Remuneration Committee ('NRC') and the Board have recommended appointment of Mr. Purushottam S. Mantri as Non-Executive Independent Director at the ensuing AGM, for a term of five consecutive years commencing from February 05, 2021 up to February 04, 2026.

Brief resume and other details of the Director(s) being appointed/re-appointed at the ensuing AGM as stipulated under Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI (LODR) Regulations, is separately disclosed in the Notice of the 32nd AGM.

Key Managerial Personnel (KMP)

Mr. Vinay Chopra, Managing Director, Mr. Deepak Nagvekar, Chief Financial Officer and Mr. Shrikant Pai, Company Secretary continued to be the Key Managerial Personnel of the Company in accordance with the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as on the date of this Report.

7. BOARD MEETINGS

During the financial year, four (4) meetings of the Board of Directors were held, the details of which are given in the Corporate Governance Report, which forms part of the Board's Report. The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013 as amended from time to time.

8. 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.

9. 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 that:

- a. in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;



- e. the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. INDEPENDENT DIRECTORS

The Independent Directors of the Company have submitted requisite declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) and 25(8) of Listing Regulations and 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. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.

All Independent Directors have registered their name in the Independent Directors data bank maintained by the Indian Institute of Corporate Affairs. In the opinion of the Board, the Independent Directors possess the requisite expertise, experience, integrity and proficiency required for appointment as Independent Director of the Company.

11. BOARD PERFORMANCE EVALUATION

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in their meeting held on June 03, 2020, carried out annual performance evaluation of its own performance, that of its committees and individual Directors in accordance with the parameters for such evaluation formulated by the Nomination and Remuneration Committee. No Director participated in his / her own evaluation. This exercise was carried out through a structured questionnaire prepared separately for the Board, Committees and individual Directors.

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, achievement of corporate objectives, 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.

The performance of individual directors was evaluated 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 reviewed the performance of the Non-Independent Directors, Chairman and the Board taking into account the views of Executive Directors and Non-Executive Directors at a separate meeting of Independent Directors held on June 03, 2020, without the attendance of Non-Independent Directors and members of the Management.

The Directors were satisfied with the Company's standard of governance, its transparency, meeting practices and overall Board effectiveness. The outcome of the evaluation process was discussed and deliberated at the 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.

12. MANAGEMENT DISCUSSION & ANALYSIS REPORT

In terms 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'.

13. AUDIT COMMITTEE

The Audit Committee is duly constituted as per the provisions of the Act read with applicable Rules framed thereunder and the Listing Regulations. The details pertaining to the composition of the Audit Committee, number of meetings etc. are provided 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.

14. 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. All the related party transactions are placed before the Audit Committee for approval. An omnibus approval of the Audit Committee is obtained for the related party transactions which are repetitive in nature. The Audit Committee reviews all transactions entered into pursuant to the omnibus approval so granted on a quarterly 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 in compliance with Section 134(3)(h) of the Act are disclosed in Form AOC-2 as 'Annexure- II' and forms part of this report. Disclosure on related party transactions as per IND AS-24 have been provided under Note no. 31 of the financial statement.

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>

15. PARTICULARS OF REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL 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 given in 'Annexure - III' to this report.

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.

16. 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.

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience. The characteristics expected of all Directors include independence, integrity, qualification, experience, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations to assist the Board in fulfilling its responsibilities and willingness to exercise authority in a collective manner.

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

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

17. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the website of the Company viz. india.denora.com.

18. 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 of the Board periodically reviews the adequacy and effectiveness of the Company's internal control systems and monitors the implementation of the audit recommendations.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your 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>

Annual report on CSR activities for the financial year ended 2020-21 in the format prescribed under Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in 'Annexure IV' of this report.



20. 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;

DNI is in process of getting Certification for ISO 50001:2018, for Energy management. Tentative implementation will be by the end of 2021. Modifications and Energy meter installation works have already been commenced.

- (ii) The steps taken by the Company for utilizing alternate sources of energy;

The Solar Energy concept will be given a further thrust towards Capex approval and implementation

- (iii) The capital investment on energy conservation equipment's;

Introduction of new capital equipments in manufacturing activities has helped in conservation of energy at low level.

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 - ₹ 2,303.30 Lakhs

Foreign Exchange Outgo - ₹ 1,498.13 Lakhs

21. 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.

22. 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/ grievances about illegal or unethical practices in the Company, actual or suspected fraud or violation of the Company's Code or Policies. The vigil mechanism is overseen by the Audit Committee and provides adequate safeguards against victimization of persons who use such mechanism. It provides mechanism for stakeholders 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>.

23. STATUTORY AUDITORS

M/s. MSKA & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W) were appointed as the Statutory Auditor of the Company at the 29th Annual General Meeting held on September 26, 2018 to hold office for a term of five years from the conclusion of said meeting till the conclusion of 34th Annual General Meeting to be held in the year 2023. The Auditors' Report to the Members on the Financial Statements for the year ended March 31, 2021 forms part of the annual report and does not contain any qualification / reservations or adverse comments.

As required under the provisions of Section 139(1) and 141 of the Companies Act, 2013 read with the Companies (Accounts and Auditors) Rules, 2014, the Company has received a certificate from the auditors to the effect that they are eligible to continue as Statutory Auditor of the Company.

24. SECRETARIAL AUDIT

In terms of the provisions of Section 204 of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Sadashiv V. Shet, Practising Company Secretary (COP No. 2540) as the Secretarial Auditor for conducting the Secretarial Audit of the Company for the Financial Year ended March 31, 2021.



The report of the Secretarial Auditor is appended as 'Annexure - V'. The said report does not contain any qualification, reservation, or adverse remark.

25. 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.

26. 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.

27. CORPORATE GOVERNANCE

The Company has complied with the provisions relating to corporate governance as provided under the Listing Regulations. In compliance with Regulation 34 of the Listing Regulations read with Schedule V thereto, a detailed report on Corporate Governance along with the Auditor's Certificate confirming thereon forms part of this Report as 'Annexure -VI'.

28. 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 2020-21 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.

29. HOLDING COMPANY

As on March 31, 2021, the Promoter and the Holding company i.e., Oronzio De Nora International B. V. holds 28,49,500 equity shares representing 53.68% of the total paid-up equity share capital of the Company. There was no change in the shareholding of Oronzio De Nora International B. V. in the Company during the year. The Company continues to be a Subsidiary Company of Oronzio De Nora International B. V.

30. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AS PER COMPANIES ACT, 2013

As of March 31, 2021, the Company does not have any subsidiary, associate company or a joint venture. During the year, no other company became or ceased to be a Subsidiary / Associate / Joint Venture company of the Company.

31. 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.

32. 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 workplace 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(l) 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

33. 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 6731151
Email ID	shrikant.pai@denora.com
Correspondence Address	De Nora India Limited Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115

34. 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.



35. 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 March 31, 2021.
- 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 March 31, 2021 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 falling under the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.
- i. There were no instances of frauds reported by the Statutory Auditors or Secretarial Auditors of the Company during the year under review.

36. 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: May 10, 2021



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, these electrodes are used by customers to produce Caustic soda and Chlorine which are building blocks in thousands of products that make life safer, healthier, easier, more comfortable, more energy efficient in one word more innovative. The product portfolio also includes anodes (LIDA®) for cathodic protection systems of steel structure, Platinized titanium anodes and GREENCHROME® anodes for surface finishing application, Electrochlorination systems for water disinfection. De Nora vision is to deliver innovative technologies, products, and services to meet future challenges coming from environmental and industrial needs.

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.

The financial year 2020-21 witnessed unprecedented disruption to human life and economic activities across the globe due to COVID-19 pandemic. The operations of the Company were also affected but at the same time we feel pride and gratitude of being part of a very resilient Group made of colleagues who did their best to overcome the difficulties experienced and to keep our customers happy and engaged with us. These uncertainties give very practical meaning to De Nora's purpose of empowering collaboration and championing resilience.

During the year the whole world continued to face unexpected challenges due to the pandemic and your Company has managed to perform operational activities without being hampered. In these trying times the Company continues to be competitive because of its traditional values ("DurantesVincunt"- persistence prevails) and its proven long history to improve efficiency and resilience of its business operations through their core technology.

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, pharmaceuticals, glass, chlorinated paraffin wax, among others. The various technologies, which are being used in the chlor-alkali industry, include mercury, membrane cell and diaphragm cells. In India, membrane cell technologies are widely used for caustic soda production.

Due to the 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 continuing 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.



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 ₹ 5,054.10 lakhs was registered by the Company during the year under review from the sale of its products.

(Amount ₹ in Lakhs)

Segment	2020-21	Contribution (%)	2019-20	Contribution (%)
Electrode Technologies	4,709.59	93%	4,717.01	98%
Water Technologies	344.51	7%	105.84	2%
Total	5,054.10	100%	4,822.85	100%

OUTLOOK

The Company is looking forward to maintaining 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.

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 in the coming years. Moreover, longer supply chain distribution lead times, changes in import policy due to continuing 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 lockdown and due to suppliers' inability to adhere to the contractual terms may impact the Company.

In addition to the Pandemic, we also had to deal with a cyber-attack incident during the last quarter of the year. Upon becoming aware of the same the technical team and the management of the Company has taken necessary precautions and measures to address the incident. The management recognises the cyber security related risks

and its impact on business operations of the Company. In order to mitigate such risks necessary measures are adopted like implementation of multi factor authentication controls, strict access controls, enhancement of cyber security infrastructure and training / awareness program on information security.

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. Processes 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 Board's Report. As per the same, the Company's operations have resulted in a pre-tax profit of ₹ 757.43 lakhs for the current year as against ₹ 1,035.32 lakhs for the previous financial year. The post-tax profit for the current year is ₹ 564.57 lakhs whereas it stood at ₹ 812.81 lakhs for 2019-20. The Earning per Share (EPS) (Basic & Diluted) of your Company for the financial year ended March 31, 2021 was at ₹ 10.64.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Key Financial Ratios	FY 2020-21	FY 2019-20	Change (%)	Reason/Explanation
Debtors Turnover Ratio	4.26	5.26	-19%	Faster Increase in Underlying Sales in Q4, resulting in higher Receivables at the year end.
Inventory Turnover Ratio	2.23	2.25	-1%	No significant change
Interest Coverage Ratio	-	-	-	NA



Current Ratio	5.38	4.42	22%	Current ratio improved on account of better receivables management.
Debt Equity Ratio	-	0.01	-100%	The Company doesn't have Loan funding.
Return on Net Worth (%)	8%	13%	-5%	Overall Profitability impacted due to increase in operating leverage.
Operating Profit Margin (%)	15%	21%	-6%	
Net Profit Margin (%)	11%	17%	-6%	

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 its human resources and create a safe and healthy working environment, since employees are considered the most important and valuable assets of the Company.

With the outbreak of the COVID-19 pandemic, your Company undertook utmost precautions for the employees by proactively circulating information and putting in place best health and hygiene practices designed to curb the spread of the contagion. We worked tirelessly during the pandemic to set up COVID-19 guidelines and standard operating procedures across the organisation. Some key measures undertaken during the year 2020-2021 in this direction were:

- COVID-19 awareness drive
- Entry/Exit norms (social distancing/ screening/ self-declaration etc.)
- Work from home
- Frequent sanitization of the Company premises, Company vehicles and incoming vehicles
- Installation of auto hand sanitizing and temperature recording machines
- Antigen and RT-PCR testing of all the employees including contractor workers, drivers 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.

