



ELANTAS Beck India Limited

“64th Annual General Meeting”

21 July 2020 11.30 A.M. IST to 12.40 P.M. IST

Company Participants:

Mr. Suresh Talwar
Independent Director

Ms. Kishori Udeshi
Independent Director

Mr. Ravindra Kulkarni
Independent Director

Mr. R. L. Shenoy
Independent Director

Mr. Srikumar Ramakrishnan
Managing Director

Mr. Milind Talathi
Whole Time Director

Mr. Abhijit Tikekar
Head Legal & Company Secretary

Mr. Sanjay Kulkarni
CFO and VP - IT & Procurement

**Other Key executives, Senior Management, Representative of Statutory Auditors and
Secretarial Auditor cum Scrutinizer**

Shareholders

Welcome Address - Mr. Srikumar Ramakrishnan

“Good Morning, its 11.30 now let me announce that since this Meeting is on a virtual platform, there are no proxies who are allowed in the Meeting. At this point of time, there are 33 shareholders present for the Meeting. Since the quorum is fulfilled, I call the 64th Annual General Meeting to order.

I have to inform you that Mr. Martin Babilas and Dr. Guido Forstbach are not participating in this Meeting on account of their prior official commitments. Other Members of the Board are participating from their respective locations.

As Mr. Martin Babilas, Chairman of the Company is unable to attend this Meeting, the Board has unanimously nominated Mr. Talwar, who is a Chairman of Nomination & Remuneration Committee to chair this Meeting”.

For the benefit of our Members, I request the Members of the Board who have participated, as I call out, to kindly introduce themselves and the location from where they are participating.

Mr. Talwar, Good Morning!

Mr. Suresh Talwar

I am Suresh Talwar, an Independent Director and I am participating from my residence in Mumbai.

Ms. Kishori Udeshi

I am Kishori Udeshi, an Independent Director, I am speaking from my residence in Mumbai. Thank you.

Mr. Ravindra Kulkarni

I am Ravindra Kulkarni. I am participating in this meeting from my residence from Santacruz in Mumbai.”

Mr. Abhijit Tikekar

Mr. Shenoy can you please unmute yourself?

Mr. Ranjal L. Shenoy

Can you hear me? Good Morning dear Shareholders and the Board. My name is R. L. Shenoy, I am an Independent Director. I am participating from Mumbai; I am the Chairperson of Stakeholders’ Relationship Committee.

Mr. Srikumar Ramakrishnan

Mr. Talathi?

Mr. Milind Talathi

Good Morning everyone! I am Milind Talathi. I am the Whole time Director of the Company and I am participating from ELANTAS Beck's Pune office. Thank you!

Mr. Srikumar Ramakrishnan

Apart from the Directors, Abhijit Tikekar who is the Company Secretary is in the room with me and Sanjay Kulkarni who is CFO is online. Also, present are Mr. Amit Borkar, partner of PWC who Statutory Auditor is, Mr. Tungare from Secretarial Auditors and The Cost Auditors, M/s Dhananjay V Joshi & Associates from the respective offices. I now request Abhijit to inform you the general guidelines and protocol to be followed by you on this Meeting by Video Conference for a smooth conduct of Meeting.

Mr. Abhijit Tikekar

"Thank you Mr. Srikumar.

Good Morning Ladies and Gentlemen, for the benefit of the Members, let me inform you that the Register of Director & KMPs and their shareholding, the Register of Contracts and arrangements in which the Directors are interested, are open for inspection online.

Now, I would like to take you through certain points regarding the participation in this Meeting which have been already communicated to you via notes to the AGM Notice. I request the Members to kindly adhere to the same for smooth conduct of the Meeting.

The facility of joining the AGM through Video Conferencing/ Other Audio-Visual Means is being made available for the Members on a first cum first served basis. All Members who have joined this Meeting are by default, placed on a mute mode by the host to avoid any disturbance arising from background noise. Once the question answer session starts, the names of the Members who have registered as Speaker will be announced one by one. The concerned speaker will thereafter be unmuted by the host to start speaking. If the speaker is not able to join through video for any reason, the speaker can speak through the audio mode. While speaking, the Speaker is requested to use earphone so that he is clearly audible. Also, he is requested to minimize any ambient noise and ensure that WIFI is not connected to any other device so as to achieve maximum bandwidth. In case there is any connectivity problem at the Speaker's end, we would request next speaker to join. Once all the speakers finish their speech, opportunity will be provided once again to those speakers who could not speak earlier due to connectivity issue. We would like to request the speakers to kindly limit their speech to 3 minutes. During the AGM if any Member faces any technical issue, he may contact the helpline number that is 1800222990 which has been also mentioned in the Notice of the AGM.