Industrie De Nora has been continuously working on various initiatives to improve human resources skills, competencies, and capabilities in all the Group Companies. The Company uses SAP Success Factors Employee Central, which is a flexible, global core HR solution that supports core HR processes. All HR Campaigns like Target Assignment, Performance Assessment, Competence Assessment etc. are launched through Success Factors.

Industrial relations at the Company have been harmonious and peaceful with active involvement of the workmen.

DNIL, is ISO 45001 certified from TÜV SÜD for health and safety which gives customers and other stakeholders confidence in our safe operations. The Company has implemented many best practices across the plant to reduce mishaps and ensure a safe workplace. Employees are equipped with all safety gear and must undergo regular training.

As on March 31, 2021, there were 56 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 March 31, 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 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, 2021, 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, 2021 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	230.28 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 the RPTs are reviewed and approved by the Audit Committee and the Board of Directors from time to time. Moreover, pursuant to the provisions of the Listing Regulations, the Members of the Company have approved the Material RPT with Industrie De Nora S.p.A., Italy up to ₹ 525 Lakhs for the FY 2020-21, by passing an ordinary resolution at the 31 st Annual General Meeting held on September 23, 2020.	Nil
2.	De Nora Italy S.r.L., Italy (Subsidiary of Ultimate Holding Company)	Sale /Purchase of goods or materials	2,023.97 lakhs	Financial year 2020-21	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 the RPTs are reviewed and approved by the Audit Committee and the Board of Directors from time to time. Moreover, pursuant to the provisions of the Listing Regulations, the Members of the Company have approved the Material RPT, with De Nora Italy S.r.L., Italy up to ₹ 2,500 Lakhs for the FY 2020-21, by passing an ordinary resolution at the 31 st Annual General Meeting held on September 23, 2020.	Nil

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

Satish Dhume
Chairman
DIN : 00336564

Place: Kundaim, Goa
Date: May 10, 2021



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 to the median remuneration of all the employees of the Company for the Financial Year 2020-21 and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year 2020-21**

Median remuneration of all the employees of the Company for the financial year	₹ 5.15 Lakhs
Percentage increase in the median remuneration of employees in the financial year	4.67%
Number of permanent employees on the rolls of the Company as on March 31, 2021	56

Sr. No.	Name of Director	Designation	Remuneration (₹ in Lakhs)	Ratio of Directors remuneration to median remuneration	% increase in the remuneration in the FY 2020-21
I Executive Director					
1.	Mr. Vinay Chopra	Managing Director	38.47	7.51:1	11.87%
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. Supriya Banerji	Independent Director	-	NA [#]	-
5.	Ms. Sarita D'Souza*	Independent Director	-	NA [#]	-
6.	Mr. Purushottam Mantri**	Independent Director	-	NA [#]	-
III Key Managerial Personnel					
1.	Mr. Deepak Nagvekar	Chief Financial Officer	28.63	-	10.07%
2.	Mr. Shrikant Pai	Company Secretary	8.46	-	- [§]

* Resigned w.e.f. 02.01.2021

** Appointed w.e.f. 05.02.2021

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

[§] Since the remuneration paid for FY 2019-20 was for part of the year, percentage increase in remuneration is not comparable and hence, not stated

2. **Average percentiles 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. 2020-21 was 10% whereas the increase in the managerial remuneration for the same financial year was 15%. Factors such as Indian Inflation, prevailing market rates and performance of the Company were considered while considering remuneration.

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**

**Satish Dhume
Chairman
DIN : 00336564**

Place: Kundaim, Goa
Date: May 10, 2021



Annexure - IV

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company

De Nora India Limited strives to be a socially responsible Company and strongly believes in development which is beneficial to the society at large. As a corporate citizen, it is our co- extensive responsibility to commit effort and resource towards supporting the cause of disadvantaged and underprivileged people especially children by providing basic amenities for education, skill development and to keep the environment clean and safe for society. It is the Company's intent to make a positive contribution to the society in which the Company exists and operates.

The objective of the Company's CSR policy is to set guiding principles for carrying out CSR activities by the Company and to set up the process of execution, implementation, and monitoring of the CSR activities to be undertaken by the Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Supriya Banerji	Chairperson and Non-Executive Independent Director	1	1
2	Mr. Robert Scannell	Non-Executive Director	1	1
3	Mr. Vinay Chopra	Managing Director	1	1
4	Ms. Sarita D'Souza*	Non-Executive Independent Director	1	1

*Resigned w.e.f. January 02, 2021

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

Composition of CSR Committee, CSR policy and CSR projects approved by the Board of Directors is available on our website at: <https://india.denora.com/company/shareholder-information.html>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**
6. Average net profit of the Company as per section 135(5): ₹ **512.68 Lakhs**
7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ **10.25 Lakhs**
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
 (c) Amount required to be set off for the financial year, if any: **NIL**
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **10.25 Lakhs**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
10.28 Lakhs	NIL	-	-	NIL	-

- (b) Details of CSR amount spent against ongoing projects for the financial year: **NIL**



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

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation on -Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Contribution to PM Cares Fund to deal with the situation of Covid-19 and provide relief to the affected	(viii)	No	PAN India		10.28 Lakhs	Direct	Not Applicable	
TOTAL						10.28 Lakhs			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **10.28 Lakhs**

(g) Excess amount for set off, if any: NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): **Not Applicable**

Mr. Vinay Chopra
Managing Director
(DIN: 06543610)

Ms. Supriya Banerji
Non-Executive, Independent Director
(Chairperson, CSR Committee)
(DIN: 05209284)

Place: Kundaim, Goa
Date: May 10, 2021



Annexure - V

FORM NO. MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021.

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

To,
The Members,
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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, 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 2021 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: May 10, 2021
Place : Panaji, Goa

Sadashiv V Shet
Practicing Company Secretary
FCS No. 2477
C P No.: 2540
UDIN : F002477C000265113



Annexure - VI

CORPORATE GOVERNANCE REPORT

1. 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 its endeavour is to follow the spirit of good governance than mere compliance with the conditions specified by regulatory authorities.

2. BOARD OF DIRECTORS

The Directors of the Company collectively have the desired diversity and optimal mix of knowledge and expertise from diverse fields, possess the requisite qualifications and experience which enables them to discharge their responsibilities and enhance the quality of the Board's decision-making process.

The Board of Directors of the Company is duly constituted and is comprising of Executive and Non-Executive 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.

a) Board Composition, Category of the Directors, details of Directorships / Committee Memberships held in other Companies, attendance at the Board Meeting and the last Annual General Meeting

As on March 31, 2021, the Board consists of six directors comprising five Non-Executive Directors (two Non-Independent and three Independent Directors including one women Director) and one 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.

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.

The names, categories of the Directors on the Board, attendance at the Board meeting, the number of directorships and committee positions held by them in other Companies for the year ended March 31, 2021 are given as below:

Name and DIN of the Director	Category	No. of Board Meetings attended	Directorship in other Companies [#]	Committee Memberships [§]	
				Member	Chairperson
Mr. Satish Dhume (DIN: 00336564)	Chairman and Non-Executive Independent Director	4 out of 4	-	-	-
Mr. Vinay Chopra (DIN: 06543610)	Managing Director	4 out of 4	-	-	-
Mr. Robert Scannell (DIN: 06818489)	Non-Executive Director (NED)	3 out of 4	-	-	-
Ms. Supriya Banerji (DIN: 05209284)	Non-Executive Independent Director	4 out of 4	-	-	-
Mr. Francesco L'Abbate (DIN: 08063332)	Non-Executive Director (NED)	3 out of 4	-	-	-
Ms. Sarita D'Souza [*] (DIN: 06949439)	Non-Executive Independent Director	3 out of 3	-	-	-
Mr. Purushottam Mantri ^{**} (DIN: 06785989)	Non-Executive Independent Director	1 out of 1	1	1	-

^{*}Resigned with effect from January 02,2021

^{**}Appointed as Additional Director with effect from February 05, 2021

[#] Excludes directorships held in private limited companies, foreign companies and section 8 companies.

[§] 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.



As on March 31, 2021, Mr. Purushottam Mantri is also Independent Director in other listed entity, Southern Gas Limited.

The last AGM of the Company held on September 23, 2020 was attended by all the Members of the Board. 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.

None of the Directors on the Board of the Company is a member of more than 10 (ten) committees and / or Chairperson of more than 5 (five) committees, reckoned in terms of Regulation 26 of the Listing Regulations. Also, none of the Directors on the Board serves as Director or Independent Director in more than 7 (seven) listed entities in terms of the requirements of the Listing Regulations.

b) Number of Board Meetings

During the financial year ended March 31, 2021, 4 (four) Board meetings were held and the time gap between any two consecutive Board meetings did not exceed 120 days. These meetings were held on June 03, 2020, July 29, 2020, October 29, 2020, and February 05, 2021.

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.

c) Skills/ Expertise/ Competence of the Board of Directors

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 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
Mr. Purushottam Mantri Independent Director	Legal, Regulatory knowledge and experience
Ms. Supriya Banerji, Independent Director	Policy Decisions and Corporate Governance
Mr. Francesco L'Abbate, Non-Executive Director	Strategic Due diligence

d) Independent Directors

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned in Regulation 16(1)(b) of Listing Regulations and Section 149(6) of the Act. On the basis of declarations received from Independent Directors, the Board is of the opinion that each of them fulfils the prescribed independence criteria stipulated under the Act and Listing Regulations and that they are independent from the management of the Company.

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.

Schedule IV to the Act and the Listing Regulations mandate the Independent Directors to hold at least one meeting in every financial year, without the attendance of Non-Independent Directors and members of the management. During the financial year under review, the Independent Directors met on June 03, 2020, to review the performance of the Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to 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.

During the year Ms. Sarita D'Souza resigned as Independent Director of the Company with effect from close of business hours of January 02, 2021 due to personal reasons. She has also confirmed that there is no other material reason other than what is stated in her resignation.

e) Familiarization of Independent Directors

In order to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business mode of the Company, etc. a familiarization programme has been adopted and implemented by the Company.

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>.

3. COMMITTEES OF THE BOARD

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

a) Audit Committee

The Company's Audit Committee comprises of 3 members, all being Non-Executive Directors with a majority being Independent Directors. All the Members of the Audit Committee are financially literate.

The terms of reference of the Audit Committee are in conformity with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. The Broad terms of reference of the Audit Committee include:

- 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.
- Any other responsibility/duty as may be prescribed under the Companies Act, 2013 and/or the provisions of the SEBI Regulations.

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.

During the financial year ended March 31, 2021, 4 (four) Audit Committee Meetings were held on June 03, 2020, July 29, 2020, October 29, 2020, and February 05, 2021. The time gap between any two consecutive meetings of the Audit Committee did not exceed 120 days.

The composition of the Audit Committee and the attendance of members at the meetings held during the financial year ended March 31, 2021 are as follows:



Names of Committee Members	Chairman / Member	No. of meetings held	No. of meetings attended
Mr. Satish Dhume	Chairman	4	4
Mr. Robert Scannell	Member	4	3
Mr. Purushottam Mantri*	Member	1	1
Ms. Sarita D'Souza**	Member	3	3

*Appointed as member effective from February 05, 2021

** Ceased to be member effective from January 02, 2021

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 Audit 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.

b) Nomination & Remuneration Committee ('N&RC')

The Nomination and Remuneration Committee comprises of 3 (three) members, all being Non-Executive Directors and majority being Independent Directors. The Committee is constituted in terms of the requirements of Section 178 of the Act and Rules framed thereunder read with Regulation 19 of the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee covers all the areas mentioned under Section 178 of the Act and Regulation 19 read with Part D of Schedule-II of the Listing Regulations. The broad terms of reference of the Committee include:

- formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees.
- formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Committee met 3 (three) times during the year under review on June 03, 2020, July 20, 2020 and February 05, 2021. The Company Secretary is the Secretary to the Committee.

The composition of the Nomination and Remuneration Committee and the attendance of members at the meetings held during the financial year ended March 31, 2021 are as follows:

Names of Committee Members	Chairperson / Member	No. of meetings held	No. of meetings attended
Ms. Supriya Banerji#	Chairperson	3	3
Mr. Robert Scannell	Member	3	2
Mr. Purushottam Mantri*	Member	-	-
Ms. Sarita D'Souza**	Member	2	2

Appointed as Chairperson of the Committee w.e.f. February 05, 2021

*Appointed as member w.e.f. February 05, 2021

** Ceased to be Chairperson and member w.e.f. January 02, 2021

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.



c) Stakeholder's Relationship Committee ('SRC')

The Stakeholders' Relationship Committee comprises of 3 (three) members. The Committee is constituted in terms of the requirements of Section 178 of the Act and Rules framed thereunder read with Regulation 20 of the Listing Regulations.

The terms of reference of the Committee include resolving grievances of shareholders including complaints relating to transfer/transmission of shares, non-receipt of annual report, non-receipt of dividends declared, etc. The Committee also reviews the measures taken for effective exercise of voting rights by shareholders, adherence to the service standards adopted by the Company in relation to various services rendered by the Registrar & Share Transfer Agent, etc.

During the financial year ended March 31, 2021, 2 (Two) SRC meetings were held on June 03, 2020 and October 29, 2020. 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.

The composition of the Stakeholder's Relationship Committee and the attendance of members at the meetings held during the financial year ended March 31, 2021 are as follows:

Names of Committee Members	Chairman / Member	No. of meetings held	No. of meetings attended
Mr. Purushottam Mantri*	Chairman	-	-
Mr. Vinay Chopra	Member	2	2
Mr. Satish Dhume	Member	2	2
Ms. Sarita D'Souza**	Member	2	2

*Appointed as Chairman and member w.e.f. February 05, 2021

** Ceased to be Chairperson and member w.e.f. January 02, 2021

Details of Shareholders' Complaints

The Company and the Registrar and Transfer Agent of the Company, Bigshare Services Private Limited attends to all the grievances of the Shareholders. During the financial year ended March 31, 2021, 42 grievances/ correspondences were received from the Shareholders. All the grievances have been promptly redressed to the satisfaction of the Members and none of them were pending as on March 31, 2021.

The investor's complaints are also being processed through SEBI Complaint Redressal System (SCORES), the centralized web-based complaint redressal system. Through SCORES, the investors can view online, the actions taken and current status of the complaints. No shareholder complaints were lying unresolved as on March 31, 2021 under SEBI Complaints Redress System - 'SCORES'.

The details of complaints received, cleared / pending during the Financial Year 2020-21 are given below:

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

d) Corporate Social Responsibility ('CSR') 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, monitoring of the CSR activities undertaken etc. The Company Secretary acts as the Secretary to the Committee.

During the financial year ended March 31, 2021, 1 (one) CSR Committee meeting was held on June 03, 2020.

The composition of the CSR Committee and the attendance of members at the meetings held during the year ended March 31, 2021 are as follows:

Names of Committee Members	Chairperson / Member	No. of meetings held	No. of meetings attended
Ms. Supriya Banerji	Chairperson	1	1
Mr. Vinay Chopra	Member	1	1
Mr. Robert Scannell	Member	1	1
Ms. Sarita D'Souza*	Member	1	1

* Ceased to be member effective from January 02, 2021



4. REMUNERATION TO 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 and re-imbursement of expenses incurred by them while performing their role as NED, 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	Salary & Allowances	Perquisites & Benefits	Retirement Benefits	Performance linked Incentive	Total
Mr. Vinay Chopra	-	28.32	1.94	4.05	4.15	38.47
Mr. Satish Dhume	0.50	-	-	-	-	0.50
Mr. Francesco L'Abbate	0.15	-	-	-	-	0.15
Mr. Robert Scannell	0.40	-	-	-	-	0.40
Ms. Sarita D'Souza*	0.55	-	-	-	-	0.55
Ms. Supriya Banerji	0.40	-	-	-	-	0.40
Mr. Purushottam Mantri**	0.10	-	-	-	-	0.10

*Resigned with effect from January 02, 2021

**Appointed as Additional Director with effect from February 05, 2021

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. As per the resolution passed by the members in the 30th Annual General Meeting of the Company held on September 26, 2019, the term of appointment of Managing Director is from July 16, 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.



d) Remuneration Policy

The Board had adopted a Nomination and 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 and Remuneration Policy is available on the website of the Company: <https://india.denora.com/company/shareholder-information.html>.

e) Performance evaluation criteria for Independent Directors

In line with the provisions of the Act and Listing Regulations, the annual performance evaluation is carried out during the financial year 2020-21, details of which are provided in the Board's Report.

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.

5. GENERAL BODY MEETINGS

a) Details of Annual General Meetings held during past three years

Year ended	AGM	Day, date & time	Location	Special Resolution passed
31.03.2018	29 th	Wednesday, September 26, 2018 at 11.00 a.m. IST	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403 115	None
31.03.2019	30 th	Thursday, September 26, 2019 at 11.00 a.m. IST	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403 115	Re-appointment of Ms. Sarita D'Souza (DIN: 06949439) as an Independent Director
31.03.2020	31 st	Wednesday, September 23, 2020 at 11.00 a.m. IST	Held through Video conferencing / other Audio-visual means	None

b) No Extraordinary General Meeting (EGM) was held by the Company during the financial year ended March 31, 2021.

c) No special resolutions passed through postal ballot during the during the financial year ended March 31, 2021.

6. MEANS OF COMMUNICATION

During the year the quarterly, half-yearly and yearly financial results were published in the 'Business Standard' (English Newspaper) or 'Free Press Journal' (English newspaper) and in 'Lokmat' (Marathi newspaper) within prescribed timelines and are also posted on the Company's website; india.denora.com.

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.

In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of National Stock Exchange of India Limited and BSE Limited viz., NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre respectively. The Company submits to National Stock Exchange of India Limited and also to BSE Limited all disclosures/intimations, price sensitive information or such other matters which in its opinion are material and of relevance to the Members.

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.



7. GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting	Thursday, September 23, 2021 at 11.00 a.m. (IST) through Video Conference (VC) / Other Audio-Visual Means (OVAM) and the Registered Office located at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115 is deemed to be venue of the meeting	
b.	Financial Year	April 1, 2020 to March 31, 2021	
c.	Date of Book Closure	17 th September 2021 (Friday) to 23 rd September 2021 (Thursday) (both days inclusive)	
d.	Dividend Payment Date (subject to approval of shareholders)	On and from October 11, 2021	
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	The Annual listing fees for the financial year 2020-21 has been paid to the above Stock Exchange.	
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.: 0832-6731100
p.	Details of Compliance Officer	Mr. Shrikant Pai, Company Secretary Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115 Tel. No. 0832 6731100; Email: shrikant.pai@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	

8. SHARE TRANSFER SYSTEM

The Board has delegated the powers of share transfers to a Committee comprising of the Executive Director and Chief Financial Officer to look into share transfer and related applications received from Members, with a view to accelerate the transfer procedures. The Stakeholders Relationship Committee notes the approval of the same at its next meeting. The Share Transfer Committee meets for approval of share transfers, issue of duplicate share certificates, split, consolidation, etc. as per the request received.



The Committee meets at regular intervals to consider and approve request for transfer, transmission, split, consolidation of share certificates and cancellation of any share certificate etc. received from Members. In compliance with the provisions of Regulation 40(9) of the Listing Regulations, a Practicing Company Secretary Conducts Audit of the Share Operations System of the Company maintained at the office of the RTA.

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.

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.

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).

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.

9. MARKET PRICE DATA

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2020	190.00	126.70	189.00	122.20
May 2020	173.50	147.90	173.00	146.30
June 2020	245.90	171.20	247.00	172.60
July 2020	241.35	203.70	241.65	203.70
August 2020	245.10	206.90	251.80	207.00
September 2020	227.00	204.95	225.25	205.00
October 2020	224.90	192.90	224.30	195.00
November 2020	228.40	191.10	225.00	190.00
December 2020	257.70	205.00	260.00	203.15
January 2021	298.70	236.00	297.25	236.85
February 2021	363.00	243.00	363.60	243.00
March 2021	302.55	247.10	304.00	233.55

10. 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 (₹)
April 2020	190.00	126.70	9889.05	8055.80	33887.25	27500.79
May 2020	173.50	147.90	9598.85	8806.75	32845.48	29968.45
June 2020	245.90	171.20	10553.15	9544.35	35706.55	32348.10
July 2020	241.35	203.70	11341.40	10299.60	38617.03	34927.20
August 2020	245.10	206.90	11794.25	10882.25	40010.17	36911.23
September 2020	227.00	204.95	11618.10	10790.20	39359.51	36495.98
October 2020	224.90	192.90	12025.45	11347.05	41048.05	38410.20
November 2020	228.40	191.10	13145.85	11557.40	44825.37	39334.92
December 2020	257.70	205.00	14024.85	12962.80	47896.97	44118.10
January 2021	298.70	236.00	14753.55	13596.75	50184.01	46160.46
February 2021	363.00	243.00	15431.75	13661.75	52516.76	46433.65
March 2021	302.55	247.10	15336.30	14264.40	51821.84	48236.35



11. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021

Range of holding	Number of shares				Number of Shareholders			
	Physical	Demat	Total	%	Physical	Demat	Total	%
1-500	68619	6,06,077	6,74,696	12.71	619	6035	6,654	91.18
501-1000	6255	2,68,006	2,74,261	5.17	8	345	353	4.84
1001-5000	9480	4,74,894	4,84,374	9.12	4	232	236	3.23
5001-10000	14960	1,82,931	1,97,891	3.73	2	26	28	0.38
10001-50000	-	4,68,468	4,68,468	8.83	-	22	22	0.3
50001 & above	-	32,08,944	32,08,944	60.45	-	5	5	0.07

12. SHAREHOLDING PATTERN AS ON MARCH 31, 2021

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	7936	0.15
Corporate Bodies	242936	4.58
Trusts	155	0.00
Resident Individuals & HUF	2114330	39.82
Central/State Governments	-	-
Foreign Institutional Investors	-	-
Foreign Portfolio Investors – Corporate	-	-
Non-Resident Indians	69880	1.32
IEPF A/c	23897	0.45
Total	5308634	100.00

13. DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON MARCH 31, 2021

Particulars of shares	Shares of ₹ 10 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL	4116436	77.54	3512	48.12
CDSL	1092884	20.59	3153	43.20
Sub-Total	5209320	98.13	6665	91.33
Physical form	99314	1.87	633	8.67
Total	5308634	100.00	7298	100.00

14. 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 Board's Report. Prior approval of the Audit Committee is obtained for all related party transactions entered by the Company. 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 behavior, 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.
 - Financial statements of the Company are with unmodified audit opinion.
 - 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) Commodity price risks and commodity hedging activities: NIL
- (h) During the year, the Company did not raise any money through public issue, right issue, preferential issue or qualified institutions placement.
- (i) 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.
- (j) During the year under review there was no instance where the Board of Directors had not accepted the recommendations of Board Committees.
- (k) 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 financial year 2020-21 is as below.