Pursuant to the applicable provisions of the Companies Act 2013, read with Rules formed thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company had provided the facility of remote e-voting as per the timeline mentioned in the Notice. The remote e-voting has already concluded on 20 July 2020 at 5.P.M. IST. Members attending the AGM and who have not voted using remote e-voting platform, shall be able to cast their vote during the AGM. The window for e-voting has been activated and Members can cast their votes simultaneously while participating in the proceedings of the Meeting.

Thank you very much.

Now may I request Chairman to take forward from this point please.

Mr. Talwar

Thank you, Mr. Abhijit.

I welcome you all to the 64th AGM. This is the first time in the history of the Company that we are participating in a virtual Meeting pursuant to the instructions of MCA provided in their circulars. This Meeting on virtual platform is necessitated on account of the various travel restrictions and social distancing which made it difficult to assemble at a common venue.

Let me announce, since this Meeting is on virtual platform there are no proxy which are allowed to participate in the Meeting. As requisite quorum is present, I call this 64th Annual General Meeting to order.

The AGM notice along with the annual report for the financial year ended 31st December 2019 was sent to the Members at their registered email address.

Since the notice of the AGM was circulated to all the Members, I take the notice as read.

The Annual Report for the year ended 2019 has been with you for some time and since there are no qualifications from Statutory or Secretarial Auditors, I, with your permission, take it as read. The Directors' Report and the Management Discussion and Analysis Report therein, properly summarize the financial highlights and significant business developments for the year 2019, whereas the Corporate Governance Report highlights the Governance Standards followed by the Company.

The Board of Directors has recommended a 50% dividend on the paid-up share capital of the Company i.e. Rs.5.00/- per equity share of Rs. 10/- each. I am sure you will find this in line with our Company's consistent approach regarding dividend.

May I now proceed with my statement as is customary.

The Company entered year 2019 with headwinds like weak global demand scenario, increased uncertainty due to trade conflicts between US and China and a softening economy. This made 2019 one of the most challenging years for the Company. The Company had to deal with the lower demand as well as the uncertainties about the timing of the demand.

Also, the Company received a Notice from Gujarat Pollution Control Board (GPCB) and consequent to which, the Company had to close its manufacturing facility at Ankleshwar for almost a month's time. This posed myriad challenges for the Company. However, your Company duly paced under these circumstances to retain its position in the market.

In 2019, the Company saw a drop of 3.68% in revenue. The Company's profit before exceptional items & tax decreased by 8.72%.



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

One of the significant milestones for 2019 was acquisition of Wire Enamels business of Hubergroup India Pvt Ltd. on the 24 December 2019. This allowed the Company to offer existing and new customers even more individualized solutions besides strengthening its technology leadership in the Wire Enamels segment.

This acquisition combined with the previous year's investment in advanced ERP System, state of the art R&D facilities and the continuing progress in developing breakthrough process technology to enhance the Company's cost position should allow your Company to operate sustainably and grow in the current environment.

In response to the environmental concerns raised by GPCB at Company's manufacturing facility at Ankleshwar, your Company has taken necessary steps and your Company continues to engage with all relevant stakeholders to ensure that the issues raised are addressed appropriately and to the satisfaction of the stakeholders. The Company has taken steps to invest in the infrastructure at the location and has continued to deliver on its commitments.

Your Company entered 2020 on an optimistic note. However, since the middle of March the nation started to see a rapid slowdown due to the COVID19 pandemic, the nationwide lockdown had an impact on the operations of our customers as well as the Company. The focus for the Company shifted to ensuring the health and well-being of its employees and all its stakeholders, while at the same time minimizing disruption to the supply chain for our customers during the lockdown period.

The manufacturing sites of the Company have recommenced operations after receiving the necessary permissions and after complying with the Governments' directives. The Company is eagerly looking forward to the recommencement of the economy after the lockdown.

The Company is in a comfortable liquidity position to meet its commitments. The Company has also implemented stringent cost control across the organization to conserve cash and to address any evolving situation resulting from the pandemic.

We believe that the Company will be in a position to adapt and sustain itself in the new "normal" that emerges in the coming period.

The Company is relooking at its strategy towards not only sustaining its position in the market, but also to identify new segments of growth once the recovery is underway.

On Corporate Social Responsibility arena, the Company continued with its sustainable programs and identified few new projects in its thrust areas of education, health and hygiene with the help of competent and performance proven NGOs and successfully implemented them. Since the year 2020 is a watershed year, naturally like many other corporates, our primary focus has been shifted to provide maximum support to the Covid19 related relief measures.

Safety is at the forefront when it comes to our operations and processes. Your Company continues with its no accident record for several years. The Company is focused on identifying opportunities to improve its processes and capabilities around Quality, Environment, Health

and Safety. These continue to be accorded the highest priority & are constantly reviewed for identification of opportunities to reduce wastes and conserve natural resources.

To conclude, I would like to express my sincere thanks to my colleagues on the Board for their continuous and valuable contribution. I also thank the ALTANA Group management for its continued and unstinting support on all fronts. Here, I also wish to place on record our sincere appreciation of the contribution made by all employees of the Company.

Finally, I wish to thank you (shareholders) for the interest you have shown in the affairs of the Company for all these years.

Now I request Mr. Abhijit Tikekar to narrate each item of agenda for the benefit of the Shareholders. Thank you.

Mr. Abhijit Tikekar

Thank you, Chairman.

Item 1	Adoption of the Balance sheet as at 31 December 2019 and the Statement of Profit & Loss for the year ended on that date along with the Directors' Report and Auditors' Report.
Item 2	To declare a dividend on Equity Shares for the year 2019.
Item 3	To appoint a Director in place of Mr. Martin Babilas (DIN:00428631) who retires by rotation and being eligible, offers himself for re-appointment.
Item 4	Ordinary Resolution to ratify the remuneration paid to Dhananjay V. Joshi & Associates, Cost Accountants, Pune (Firm Registration No.000030) appointed by the Board of Directors as Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the Financial year ending on December 31, 2019.
Item 5	Ordinary Resolution for appointment of Mr. Srikumar Ramakrishnan (DIN: 07685069) as Director of the Company from the conclusion of this AGM and appointment of Mr. Srikumar Ramakrishnan as Managing Director of the Company for the period of Three years effective 1 August 2019 to 31 July 2022 on such terms & conditions including those relating to the remuneration as set out in the Agreement dated 23 July 2019.

Since all the resolutions are put to vote through remote e -voting process, there will be no proposing and seconding of resolutions.

Now, I request the shareholders who have given their names to speak at the AGM to express their views and ask queries on the working of the Company. As we have got 8 speakers, I would request each to speak for not more than 3 minutes please.

All the questions received before the AGM and the questions which will be asked by the Members will be responded after all the speakers have completed expressing their views or asking their queries.

May I request the host to unmute first speaker i.e. Mr. Ravikumar Naredi please.

Mr. Ravikumar Naredi

Respected Chairman, MD, eminent Board of Directors, employees of the Company and fellow shareholders, Sir Company is not showing any growth in last two years will you tell the reason what is behind this, top line and this. Second, what is situation at Ankleshwar Plant, what step management takes that no such incidence ever happens in future. Second funds lying Rs. 350 Crore. What is the utilization plan of this fund and due to COVID this is the time of fine any more acquisitions is on cards that is from my part. Thank you.

Mr. Abhijit Tikekar

Thank you, Mr. Ravikumar. May I Request the host to unmute second speaker. i.e. Mr. Dipankar Purkayastha.

Mr. Dipankar Purkayastha

What is the end use of the loan of Rs. 450 lacs sanctioned to related party BYK India Pvt Ltd? Has any corporate guarantee of the foreign principal been obtained for this loan? Has the disbursal of the loan been completed? If not, what is the drawdown schedule?

Question 2 has any fall in the import of Enameled Aluminum Wires from China been noticed in the recent past? Here I would just like to state that recently Government of India has been imposing all kinds of countervailing duties of various cheap imports from China so has this Company moved to the industry group to which it belongs to , for lobbying with Government of India to import counter veiling duties on these import of enameled aluminum wires?

Question 3 if there is a Capital Work In progress 994.94 lacs on account of mainly Plant & Machinery Plus Contracts remaining to be executed on capital account amounting to 384.66 lacs. Is this total expenditure for expansion of capacity? What is the purpose please give details on the purpose of this capex?