Particulars	Amount (₹)
Audit fees for statutory auditors	22,50,000
Tax audit	2,00,000
Re-imbursment of expenses	26,061
Total	24,76,061

- (l) Disclosure in respect of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is provided in the Director's Report.
15. In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prohibition of Insider Trading (Code) duly approved by the Board of Directors of the Company.
16. Further, the Managing Director of the Company is not serving as an Independent Director on the Board of any other listed Company.
17. 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.
18. 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.
19. 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.
20. Compliance Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed herewith as part of the report.



**PRACTICING 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 **March 31, 2021**, 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: F002477C000265102

Place: Panjim, Goa

Date: May 10, 2021



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 March 31, 2021.

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 March 31, 2021 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
7.	Purushottam Sitaram Mantri**	06785989	Non - Executive cum Independent Director

*Resigned w.e.f. January 02, 2021

** Appointed as Director w.e.f. February 05, 2021

Sadashiv V. Shet
Practising Company Secretary
CP No.: 2540; Membership No.: 2477
UDIN: F002477C000265091

Place: Panjim, Goa
Date: May 10, 2021

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.

All Directors and senior management of the Company have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2021.

For **De Nora India Limited**

Vinay Chopra
Managing Director
DIN: 06543610

Place: Kundaim, Goa
Date: May 10, 2021



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, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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, 2021, 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 42 to the financial statements which states that the management has made an assessment of the impact of COVID-19 pandemic on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognized in the Financial Statements. Accordingly, no adjustments have been made to the Financial Statements.

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.

Revenue Recognition

Refer the disclosures related to Revenue recognition in Note 2.6 to the accompanying Financial Statements.

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 in accordance with Ind AS 115 - Revenue from Contract with Customers. The terms set out in the Company's sales contracts are varied which affect the timing of revenue recognition.

We have identified Revenue recognition as a Key Audit Matter because timing of revenue recognition involves significant management judgement.

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

- Obtained an understanding and assessed the design, implementation and operating effectiveness of internal controls over the existence, accuracy and timing of revenue recognition.
- Verified the contracts on test check basis to identify performance obligations under the contract and to assess whether revenue is recognised in the period in which the performance obligation is satisfied.
- Performed substantive transactional testing on test check basis.
- Performed substantive analytical procedure considering the revenue trends of the previous years and the relationship between revenue and other financial statement line items.
- Reconciled the revenue with sales register.
- Performed cut-off testing to validate the timing of revenue recognition determined by management.

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 statement 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 Standard) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 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 38 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any 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

Darryl Frank
Partner
Membership No. 104096
UDIN: 21104096AAAACE8678

Place : Panaji, Goa
Date : May 10, 2021



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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has 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

Darryl Frank
Partner
Membership No. 104096
UDIN: 21104096AAAACE8678

Place : Panaji, Goa
Date : May 10, 2021



ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DE NORA INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2021

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report on even date to the Members of De Nora India Limited on the Financial Statements for the year ended March 31, 2021]

- 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 other 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 provisions 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 any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under.
- 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 the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues relating to the investor education and protection fund, provident fund, employees state insurance, income-tax, goods and service tax, custom duty and other statutory dues applicable to it. According to the information and explanations given to us, there are no arrears of outstanding undisputed statutory dues as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records examined by us, there are no dues of income-tax, goods and service tax, custom duty, cess and other statutory dues that 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 the 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 transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, "Related Party Disclosure" 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

Darryl Frank
Partner
Membership No. 104096
UDIN: 21104096AAAACE8678

Place : Panaji, Goa
Date : May 10, 2021



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 on even date to the Members of De Nora India Limited on the Financial Statements for the year ended March 31, 2021]

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

Management's Responsibility for Internal Financial Controls

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, 2021, 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

Darryl Frank
Partner
Membership No. 104096
UDIN: 21104096AAAACE8678

Place : Panaji, Goa
Date : May 10, 2021



BALANCE SHEET

As at March 31, 2021

[All amount in INR, unless otherwise stated]

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	7,35,33,659	6,21,21,124
Capital work-in-progress		-	58,73,041
Other intangible assets	5	2,23,38,187	3,99,84,180
Financial assets			
Investments	6	7,41,500	5,35,500
Deferred tax asset (net)	28	88,61,252	77,41,778
Other non-current assets	7	1,07,58,015	1,80,25,755
Total non-current assets		11,62,32,613	13,42,81,378
Current assets			
Inventories	8	19,41,83,874	25,96,48,917
Financial assets			
Investments	6	3,87,69,653	4,67,81,004
Trade receivables	9	10,90,62,348	12,84,84,008
Cash and cash equivalents	10	18,89,10,017	2,41,12,508
Bank balances other than cash and cash equivalent	11	11,05,28,042	12,02,74,023
Loans and Deposits	12	9,11,499	15,47,871
Other current assets	13	3,74,94,299	3,69,45,271
Total current assets		67,98,59,732	61,77,93,602
Total assets		79,60,92,345	75,20,74,980
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	5,30,86,340	5,30,86,340
Other equity	15	61,66,72,717	56,02,43,886
Total equity		66,97,59,057	61,33,30,226
Liabilities			
Non-current liabilities			
Provisions	16	-	7,48,652
Total non-current liabilities		-	7,48,652
Current liabilities			
Financial liabilities			
Borrowings	17	-	76,72,693
Trade payables	18	3,33,84,342	4,56,50,560
Other financial liabilities	19	91,84,427	72,35,137
Provisions	16	67,75,247	1,03,39,685
Other current liabilities	20	7,69,89,272	6,70,98,027
Total current liabilities		12,63,33,288	13,79,96,102
Total liabilities		12,63,33,288	13,87,44,754
Total equity and liabilities		79,60,92,345	75,20,74,980
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

Darryl Frank

Partner

Membership No: 104096

Place : Panaji, Goa

Date : May 10, 2021

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

Vinay Chopra

Managing Director

DIN : 06543610

Shrikant Pai

Company Secretary

ICSI Membership No: 40001

Place : Kundaim, Goa

Date : May 10, 2021



STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

	Notes	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Income			
Revenue from operations	21	50,54,09,746	48,22,85,552
Other income	22	1,82,82,276	2,46,09,704
Total income		52,36,92,022	50,68,95,256
Expenses			
Cost of raw material consumed	23	26,12,62,835	20,73,37,727
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(16,11,263)	(63,02,029)
Employee benefits expense	25	5,29,61,925	5,20,42,783
Depreciation and amortization expense	26	2,60,22,929	2,59,26,480
Other expenses	27	10,93,12,720	12,43,58,335
Total expenses		44,79,49,146	40,33,63,296
Profit before tax		7,57,42,876	10,35,31,960
Tax expense			
Current tax			
For current year profits	28	2,03,63,159	2,62,32,328
Adjustments for earlier years	28	(36,665)	(11,73,326)
Deferred tax charge/ (benefit)	28	(10,40,692)	(28,08,027)
Total income tax expense		1,92,85,802	2,22,50,975
Profit for the year		5,64,57,074	8,12,80,985
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in fair value of FVTOCI equity Securities		2,06,000	(7,51,000)
Remeasurement of net defined benefit liability		(3,13,025)	7,29,026
Income tax relating to the above items		78,782	(1,83,481)
		(28,243)	(2,05,455)
Other comprehensive income for the year, net of tax		(28,243)	(2,05,455)
Total comprehensive income for the year		5,64,28,831	8,10,75,530
Earnings per share			
Basic earnings per share	29	10.64	15.31
Diluted earnings per share	29	10.64	15.31
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

Darryl Frank

Partner

Membership No: 104096

Place : Panaji, Goa

Date : May 10, 2021

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

Vinay Chopra

Managing Director

DIN : 06543610

Shrikant Pai

Company Secretary

ICSI Membership No: 40001

Place : Kundaim, Goa

Date : May 10, 2021



STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

(A) Equity share capital

	As at March 31, 2021	As at March 31, 2020
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Opening	5,30,86,340	5,30,86,340
Add: issue during the year	-	-
Closing	5,30,86,340	5,30,86,340

(B) Other equity

	Reserve and surplus			Items of OCI		Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	FVTOCI Reserve on defined benefit plan	FVTOCI Reserve on equity instruments	
Balance as at April 01, 2019	7,36,07,945	24,65,000	7,06,76,362	(8,05,725)	11,16,499	47,91,68,356
Profit for the year	-	-	-	-	-	8,12,80,985
Other comprehensive income	-	-	-	5,45,545	(7,51,000)	(2,05,455)
Total other comprehensive income for the year	-	-	-	5,45,545	(7,51,000)	8,10,75,530
Balance as at March 31, 2020	7,36,07,945	24,65,000	7,06,76,362	(2,60,180)	3,65,499	56,02,43,886

	Reserve and surplus			Items of OCI		Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	FVTOCI Reserve on defined benefit plan	FVTOCI Reserve on equity instruments	
Balance as at April 01, 2020	7,36,07,945	24,65,000	7,06,76,362	(2,60,180)	3,65,499	56,02,43,886
Profit for the year	-	-	-	-	-	5,64,57,074
Other comprehensive income	-	-	-	(2,34,243)	2,06,000	(28,243)
Total other comprehensive income for the year	-	-	-	(2,34,243)	2,06,000	5,64,28,831
Balance as at March 31, 2021	7,36,07,945	24,65,000	7,06,76,362	(4,94,423)	5,71,499	61,66,72,717

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 IMSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Darryl Frank
Partner
Membership No: 104096

Place : Panaji, Goa
Date : May 10, 2021

For and on behalf of the Board of Directors
De Nora India Limited
CIN: L31200GA1993PLC001335