Question 4 Chairman also has mentioned one of the highlights of last year was the acquisition of the wire enamel business of Hubergroup India PVT ltd for 45 Crore. As per the annual report this acquisition was expected to generate additional revenues of 39.77 Crore. and profits of 3.69 Crore. per annum. Is this business running as per projections and expectations?

No. 5 In Note No. 14 to the Accounts, Balances with other Govt. authorities has shot up to 714.04 lacs in last year 2.45 lacs. What is the reason for this increase?

And finally, no. of speaker already mentioned about this Ankleshwar unit. I just want to know ki has Gujrat Pollution Control Board permanently revoked the closure order ? if not then what is the present status of this matter. Those are my questions. Good Day!

Mr. Abhijit Tikekar

Thank you, Mr. Dipankar. May I request the Host to unmute Ms. Vasudha Dakwe please.

Ms. Vasudha Dakwe

Good Morning Chairman Sir and other Board of Directors and my fellow shareholders. Myself Vasudha. I would like to congrats our CSR Committee and its team members for performing their responsibilities very well. I want to ask two questions

What is next five years roadmap. On page no. 19 bad debts written off Rs. 12.35 why so high compared to the previous year. With this I support all resolution and all the best for coming years. Thank you.

Mr. Abhijit Tikekar

May I request to unmute 4th speaker i.e. Mr. Mukesh Chandiramani.

Host

Mr. Mukesh has not joined the Meeting.

Mr. Abhijit Tikekar

Ok. May I request the Host to unmute 5th Speaker i.e. Mr. Dilip Jain

Mr. Dilip Jain

Am I audible? ok I will start. Over the course of last few years a trend of rapid increase in urbanization has been observed around Pimpri Manufacturing site. This increases the risk to the surrounding population. In an unfortunate event of chemical accident, do we have plans to shift operations to peripheral areas which is at the lower level of urbanization. That is my first question sir.

My second question is in 2020 we have seen the evolution of anti-Chinese sentiments in both India and the United States. Our parent Company ALTANA is present worldwide. Where does our Company i.e. ELANTAS Beck India fit in global China plus one policy? That is the trend being observed. Everybody wants china plus one.

My third question is our Annual Report mentions about thermal interface material. What is the opportunity in layman's term? A thermal Interface Material.

My next question is there is a lot of mention about Elan-film on our website. Can you kindly explain the opportunity that flexible electrical insulation presents?

My next question is non-stick coating. There was mention in Annual Report and I was just curious to know what that exactly.

And last but not the least I would like to thank the entire management for opportunity to interact as shareholder. We are and we will be always happy to be part of ALTANA. As ALTANA is renowned globally for their innovative products and for sustainable growth. And last but not the least I was make a special mention of Mr. Abhijit Tikekar and his team for being considerate enough and accommodative in solving technical hurdles faced in the last few days for the attendance of this video conference AGM. Thanks a lot Mr. Tikekar and my sincere gratitude to all and entire Board of Directors. Thank you for patient listing. Thanks a lot.

Mr. Abhijit Tikekar

Thank you, Mr. Jain, for your kind words. Now I request the host to unmute the sixth speaker i.e. Mr. Ashok Jain.

Host

Mr. Ashok Jain, we have unmuted you. Kindly ask your questions.

Mr. Abhijit Tikekar

I guess he is having technical difficulty. We will switch on to next speaker and we will give him opportunity once again after all the speakers complete their speeches. Now may I request to unmute 7th speaker Mr. N. Sudhir Golecha please.

Mr. N. Sudhir Golecha

I have few questions. Few weeks back, I saw your expansion project Talegaon project in public domain for 72,000 tons also seen MIDC acquisition agreement for 20 acres land acquisition which states a penalty of 5 + 5 amounts to 45 lakhs Rupees per month will this be implemented in p & L Account or capital account Sir.

Mr. N. Sudhir Golecha

Yes. I have asked you two questions. One on the 72,000 ton expansion Project and I have seen MIDC agreement.

Mr. Abhijit Tikekar

Thank you, sir. We will respond to your questions. Now may I request to unmute 8th speaker i.e. Mr. Harshit Golecha. Mr. Harshit Golecha please?