Satish Dhume
Chairman
DIN : 00336564

Place : Kundaim, Goa
Date : May 10, 2021

Vinay Chopra
Managing Director
DIN : 06543610

Deepak Nagvekar
Chief Financial Officer

Shrikant Pai
Company Secretary
ICSI Membership No: 40001



STATEMENT OF CASH FLOW

for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

	Note	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Cash flow from operating activities			
Profit before tax		7,57,42,876	10,35,31,960
<u>Adjustments for:</u>			
Depreciation and amortization expenses		2,60,22,929	2,59,26,480
Interest income		(78,08,262)	(1,01,18,770)
Liabilities written back		(8,41,049)	(15,00,000)
Loss on sale of fixed assets		4,97,014	3,35,491
Net unrealised loss / (gain) on foreign exchange		8,70,947	(5,26,425)
Provision for / (Reversal of) Doubtful / Bad Debts (net)		21,82,294	(25,86,041)
Provision for / (withdrawn from) warranty (net)		(35,72,800)	63,00,000
Provision for / (withdrawn from) obsolete inventory (net)		(3,30,952)	53,29,486
Dividend received		(21,69,351)	(52,38,029)
Gain on sale of investment		-	(9,08,202)
Fair value change in Investment		5,301	(25,729)
Operating Profit before working capital changes		9,05,98,947	12,05,20,221
Changes in working capital			
Decrease / (Increase) in inventories		6,57,95,995	(9,54,58,791)
Decrease / (Increase) in trade receivables		1,63,65,566	(7,02,46,279)
Decrease / (increase) in other financial assets		-	84,85,693
Decrease / (Increase) in other current assets		(21,70,787)	(2,78,56,935)
(Decrease)/ Increase in trade payables		(1,22,63,365)	(1,41,96,336)
(Decrease)/ Increase in other financial liabilities		43,13,539	(39,56,392)
(Decrease)/ Increase in provisions		(10,53,315)	(61,45,477)
(Decrease)/ Increase in other current liabilities		98,91,245	2,93,67,477
Cash generated / (used) in operations		17,14,77,825	(5,94,86,819)
Income tax refund		1,36,37,972	1,04,03,520
Income tax paid		(2,35,79,150)	(2,32,71,551)
Net cash flows from / (used in) operating activities (A)		16,15,36,647	(7,23,54,850)



STATEMENT OF CASH FLOW

for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

	Note	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Cash flow from Investing activities			
Payment for property, plant and equipment and intangible assets		(1,56,55,075)	(1,19,93,803)
Purchase of Investments		(19,93,950)	(4,58,59,300)
Proceeds from sales of investments		1,00,00,000	13,47,15,005
Proceeds from sale / disposal of fixed assets		50,150	5,000
Net proceeds from / (amount deposited into) fixed deposits		97,45,981	(1,87,08,193)
Interest received		66,17,098	1,01,18,770
Dividend received		21,69,351	52,38,029
Net cash flows from investing activities (B)		1,09,33,555	7,35,15,508
Cash flow from Financing activities			
Proceeds from / (Repayment of) short-term borrowings		(76,72,693)	76,72,693
Net cash flows from / (used in) financing activities (C)		(76,72,693)	76,72,693
Net increase in cash and cash equivalents (A+B+C)		16,47,97,509	88,33,351
Cash and cash equivalents at the beginning of the year		2,41,12,508	1,52,79,157
Cash and cash equivalents at the end of the year		18,89,10,017	2,41,12,508
Cash and cash equivalents comprise (Refer note 10)			
Balances with banks			
On current accounts		10,33,42,127	2,40,56,473
In exchange earner's foreign currency accounts		8,55,34,512	-
Cash on hand		33,378	56,035
Total cash and bank balances at end of the year		18,89,10,017	2,41,12,508
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

Darryl Frank

Partner

Membership No: 104096

Place : Panaji, Goa

Date : May 10, 2021

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 : May 10, 2021

Vinay Chopra

Managing Director

DIN : 06543610

Shrikant Pai

Company Secretary

ICSI Membership No: 40001



Notes forming part of the Financial Statements for the year ended March 31, 2021

[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 of India Limited (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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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
Office Building	60 years
Factory Building	30 years
Plant & Machinery	15 years
Furniture and Fixtures	10 years
Vehicles	8 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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

(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 products

Revenue from the sale of products is recognised when the Company satisfies the performance obligation by transferring promised products 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.

In respect of above, the amounts received in advance are reflected in the Balance sheet under "Other Current Liabilities" as "Advance from Customer".

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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

(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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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 rupee as per requirement of Schedule III of the Act, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

In the 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 March 31, 2021 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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

(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, 2021.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

4 Property, plant and equipment

	Gross block			Depreciation			Net block	
	As at April 01, 2020	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2021	For the year	Deductions/ Adjustments	As at March 31, 2021	As at April 01, 2020
Owned assets								
Leasehold Improvement	10,84,260	-	-	10,84,260	19,502	-	97,659	10,06,103
Office building	17,31,381	-	-	17,31,381	43,105	-	2,15,848	15,58,638
Factory building	2,47,21,285	-	26,878	2,46,94,407	18,40,008	26,878	90,81,813	1,74,52,602
Plant and Machinery	4,33,34,373	1,53,23,362	57,40,008	5,29,17,727	43,18,082	55,09,558	48,89,971	3,72,52,926
Furniture and Fixtures	25,47,857	5,16,857	84,177	29,80,537	3,17,737	84,177	14,28,236	13,53,181
Vehicles	24,95,951	20,00,000	15,51,317	29,44,634	4,27,977	12,52,470	3,23,377	26,21,257
Office Equipment	47,23,677	12,66,231	6,89,837	53,00,071	9,19,001	6,76,690	29,96,991	19,67,997
Computers	18,37,287	9,66,526	1,87,459	26,16,354	2,33,584	1,87,458	17,01,817	1,81,596
Total	8,24,76,071	2,00,72,976	82,79,676	9,42,69,371	81,17,996	77,37,231	2,07,35,712	6,21,21,124

	Gross block			Depreciation			Net block	
	As at April 01, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2020	For the year	Deductions/ Adjustments	As at March 31, 2020	As at April 01, 2019
Owned assets								
Leasehold Improvement	10,84,260	-	-	10,84,260	19,583	-	78,157	10,06,103
Office building	17,31,381	-	-	17,31,381	43,283	-	1,72,743	15,58,638
Factory building	2,47,21,285	-	-	2,47,21,285	18,47,599	-	72,68,683	1,93,00,201
Plant and Machinery	4,61,05,238	68,26,953	95,97,818	4,33,34,373	45,60,182	92,64,765	60,81,447	3,53,19,208
Furniture and Fixtures	25,02,994	44,863	-	25,47,857	2,85,346	-	11,94,676	15,93,664
Vehicles	24,95,951	-	-	24,95,951	3,24,714	-	11,47,870	16,72,795
Office Equipment	43,42,631	9,18,702	5,37,656	47,23,677	6,49,752	5,30,217	27,55,680	17,06,486
Computers	18,03,792	98,490	64,995	18,37,287	2,81,779	64,995	16,55,691	3,64,885
Total	8,47,87,532	78,89,008	1,02,00,469	8,24,76,071	80,12,238	98,59,977	2,03,54,947	6,25,84,846



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

5 Other intangible assets

	Gross block			Depreciation			Net block		
	As at April 01, 2020	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2021	As at April 01, 2020	For the year	Deductions/ Adjustments	As at March 31, 2021	As at April 01, 2020
Computer Software	8,78,75,688	2,58,940	-	8,81,34,628	4,78,91,508	1,79,04,933	-	6,57,96,441	3,99,84,180
Total	8,78,75,688	2,58,940	-	8,81,34,628	4,78,91,508	1,79,04,933	-	6,57,96,441	3,99,84,180

	Gross block			Depreciation			Net block		
	As at April 01, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2020	As at April 01, 2019	For the year	Deductions/ Adjustments	As at March 31, 2020	As at April 01, 2019
Computer Software	8,67,29,462	11,46,226	-	8,78,75,688	2,99,77,266	1,79,14,242	-	4,78,91,508	5,67,52,196
Total	8,67,29,462	11,46,226	-	8,78,75,688	2,99,77,266	1,79,14,242	-	4,78,91,508	5,67,52,196



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

6 Financial Assets- Investments

	As at March 31, 2021	As at March 31, 2020
Non Current Investments		
Fair value through Other Comprehensive Income (FVOCI)		
- Quoted equity shares		
10,000 (March 31, 2020 : 10,000) equity shares of Bank of Baroda of ₹ 2 each, (March 31, 2020 : ₹ 2 each) fully paid-up	7,41,500	5,35,500
Total Non Current Investments	7,41,500	5,35,500
Current Investments		
Fair value through profit and loss (FVTPL)		
- Investments in Mutual Funds (unquoted) (Refer footnote i)	3,87,69,653	4,67,81,004
Total Current Investments	3,87,69,653	4,67,81,004
Current	3,87,69,653	4,67,81,004
Non- Current	7,41,500	5,35,500
	3,95,11,153	4,73,16,504
Aggregate book value of:		
Mutual Funds (unquoted)	3,87,69,653	4,67,81,004
Aggregate market value of:		
Mutual Funds (unquoted)	3,87,69,653	4,67,81,004
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 ₹)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
HDFC Cash Management Fund - Savings Plan - daily dividend reinvestment	25,427	33,302	2,70,45,091	3,54,21,562
HDFC Liquid Fund - Direct Plan - Dividend - Daily Reinvest	11,477	11,116	1,17,04,134	1,13,33,713
Tata Floater Fund - Growth Plan	649	649	20,428	25,729
	37,553	45,067	3,87,69,653	4,67,81,004

7 Other non-current assets

	As at March 31, 2021	As at March 31, 2020
Surplus in Gratuity fund (funded) (Refer Note 30)	15,50,784	-
Surplus in Leave availment fund (funded)	7,07,347	-
Capital advance*	3,30,000	6,61,719
Income tax receivable (net of provision for tax)	81,69,884	1,73,64,036
Total other non-current assets	1,07,58,015	1,80,25,755

* Value of contracts in capital account remaining to be executed as at March 31, 2021 is ₹ 16,50,000/- (31 March, 2020: ₹ 44,34,766/-)



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

8 Inventories

	As at March 31, 2021	As at March 31, 2020
(Valued at the lower of cost and net realizable value)		
Raw material in stock	9,27,96,523	15,56,65,790
Raw material in transit	2,14,310	44,21,349
Work in progress in stock	8,49,56,479	9,06,06,075
Finished goods in stock	1,62,16,562	89,55,703
Total Inventories	19,41,83,874	25,96,48,917

9 Trade receivable

	As at March 31, 2021	As at March 31, 2020
Secured, considered good	-	-
Unsecured		
-Considered good	10,90,62,348	12,84,84,008
-Considered doubtful	1,04,95,133	84,84,384
Less : Allowance for bad and doubtful debts	(1,04,95,133)	(84,84,384)
Total Trade Receivable	10,90,62,348	12,84,84,008
Further classified as:		
Receivable from related parties (Refer note 31)	2,29,62,477	6,30,18,454
Receivable from others	8,60,99,871	6,54,65,554
	10,90,62,348	12,84,84,008

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

10 Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
On current accounts	10,33,42,127	2,40,56,473
In exchange earner's foreign currency accounts	8,55,34,512	-
Cash on hand	33,378	56,035
Total Cash and cash equivalents	18,89,10,017	2,41,12,508



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

11 Bank balances other than Cash and cash equivalent

	As at March 31, 2021	As at March 31, 2020
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date *	10,95,45,513	11,89,93,512
Earmarked Balances - Unpaid dividend #	9,82,529	12,80,511
Total Bank balances other than Cash and cash equivalent	11,05,28,042	12,02,74,023

* Lien on FDR as on March 31, 2021 is ₹ 7,25,45,603/- (March 31, 2020 - ₹ 7,19,93,512/-). Details are as follows:-

Particulars of facility	Amount of Facility	Lien on Fixed Deposit against facility
Bank Overdraft Account facility	1,50,00,000 (1,50,00,000)	1,80,00,000 (1,80,00,000)
Bank Guarantee Facility	5,27,65,000 (5,27,65,000)	5,45,45,603 (5,39,93,512)
Total	6,77,65,000 (6,77,65,000)	7,25,45,603 (7,19,93,512)

(Amounts in brackets pertains to previous year ended March 31, 2020)

Amount restricted in use on account of unpaid dividend. No amount is due to be transferred to the Investors Education & Protection Fund as at March 31, 2021 (March 31, 2020 - ₹ Nil).