Mr. Harshit Golecha

Hello, am I audible? Yes, Sir very Good morning. As an other shareholders today told us about 72, 000 ton which is coming in Maharashtra Talegaon So this comes to a total of 140 to 150 lakh ton of the Capacity so that is 28 existing 48 which we have got the permission in Ankleshwar lying 2018 October November as well as 72,000 ton which is the new capacity which you are working on. So, it is 1,48,000 ton to 1,50,000 ton. How long it will take to come ahead and are the permissions given from the Government to start the project? Or it is going to take some more time. And I just want to know the next 5 to 7 years goal or plan what are Company has or even ten years so that we understand and we would like to be a part of the Company for next five seven or ten years or more than that also. And all the best for the future and thanks a lot for the making this AGM happen even in such tough Covid time. I hope everyone is well at your home and safe. Thanks a lot. Good day.

Mr. Abhijit Tikekar

Thank you, Mr. Harshit. Now may I request the host to unmute the speakers who could not have joined. Mr. Mukesh Chandiramani please? Mr. Chandiramani?

Host

He is not available. Not joined so far.

Mr. Abhijit Tikekar

May I request Mr. Ashok Jain to join in please.

Host

Mr. Jain please ask your question.

Mr. Ashok Jain

Ok. Am I audible? Ok Thank you. Good Afternoon everybody. In fact, I had sent my list of questions last week. I just repeat for the benefit of shareholders.

So, in last AGM Mr. Ravindra Kumar, MD said that the Company having received CTE, plans to add some 5,000 ton capacity at Ankleshwar at the cost of Rs 10 cr. in 2019. So, what is the total capacity as of now in Pune and Ankleshwar both?

There is also mention in last AGM about breakthrough process technology in near future which will bring down cost position upward of 5%. This year too there is a mention of this in the annual report. Any approximate timeline for this big achievement?

Question no. 3 Hubergroup acquisition unit sales in 2019 were around Rs 40 Cr. with 9% PBT & 6% PAT under their management. But we have paid Rs. 45 Cr., so what is the pay-back period we have assumed for this acquisition?

Question No. 4 Our Company has provided additional debt allowance of Rs 3.16 Cr. in 2019 for outstanding over 3 months. Is there any scope to recover this money?

Question No. 5 Legal & professional charges shot up from Rs 2.61 Cr to Rs 6.12 Cr. In 2019. Are there any one-time expenses?

Question No. 6 any progress in selling investment property in Pimpri. Last year we were told that somebody is appointed to sale the property and we will get 25-26 Crore. So, any progress about that?

Question No. 7 Q2 of FY20-21 is expected to be a wash out, however mid-June 2020 onwards media reports state that more than 30% of industry has achieved 70% or more of pre-Covid numbers. What is our expectations for H2FY20-21 assuming things are normal?

Question No. 8 Our Annual Report stated this was asked by previous shareholder also, enameled aluminum wire imports from China a big threat. How big is the opportunity if Chinese imports were to be stopped?

Next, is Govt.'s Make in India push for mobile manufacturing a big opportunity for us? We do have conformal coatings what opportunity coating we have.

Sir last year we had Forex outgo of 83 Crore. Can you provide Breakup for raw material imports from China & impact if it is stopped?

Sir, Next, Last year we were informed that we had 35 distributors accounting for 55% of sales in 2018 and we had higher margins. Any further progress to achieve more sales through distributors i.e. have you appointed more distributors in India?

Sir, there is no mention of EC clearance received Ankleshwar new project in this Annual Report? Last year we have told that after a long struggle we were able to receive EC. Also, we have a case against GPCB in Green Tribunal Court? What are the hurdles we are facing for this 48,000 MT capacity expansion?

Sir, as per media reports post Covid, the EV growth in India is confined to just 2 & 3 wheelers in the short run. If we are given permission to expand in Pune and Ankleshwar, is this

opportunity in 2 & 3 wheelers good enough for us or can we look towards exports with ALTANA's permission? Because ELANTAS is present throughout the world.

Sir, Our Annual-Report mentions about "new segments of growth" and also "new offerings in electronic domain". Can you elaborate briefly on this?

Sir, last year we were informed that Products developed by our Pimpri R&D lab does not attract 4% royalty. Are we as EBIL developing products which can deliver major sales growth for us in the near future?

Sir, there are many rumors about our Company getting delisted. Any comments if possible, as long-term shareholders, we have been keeping lots of patience for last 5 years with no growth & range-bound share-prices.

Thank for listening to me and have great day sir. Thank you so much.