12 Loans and Deposits

	As at March 31, 2021	As at March 31, 2020
<u>Unsecured, considered good</u>		
Loan to Staff	6,83,884	11,32,076
Security deposits	2,27,615	4,15,795
Total Loans and Deposits	9,11,499	15,47,871

13 Other current assets

	As at March 31, 2021	As at March 31, 2020
Advances to Suppliers	45,15,868	96,48,209
Balance with Government authorities	2,69,25,774	2,30,75,498
Value/Refund to be received from revenue authorities	7,95,723	2,27,623
Prepaid expenses	17,45,331	10,97,207
Other receivables	35,11,603	28,96,734
Total Other current assets	3,74,94,299	3,69,45,271



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

14 Share capital

(a) Equity shares

	As at March 31, 2021	As at March 31, 2020
Authorized		
1,00,00,000 (March 31, 2020 - 1,00,00,000) Equity shares of ₹ 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 (March 31, 2020 - 53,08,634) Equity Shares of ₹ 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 March 31, 2021		As at March 31, 2020	
	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 ₹ 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 March 31, 2021	As at March 31, 2020
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 March 31, 2021		As at March 31, 2020	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of ₹ 10 each fully paid				
Oronzio De Nora International B. V.	28,49,500	53.68%	28,49,500	53.68%



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

15 Other equity

(A) Securities premium reserve (SPR)*

	As at March 31, 2021	As at March 31, 2020
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 March 31, 2021	As at March 31, 2020
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 March 31, 2021	As at March 31, 2020
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 Companies Act, 2013.

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

	As at March 31, 2021	As at March 31, 2020
Opening balance	41,33,89,260	33,21,08,275
Add: Net Profit for the current year	5,64,57,074	8,12,80,985
Closing balance	46,98,46,334	41,33,89,260

(E) Investments FVTOCI Reserve on equity instruments

	As at March 31, 2021	As at March 31, 2020
Opening balance	3,65,499	11,16,499
Fair valuation changes for the year	2,06,000	(7,51,000)
Closing balance	5,71,499	3,65,499

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

	As at March 31, 2021	As at March 31, 2020
Opening Balance	(2,60,180)	(8,05,725)
Remeasurement gain / (loss) on defined bebenefit plans (net of tax)	(2,34,243)	5,45,545
Closing balance	(4,94,423)	(2,60,180)
Total other equity	61,66,72,717	56,02,43,886



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

16 Provisions

	Long term		Short term	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits (Refer note 30)				
Provision for gratuity (funded)	-	2,12,141	-	-
Provision for Sick Leave availment (funded)	-	5,36,511	75,247	66,885
	-	7,48,652	75,247	66,885
Other provisions				
Provision for warranties	-	-	67,00,000	1,02,72,800
	-	-	67,00,000	1,02,72,800
Total Provisions	-	7,48,652	67,75,247	1,03,39,685

17 Short -Term Borrowings

	As at March 31, 2021	As at March 31, 2020
Secured, from bank		
-Overdrawn bank balances #	-	76,72,693
Total Short-term Borrowings	-	76,72,693

The above facility from the bank is secured by lien on Fixed Deposit of the Company (Refer Note 11)

18 Trade payables

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,33,84,342	4,56,50,560
Total trade payables (I)	3,33,84,342	4,56,50,560

* 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.

19 Other financial liabilities

	As at March 31, 2021	As at March 31, 2020
Other financial liabilities at amortised cost		
Employee Payable	82,01,898	44,31,426
Unpaid Dividend #	9,82,529	12,80,511
Capital creditors	-	15,23,200
Total other financial liabilities (II)	91,84,427	72,35,137
Total financial liability (I+II)	4,25,68,769	5,28,85,697

During the year ended March 31, 2021 unpaid dividend of ₹ 3,43,224/- (previous year ended March 31, 2020 ₹ 2,74,926/-) was transferred to Investor Education Protection Fund on June 17, 2020.

20 Other current liabilities

	As at March 31, 2021	As at March 31, 2020
Statutory due payable	17,62,453	11,25,077
Advance from customer	7,52,26,819	6,59,72,950
Total other current liabilities	7,69,89,272	6,70,98,027



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

21 Revenue from operations

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Revenue from contracts with customers		
- Sale of Products	12,76,59,745	10,23,07,414
- Sale of services	37,49,35,275	37,99,78,138
(I)	<u>50,25,95,020</u>	<u>48,22,85,552</u>
Other operating revenue		
- Sale of Process Scrap	2,38,500	-
- Duty Drawback	22,09,904	-
- MEIS Income	3,66,322	-
(II)	<u>28,14,726</u>	<u>-</u>
Total Revenue from operations	<u>50,54,09,746</u>	<u>48,22,85,552</u>

22 Other income

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest income		
- On deposits with bank	65,49,659	79,05,898
- On income taxes	11,91,164	20,08,840
- On Others	67,439	2,04,032
Dividend income		
- from current investments	21,69,351	52,38,029
Profit on sale of current investments	-	9,08,202
Other non operating income		
- Fair valuation adjustments of Investments designated as FVTPL*	-	25,729
- Sale of miscellaneous scrap	4,77,467	4,81,761
Income from deputations services	26,80,478	28,12,042
Warranty provision written back	35,72,800	-
Provision for doubtful debts written back (Net)	-	25,86,041
Foreign exchange fluctuation	7,05,296	9,39,130
Miscellaneous income	27,573	-
Liabilities written back	8,41,049	15,00,000
Total Other Income	<u>1,82,82,276</u>	<u>2,46,09,704</u>

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



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

23 Cost of material consumed

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Inventory at the beginning of the year	16,00,87,139	7,62,59,863
Add: Purchases	19,41,86,529	29,11,65,003
Less: Inventory at the end of the year	(9,30,10,833)	(16,00,87,139)
Cost of raw material consumed	26,12,62,835	20,73,37,727

24 Changes in inventories of finished goods and work-in-progress

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Inventories at the beginning 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
Less: Inventories at the end of the year		
-Finished goods	1,62,16,562	89,55,703
-Work-in-progress	8,49,56,479	9,06,06,075
	10,11,73,041	9,95,61,778
Net decrease/ (increase)	(16,11,263)	(63,02,029)

25 Employee benefits expense

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries, wages, bonus, ex-gratia and other allowances	4,43,51,170	4,31,25,163
Contribution to Provident Fund and Other Social Securities funds / schemes # (Refer Note 30)	40,39,008	39,83,654
Contribution to Gratuity fund (Refer note 30)	11,23,362	15,36,399
Staff welfare and other employee expenses	34,48,385	33,97,567
Total Employee benefits expense *	5,29,61,925	5,20,42,783

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, 2021 (previous year March 31, 2020 - ₹ Nil) in the books of account.

* 'The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

26 Depreciation and amortization expense

	For the Year ended 31 st March 2021	For the Year ended 31 st March 2020
Depreciation (Refer note 4)	81,17,996	80,12,238
Amortization (Refer note 5)	1,79,04,933	1,79,14,242
Total Depreciation and amortization expense	2,60,22,929	2,59,26,480

27 Other expenses

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Stores and spares consumed	89,89,552	89,78,163
Packing material consumed	2,35,752	2,94,216
Job work charges	34,54,163	34,13,321
Labour charges	1,54,11,549	1,70,29,166
House Keeping charges	20,74,380	17,55,836
Electricity and water	59,32,256	74,86,409
Rates and Taxes	7,15,214	8,08,019
Repairs and maintenance-Building	26,69,654	25,74,146
Repairs and maintenance- Machinery	35,23,695	25,69,687
Repairs and maintenance - others	53,43,479	53,87,075
Insurance	20,29,896	19,87,444
Provision for Bad & Doubtful Debts (Net)	21,82,294	-
Provision for Warranty	-	63,00,000
Fair valuation adjustments of Investments designated as FVTPL*	5,301	-
Travel and conveyance	79,90,803	91,16,472
Freight and forwarding	4,73,934	10,71,780
Communication, broadband and internet expenses	8,27,810	11,98,902
Loss on sale/disposal of fixed assets (Net)	4,97,014	3,35,491
Corporate Social Responsibility (CSR) expenses #	10,28,000	-
Printing & Stationery	4,88,676	4,64,633
Advertisement and sales promotion	3,46,147	16,78,796
Legal and professional charges**	3,15,39,851	3,58,35,770
Bank charges	6,47,614	6,46,646
Donation	25,901	13,501
Royalty	79,14,645	1,19,38,258
Security Charges	22,96,228	18,40,147
Subscription & Membership	3,72,955	4,73,027
Directors' Sitting Fees	2,10,000	2,50,000
Other Operating Expenses	3,10,048	1,19,704
Miscellaneous expenses	17,75,909	7,91,726
Total Other Expenses	10,93,12,720	12,43,58,335

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

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



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
As auditor:		
Statutory audit	22,50,000	17,50,000
In other capacity:		
Tax audit	2,00,000	2,00,000
Reimbursement of expenses	26,061	1,05,093
Total	24,76,061	20,55,093

Note :- Expenditure incurred on Corporate Social Responsibility (CSR) activities:

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

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Gross amount required to be spent by the company during the year	10,25,352	-
Amount Spent during the year on :		
- Contribution to PM CARES Fund	10,28,000	-
	10,28,000	-

28 Income Tax

(A) Deferred tax relates to the following:

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Deferred tax assets		
On provision for employee benefits	8,27,663	13,95,797
On disallowance u/s 40A of Income Tax Act, 1961	28,93,724	32,40,656
On Provision for warranty	16,86,256	25,85,458
On Provision for doubtful receivables	26,41,415	11,35,475
On Provision for inventory obsolescence	70,24,462	71,07,756
On revenue recognised on percentage completion mentioned - ICDS IV	4,55,827	6,04,575
On others	-	9,99,874
(I)	1,55,29,347	1,70,69,591
Deferred tax liabilities		
On property, plant and equipment	66,62,954	91,37,857
On re-measurements gain of post-employment benefit obligations	-	1,83,481
On others	5,141	6,475
(II)	66,68,095	93,27,813
(I - II)	88,61,252	77,41,778
Deferred tax income	88,61,252	77,41,778
Less: Deferred tax asset not recognized	-	-
Deferred tax asset, net	88,61,252	77,41,778



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Opening balance as of 1 April	77,41,778	51,17,232
Effect on tax liability recognized in Statement of Profit and Loss	24,76,238	28,83,514
Effect on tax asset / (liability) recognized in OCI		
On re-measurements gain/(losses) of post-employment benefit obligations	78,782	(1,83,481)
Effect on tax asset recognized in Statement of Profit and Loss	(14,35,546)	(75,487)
Closing balance as at 31 March	<u>88,61,252</u>	<u>77,41,778</u>

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

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Tax liability	(24,76,238)	(28,83,514)
Tax asset	14,35,546	75,487
	<u>(10,40,692)</u>	<u>(28,08,027)</u>

(D) Income tax expense

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
- Current tax taxes	2,03,63,159	2,62,32,328
- Adjustments in respect of current income tax of previous year	(36,665)	(11,73,326)
- Deferred tax charge / (income)	(10,40,692)	(28,08,027)
Income tax expense reported in the statement of profit or loss	<u>1,92,85,802</u>	<u>2,22,50,975</u>

(E) Income tax expense charged to OCI

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net loss/(gain) on remeasurements of defined benefit plans	(78,782)	1,83,481
Income tax charged to OCI	<u>(78,782)</u>	<u>1,83,481</u>

(F) Reconciliation of tax charge

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Profit before tax	7,57,42,876	10,35,31,960
Tax Rate	25.168%	25.168%
Income tax expense at tax rates applicable	1,90,62,967	2,60,56,924
Tax effects of:		
- Item not deductible for tax / (taxable)	2,59,500	(18,34,462)
- Others (exempt income)	-	(11,67,299)
Earlier year adjustment	(36,665)	(11,73,326)
Effect due to change in tax rate for deferred tax	-	3,69,138
Income tax expense	<u>1,92,85,802</u>	<u>2,22,50,975</u>



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

29 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 March 31, 2021	For the Year ended March 31, 2020
Profit attributable to equity holders	5,64,57,074	8,12,80,985
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)	10.64	15.31
Diluted Earnings per share (INR)	10.64	15.31

30 Employee benefits

(A) Defined Contribution Plans

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –		
Employers' Contribution to Provident Fund	19,35,115	18,14,846
Employers' Contribution to Pension Fund	8,20,560	8,66,495
Employers' Contribution to Superannuation Fund	12,67,763	12,86,533
Social securities employers' contributions	15,570	15,780
Employer contribution to Employee State Insurance and employee social securities fund / scheme	40,39,008	39,83,654

(B) Defined benefit plans

	As at March 31, 2021	As at March 31, 2020
a) Surplus in Gratuity Fund / (Gratuity payable to employees) (Refer Note 7 and 16 respectively)	15,50,784	(2,12,141)

i) Actuarial assumptions

	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	6.41%	6.61%
Rate of increase in Salary	8.00%	8.00%
Expected average remaining working lives of employees (years)	8.79	9.15
Attrition rate	3.00%	3.00%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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

	As at March 31, 2021	As at March 31, 2020
Present value of obligation at the beginning of the year	2,15,29,159	2,04,12,414
Interest cost	13,32,293	14,33,147
Current service cost	12,00,124	13,37,178
Benefits paid	(11,44,226)	(10,31,972)
Actuarial (gain)/ loss on obligations	4,12,875	(6,21,608)
Present value of obligation at the end of the year	2,33,30,225	2,15,29,159
Plan assets at the beginning of the year	2,13,17,018	1,65,62,813
Expected return of plan assets	14,09,055	12,33,926
Contributions	31,99,312	44,44,880
Benefits paid	(11,44,226)	(10,32,022)
Actuarial gain / (loss)	99,850	1,07,421
Plan assets at the end of the year	2,48,81,009	2,13,17,018

iii) Expense recognized in the Statement of Profit and Loss

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Current service cost	12,00,124	13,37,178
Interest cost	13,32,293	14,33,147
Expected return on plan assets	(14,09,055)	(12,33,926)
Total expenses recognized in the Statement Profit and Loss*	11,23,362	15,36,399

*Included in Employee benefits expense (Refer Note 25). Actuarial (gain)/loss of ₹ 3,13,025/- (March 31, 2020: ₹ (7,29,029/-)) is included in other comprehensive income.

iv) Assets and liabilities recognized in the Balance Sheet:

	As at March 31, 2021	As at March 31, 2020
Present value of funded obligation as at the end of the year	2,33,30,225	2,15,29,159
Fair Value of Plan Assets	2,48,81,009	2,13,17,018
Net defined benefit asset / (liability) recognized in Balance Sheet*	15,50,784	(2,12,141)

*liability Included in provision for employee benefits and asset in Other non current assets (Refer note 16 and 7 respectively)

v) Expected contribution to the fund in the next year

	As at March 31, 2021	As at March 31, 2020
Gratuity	29,72,917	27,46,886



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

	As at March 31, 2021	As at March 31, 2020
vi) Expected Gratuity cost to be recognised in the Statement of Profit and Loss for the next year	10,39,010	11,23,362

vii) **A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:**

	As at March 31, 2021	As at March 31, 2020
Impact on defined benefit obligation		
Discount rate		
100 basis points increase	2,18,76,885	2,01,24,652
100 basis points decrease	2,49,49,941	2,31,02,318
Rate of increase in salary		
100 basis points increase	2,49,09,012	2,30,65,639
100 basis points decrease	2,18,84,491	2,01,29,512

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

	As at March 31, 2021	As at March 31, 2020
Year		
Year 1	29,72,917	27,46,886
Year 2	26,38,715	14,73,342
Year 3	17,18,554	24,94,956
Year 4	13,94,774	16,17,421
Year 5	10,67,837	13,05,641
Year 6 to 10	1,21,51,442	1,07,73,974
Above 10 years	1,59,36,365	1,61,80,060

31 Related Party Disclosures

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

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 (up to January 02, 2021)

Non-Executive & Independent Director

Mr. Purushottam S. Mantri (w.e.f February 05, 2021)

Non-Executive & Independent Director

Ms. Supriya Banerji

Non-Executive & Independent Director

Mr. Francesco L'Abbate

Non-Executive Director

Mr. Shrikant Pai

Company Secretary

Mr. Deepak Nagvekar

Chief Financial Officer



Notes forming part of the Financial Statements for the year ended March 31, 2021

[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 Water Technologies Inc (Formerly known as "De Nora Water Technologies Texas LLC, US)	--do--
De Nora Tech LLC	--do--
De Nora Water Technologies LLC- Singapore Branch	--do--
De Nora Water Technologies Inc. USA	--do--
De Nora Water Technologies LLC, Abu Dhabi	--do--
De Nora Italy S.r.l Singapore Branch	--do--
De Nora Permelec Limited	--do--
Thyssenkrupp Uhde Chlorine Engineers (Japan) Ltd	--do--
Thyssenkrupp Uhde Chlorine GmbH	--do--
De Nora Elettrodi (Suzhou) Co. Ltd	--do--
De Nora Italy S.r.L	--do--
YPK & Associates	Firm in which relative of Director is a partner

(B) Details of transactions with related party in the ordinary course of business for the year ended March 31, 2021

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	KMP Relative	Total
Purchase of raw material, trading goods and spares						
De Nora Deutschland GmbH	-	-	17,09,425	-	-	17,09,425
	(-)	(-)	(2,37,98,454)	(-)	(-)	(2,37,98,454)
De Nora Italy S.r.L	-	-	-	-	-	-
	(-)	(-)	(4,21,732)	(-)	(-)	(4,21,732)
De Nora Permelec Limited	-	-	75,942	-	-	75,942
	(-)	(-)	(2,68,181)	(-)	(-)	(2,68,181)
De Nora Tech LLC	-	-	1,34,026	-	-	1,34,026
	(-)	(-)	(2,00,992)	(-)	(-)	(2,00,992)
Thyssenkrupp Uhde Chlorine Engineers (Japan) Ltd	-	-	-	-	-	-
	(-)	(-)	(28,45,105)	(-)	(-)	(28,45,105)
Purchase of services						
Industrie De Nora S.p.A	-	2,72,34,573	-	-	-	2,72,34,573
	(-)	(3,05,90,161)	(-)	(-)	(-)	(3,05,90,161)
De Nora Deutschland GmbH	-	-	20,21,902	-	-	20,21,902
	(-)	(-)	(23,43,429)	(-)	(-)	(23,43,429)



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	KMP Relative	Total
De Nora Permelec Limited	- (-)	- (-)	- (9,49,136)	- (-)	- (-)	- (9,49,136)
De Nora Italy S.r.L	- (-)	- (-)	- (1,65,620)	- (-)	- (-)	- (1,65,620)
De Nora Water Technologies LLC- Singapore Branch	- (-)	- (-)	- (98,09,891)	- (-)	- (-)	- (98,09,891)
De Nora Water Technologies Inc.	- (-)	- (-)	13,95,564 (-)	- (-)	- (-)	13,95,564 (-)
De Nora Water Technologies LLC, Abu Dhabi	- (-)	- (-)	4,03,022 (-)	- (-)	- (-)	4,03,022 (-)
YPK & Associates	- (-)	- (-)	- (-)	- (-)	51,250 (46,500)	51,250 (46,500)
Purchase of intangible assets						
Industrie De Nora S.p.A	- (-)	2,58,940 (11,46,226)	- (-)	- (-)	- (-)	2,58,940 (11,46,226)
Royalty						
Industrie De Nora S.p.A	- (-)	79,14,645 (1,19,38,258)	- (-)	- (-)	- (-)	79,14,645 (1,19,38,258)
Sale of goods and services						
De Nora Italy S.r.L	- (-)	- (-)	20,23,97,177 (10,84,13,151)	- (-)	- (-)	20,23,97,177 (10,84,13,151)
De Nora Deutschland GmbH	- (-)	- (-)	2,45,36,436 (21,64,234)	- (-)	- (-)	2,45,36,436 (21,64,234)
De Nora Italy S.r.l Singapore Branch	- (-)	- (-)	2,76,585 (9,15,971)	- (-)	- (-)	2,76,585 (9,15,971)
De Nora Tech LLC	- (-)	- (-)	- (54,75,828)	- (-)	- (-)	- (54,75,828)
Thyssenkrupp Uhde Chlorine GmbH	- (-)	- (-)	- (1,21,775)	- (-)	- (-)	- (1,21,775)



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	KMP Relative	Total
Other Income						
De Nora Italy S.r.l	-	-	20,730	-	-	20,730
Singapore Branch	(-)	(-)	(-)	(-)	(-)	(-)
Recovery of expenses						
De Nora Elettrodi (Suzhou) Co. Ltd	-	-	26,80,478	-	-	26,80,478
	(-)	(-)	(26,55,944)	(-)	(-)	(26,55,944)
De Nora Water Technologies LLC- Singapore Branch	-	-	-	-	-	-
	(-)	(-)	(1,56,098)	(-)	(-)	(1,56,098)
Sitting Fees to Non-Executive Directors						
Mr Satish Dhume	-	-	-	50,000	-	50,000
	(-)	(-)	(-)	(65,000)	(-)	(65,000)
Ms. Sarita D'Souza	-	-	-	55,000	-	55,000
	(-)	(-)	(-)	(85,000)	(-)	(85,000)
Ms. Supriya Banerji	-	-	-	40,000	-	40,000
	(-)	(-)	(-)	(50,000)	(-)	(50,000)
Mr. Purshottam S. Mantri	-	-	-	10,000	-	10,000
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Robert Scannell	-	-	-	40,000	-	40,000
	(-)	(-)	(-)	(45,000)	(-)	(45,000)
Mr. Francesco L'Abbate	-	-	-	15,000	-	15,000
	(-)	(-)	(-)	(5,000)	(-)	(5,000)
Managerial Remuneration						
Mr. Vinay Chopra	-	-	-	38,46,720	-	38,46,720
	(-)	(-)	(-)	(34,38,555)	(-)	(34,38,555)
Mr. Deepak Nagvekar	-	-	-	28,62,976	-	28,62,976
	(-)	(-)	(-)	(26,01,313)	(-)	(26,01,313)
Mr. Shrikant Pai (w.e.f October 14, 2019)	-	-	-	8,45,928	-	8,45,928
	(-)	(-)	(-)	(3,65,060)	(-)	(3,65,060)
Ms. Jyoti Bhandodkar (upto September 30, 2019)	-	-	-	-	-	-
	(-)	(-)	(-)	(6,48,724)	(-)	(6,48,724)
Re-imbusement of Expenses						
Mr Satish Dhume	-	-	-	17,700	-	17,700
	(-)	(-)	(-)	(-)	(-)	(-)
Ms. Supriya Banerji	-	-	-	17,700	-	17,700
	(-)	(-)	(-)	(-)	(-)	(-)