Mr. Abhijit Tikekar

Thank you, Jain Sahib. May I request to Mr. Srikumar to take it forward from this point.

Mr. Srikumar Ramakrishnan

I will try to answer them in sequence and by topic hopefully that will address all the questions raised. Anything else remaining you can follow up or you can connect later on that. Firstly let me start with Ankleshwar as that has been the area or question that has come up very frequently. Sometime in march, as Chairman said, in march 2019, we were served closure notice by Gujarat Pollution Control Board on account of certain concerns raised by the neighboring community that we had and this was on account of some leakage that they thought was happening from plant. This laid to the shutdown and over the course of last 1 year we have had to work extensively to understand what that issue is then put plans in place to remediate that. If we step back and look at it, most of last year we spent was really identifying possible causes for that and we mentioned in the annual report as well as in the Chairman Statement, those efforts and cost that we have incurred in the last year and which will continue in the coming period would be to remediate. Ankleshwar plant is 40 year old asset and some amount of storage that was sub-ground and that possibly one of the areas where certain amount of leakage would have happened, so one of the remediation looking at is to lift all the storages up and keep them above ground so that's something that really had an impact in terms of how things progressed at Ankleshwar. Having said that like most of you noted, there had been revocations or we have allowed to operate, we have not yet in a position where we have got permanent revocation. Our typical revocation periods have been for a period of 2 to 3 months sometimes even 45 days but as most of you would have noted in the recent filing with stock exchange, we have now been given 6 months revocation starting first week of July. So effectively for the rest of this year and that based on all the work that management of this Company did during this period which also gives us a certain amount of confidence to keep it open and we hope that with the actions that the Company and its team along with its consultants are taking to remediate would help ensure that this keeps going on. So that was one. Another question in terms of the environmental clearance that Mr. Jain asked and Mr. Jain. Yes the Company did get an environmental clearance at Ankleshwar but that had to be followed by these two subsequent steps consent to establish which we have also obtained and the consent to operate.

By the time when consent to operate came in, two incidents, one was the issue we had at Ankleshwar but more than that there is National Green Tribunal ruling on industrial clusters in India.

Close to 100 clusters and Ankleshwar because prominently in that, have been prohibited from any expansion or new capacity addition for till such a time, the pollution levels come down across all the industry or in that particular cluster. Now that is the ruling which is effective on everybody of course your Company is going through it along with everybody else who is operating in Ankleshwar will also pass through that. So that's one event really prohibiting any further expansion at Ankleshwar till the court decides to rescind that.

This has happened in the past also, where it took 3 to 4 years to take out and again getting back to normal.

We assume similar or more longer time frame as it is a matter of speculation because it is at the discretion and the wisdom of the court. That's the few comments on Ankleshwar. To reiterate no permanent revocation yet but revocation till in 6 months starting July will cross 2020 that and then hopefully the actions we take will continue to look through going ahead.

I move to the next topic which is in terms of capex which Mr. Purkayastha raised. the capital work in progress, Mr. Purkayastha and others, most of the capital expenditure we have done in the last year have been around the concerns raised by the GPCB and to ensure, like one of the speakers also mentioned to ensure that these things do not repeat in the future. So whatever was underground was taken above ground, we have set up New effluent treatment plant so that nothing remains submerged. All the solvents tanks we use to have underground are getting lifted up. That's where most of our expansion has gone in and also the point around expansion are the capital expenditure, if I may call it so has gone in terms of expansion required, equipment's required that get planned in Ankleshwar which would have been needed to enhance that capacity. The third bit of expansion came in for efficiency projects as you know your Company launched SAP platform sometime in 2018 and to derive the benefit and efficiency especially around business intelligence and data analytics for which we had invested in the tool for improving that efficiency which is another Capex. Primarily GPCB concerns, expansion, efficiency improvement these are the three areas where capital expenditure has gone. capital expenditure will continue to go in for the projects in Ankleshwar for remediation as we get more details. And we await technical clearance from Gujarat Government via its pollution control board and in terms of accepting the proposal we have made to remediate that happens there will be further capital expenditure that we will need to execute that and we anticipate this to continue beyond 2020 also. that's how we see it now, hopefully we'll be able to operate smoothly and function as effectively as we have done in the past once we are over with this.