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

(C) Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	KMP Relative	Total
Amount due from						
De Nora Deutschland GmbH	-	-	2,10,65,427	-	-	2,10,65,427
	(-)	(-)	(-)	(-)	(-)	-
De Nora Elettrodi (Suzhou) Co. Ltd	-	-	6,61,208	-	-	6,61,208
	(-)	(-)	(6,32,007)	(-)	(-)	(6,32,007)
De Nora Water Technologies LLC- Singapore Branch	-	-	1,63,696	-	-	1,63,696
	(-)	(-)	(1,56,098)	(-)	(-)	(1,56,098)
De Nora Italy S.r.L	-	-	10,72,146	-	-	10,72,146
	(-)	(-)	(6,22,30,350)	(-)	(-)	(6,22,30,350)
Amount due to						
Industrie De Nora S.p.A	-	1,86,35,233	-	-	-	1,86,35,233
	(-)	(2,30,90,171)	(-)	(-)	(-)	(2,30,90,171)
De Nora Tech LLC	-	-	1,33,763	-	-	1,33,763
	(-)	(-)	(1,23,149)	(-)	(-)	(1,23,149)
De Nora Water Technologies LLC- Singapore Branch	-	-	9,62,774	-	-	9,62,774
	(-)	(-)	(9,94,543)	(-)	(-)	(9,94,543)
De Nora Deutschland GmbH	-	-	16,42,898	-	-	16,42,898
	(-)	(-)	(48,27,390)	(-)	(-)	(48,27,390)
Mr. Robert Scannell	-	-	-	32,000	-	32,000
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Francesco L'Abbate	-	-	-	15,000	-	15,000
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Vinay Chopra	-	-	-	1,29,809	-	1,29,809
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Deepak Nagvekar	-	-	-	89,200	-	89,200
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Shrikant Pai	-	-	-	51,755	-	51,755
	(-)	(-)	(-)	(-)	(-)	(-)

Amounts in brackets pertains to previous year ended March 31, 2020



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

(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 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020 - 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, 2020, 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.

32 Segment Reporting

A. Basis for segmentation :

Operating segments are identified as those components of the Company:-

- that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components;
- whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and performance assessment; and
- 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, the Company has identified 'Electrode Technologies' and 'Water Technologies' as its Operating Segments.

E. Information about reportable segments :

	March 31, 2021		March 31, 2020	
	Electrode technologies	Water technologies	Electrode technologies	Water technologies
Revenue				
External Customers	47,09,59,194	3,44,50,552	47,17,01,072	1,05,84,480
Inter-segment	-	-	-	-
Total revenue	47,09,59,194	3,44,50,552	47,17,01,072	1,05,84,480
Segment profit	8,29,12,749	64,66,057	11,74,65,536	(21,68,369)
Segment assets	59,97,91,298	11,74,20,571	54,03,67,495	9,86,39,268
Segment liabilities	5,00,61,796	7,62,71,493	6,62,72,236	7,24,72,518



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

F. Reconciliation of information on reportable segments

	March 31, 2021	March 31, 2020
Revenue from reportable segments	50,54,09,746	48,22,85,552
Other Income from reportable segments	1,40,13,273	1,84,60,671
Un-allocable income	42,69,003	61,49,033
Less: Inter-segment Revenue	-	-
Total revenue	52,36,92,022	50,68,95,256
Total profit before tax for reportable segments	8,93,78,806	11,52,97,167
Un-allocable expenditure net-off un-allocable income	(1,36,35,930)	(1,17,65,207)
Total profit before tax from operations as reported in Statement of Profit and Loss	7,57,42,876	10,35,31,960
Total assets from reportable segments	71,72,11,869	63,90,06,763
Un-allocated assets	7,88,80,476	11,30,68,217
Total assets as reported in Balance sheet	79,60,92,345	75,20,74,980
Total liabilities from reportable segments	12,63,33,289	13,87,44,754
Un-allocated liabilities	-	-
Total liabilities as reported in Balance sheet	12,63,33,289	13,87,44,754

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 March 31, 2021	For the Year ended March 31, 2020
India	27,41,15,643	36,24,25,176
Outside India	23,12,94,103	11,98,60,376
Total	50,54,09,746	48,22,85,552

H. Major customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Customer A	20,23,21,129	10,56,33,456
Customer B	4,57,39,056	6,40,84,700
Customer C	-	4,74,16,000
Total	24,80,60,185	21,71,34,156



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

33 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.

34 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

	As at March 31, 2021	As at March 31, 2020
(a) <u>Financial Assets measured at fair value</u> Level 1 (Quoted price in active markets) Investments in mutual funds FVTPL	3,87,69,653	4,67,81,004
(b) <u>Financial assets measured at FVTOCI</u> Level 1 Investments in equity instruments FVTOCI	7,41,500	5,35,500

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 as these 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

	As at March 31, 2021	As at March 31, 2020
<u>Financial assets measured at amortized cost (at level 3)</u>		
Trade receivables (Note 9)	10,90,62,348	12,84,84,008
Cash and cash equivalents (Note 10)	18,89,10,017	2,41,12,508
Banks and other Cash and cash equivalents (Note 11)	11,05,28,042	12,02,74,023
Loans and Deposits (Note 12)	9,11,499	15,47,871
<u>Financial liabilities measured at amortized cost (at Level 3)</u>		
Short term Borrowings (Note 17)	-	76,72,693
Trade payables (Note 18)	3,33,84,342	4,56,50,560
Other Payables (Note 19)	91,84,427	72,35,137



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

35 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.

(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 balance sheet 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 March 31, 2021		As at March 31, 2020	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables #	2,255	2,68,189	2,255	7,64,284
	2,255	2,68,189	2,255	7,64,284
Financial liabilities				
Trade payables #	15,716	1,11,496	34,128	3,43,040
	15,716	1,11,496	34,128	3,43,040
Net exposure to foreign currency risk assets / (liabilities)	(13,461)	1,56,693	(31,873)	4,21,244

the foreign currency exposure hedged by the Company as at March 31, 2021 is Nil (March 31, 2020 - Nil)



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

(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 March 31, 2021	For the Year ended March 31, 2020
USD		
- Increase by 1%	(9,773)	(23,869)
- Decrease by 1%	9,773	23,869
EUR		
- Increase by 1%	1,33,205	3,46,473
- Decrease by 1%	(1,33,205)	(3,46,473)

(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, 2021, the investments in mutual funds amounts to ₹ 3,87,49,225/- (March 31, 2020: ₹ 4,67,55,275). 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 ₹ 3.87 lakhs gain in the Statement of Profit and Loss (2019-20: ₹ 4.67 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.



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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

	As at March 31, 2021	As at March 31, 2020
Not due	5,48,97,870	11,92,68,043
Past due 1-180 days	5,57,46,161	80,76,756
Past due for more than 180 days	89,13,450	96,23,593
	11,95,57,481	13,69,68,392

Expected credit loss assessment

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.

Movement of provision for doubtful debts:

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	84,84,384	1,16,66,518
Amount provided / (reversed) during the year (net of reversal)	21,82,294	(25,86,040)
Amounts written off	(1,71,545)	(5,96,094)
Balance at the end of the year	1,04,95,133	84,84,384

Cash and cash equivalent

As at the year end, the Company held cash and cash equivalents ₹ 18,89,10,016/- [31 March 2020 - ₹ 2,41,12,508/-] 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



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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 March 31, 2021					
Trade payables	3,33,84,342	3,33,84,342	-	-	3,33,84,342
Other financial liability	91,84,427	91,84,427	-	-	91,84,427
	4,25,68,769	4,25,68,769	-	-	4,25,68,769
As at March 31, 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
	6,05,58,390	6,05,58,390	-	-	6,05,58,390

36 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 March 31, 2021	As at March 31, 2020
Total equity	(i)	66,97,59,057	61,33,30,226
Borrowings other than convertible preference shares		-	76,72,693
Less: cash and cash equivalents		18,89,10,017	2,41,12,508
Total debt	(ii)	(18,89,10,017)	(1,64,39,815)
Overall financing	(iii) = (i) + (ii)	48,08,49,040	59,68,90,411
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 March 31, 2021 and March 31, 2020.

37 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 and supplies 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



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

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 March 31, 2021	As at March 31, 2020
Opening carrying amount	1,02,72,800	39,72,800
Additional provision during the year	-	63,00,000
Unused amounts reversed during the year	35,72,800	-
Closing carrying amount	67,00,000	1,02,72,800

38 Contingencies and Commitments

	As at March 31, 2021	As at March 31, 2020
Contingent liabilities	-	-
Commitments		
Estimated gross amount of Contracts remaining to be executed on capital account	16,50,000	44,84,766
Less :- Capital Advance (refer note 7)	3,30,000	6,61,719
Estimated net amount of contracts remaining to be executed on capital account, not provided for	13,20,000	38,23,047

39 Bank Guarantees

Bank to whom given	Nature	As at March 31, 2021	As at March 31, 2020
Bank of Baroda	Performance Bank Guarantees	1,97,52,942	2,26,70,762
Bank of Baroda	Financial Bank Guarantees	13,10,000	37,70,000
		2,10,62,942	2,64,40,762



Notes forming part of the Financial Statements for the year ended March 31, 2021

[All amount in INR, unless otherwise stated]

- 40 During the year the Company has not capitalised any borrowing costs as per Ind AS 23 - "Borrowing costs".
- 41 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 March 31, 2021 (March 31, 2020: ₹ Nil) in the books.
- 42 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and it's resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The management has made an 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, 2021 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

- 43 The Board of Directors at its meeting held on May 10, 2021 has recommended a final dividend of ₹ 1/- per equity share of ₹ 10/- each (previous year ₹ Nil per equity share of ₹ 10/- each) subject to the approval of the shareholders at the ensuing Annual General Meeting.
- 44 Previous year figures have been regrouped/ reclassified to confirm to the 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

Darryl Frank

Partner

Membership No: 104096

For and on behalf of the Board of Directors

De Nora India Limited

CIN: L31200GA1993PLC001335

Satish Dhume

Chairman

DIN : 00336564

Vinay Chopra

Managing Director

DIN : 06543610

Deepak Nagvekar

Chief Financial Officer

Shrikant Pai

Company Secretary

ICSI Membership No: 40001

Place : Panaji, Goa

Date : May 10, 2021

Place : Kundaim, Goa

Date : May 10, 2021



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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.