Lot of questions coming around growth and vision if I may call it, so let me give summary of how we see co- business of ELANTAS, we are in an equipment wire enamel or an equipment varnish potting or casting even our construction chemical business is primarily in that role. Our idea or the basic functionality is to either insulate or protect equipment. Now looking at all the growth in order to grow what can we do we can really manage the present which primarily depends upon our share with customers and grow with customers organically at the same time looking at increasing shares that customers which by fulfilling stated and unstated needs in the best possible manner. This is a space primarily around the wire enamel business where your

Company has had a very good market share and again going back to some of the questions of acquisition that we had highlighted. The acquisition of wire enamel business of Huber's in India was something that was very complementary to this and I would say that this gives your Company unassailable position when it comes to wire enamel business and again this is the year of integration and again Mr. Purkayastha to answer your question for that period operated relatively normally which was still the period of March it was integrating well. This still period of integration, year of integration and integration team within the Company is trying to put that all together. Till quarter one it was on a good track. The other question was in terms of the PBT and PAT that was reflected by the past management or as we took over business. We would believe that looking at our track record and ability to synergize, your Company would be better positioned to realize better and add more value to the bottom line by this acquisition. Most assumptions and acquisition as far as period of acquisition was concerned is around the normal time frame which would range anywhere between 6 to 8 years. Hopefully things are getting better, synergies happening faster. We may be able to improve on it.

The second question in terms of the Covid era, issues around COVID and how do we see, Mr. Jain I would be happy to say, you mentioned that 30% of the industry is more than 70% in June, while our June results are still not out, they will be out next week. we hope to meet those expectations that laid down on us. that's how we see through this.

Some of the speakers were also kind enough to enquire about our people, all our people and assets are safe. Like the Chairman mentioned and its the Company's endeavor to ensure that its assets including its people and properties stay safe and so far it has been good. We have managed to avoid any cases of Corona impacting any our employees as we speak so that's on the Covid 19. The other one there is question around new growth segment and new offerings in electronic domain and, Mr. Dilip Jain also talked of team and what does it mean and what does it mean to a layman. Well, one of the base for us like I talked managing the present base for us to really grow and that also connects to the question around road map that you asked that we can grow by creating a future and creating the future can come by application, can come by product or process development or can come by geographic expansion which is possible by the neighboring countries as they emerge value chain. Alternate delivery mechanism can be distribution channels there are some questions on that but, I will address that subsequently. along with the local manufacturing of products that we would be bringing in from our affiliates as market will become feasible and sustainable for that.

Also to look at adjacent market, construction chemical is an adjacent market to what we derive the chemistry then use it to construction chemical market and acquisition opportunity that can come which is where management of your Company acted in a very rapid manner to ensure that in the business of wire enamel from Huber was available. We could work out some structure your Company could acquire that last year and integrating this period. This is the focus area for us for next 5 years and continuing. The time that we are speaking in today, is clearly challenging. Most customers are looking at serving the lower demand at lower possible cost. Because everybody got impacted with Covid, the operational challenges are coming in with the supply chain issue. Lot of people talked of China and plus one as well as manpower challenges our customers have had. It is tough time to collaborate on development of future product as really the industry remains relatively bleak. Most people are trying to sustain the present rather than try and look at the future. Your Company is operating in the domain trying to be supportive maintaining its service level. Because lot of people really trust the organization to serve their

requirements hundred percent. That's something really try to do in this period and try to collaborate on projects as they become open to that and keep sustaining that. However, in this meantime we also used this opportunity to talk about a present and new offering through webinar like we are doing this AGM. This is 64th AGM but first one that we are doing it online. We also have to change our training delivery mechanism to online and 6 to 7 key customers have benefited from the efforts which were done by our market and technology team along with the sales and technical services team.

So really looking at the vision or the roadmap of the Company, is to really retain our position as a trusted supplier of wire enamels and secondary insulation. Maintain positions and grow and at the same time look at the emerging segments by having products and application with an aspiration to grow at twice the GDP or twice the market rate at which those segments grow and that's where the most of the team's energy and focus is based on .

Moving to another topic, while a lot of interest around China, I may try and look at some questions around that. The aluminum wire enamel threat, the China plus one policy and import of enameled wire and Mr. Purkayasthayou also raised the point around the impact of the measures that government of India is taking to bring down the imports from China and grow us sustainably.

Yes, the wire enamel import from China was a threat to the local industry. The aluminum wire enamel constitutes a decent portion of the market. Primarily it's copper but aluminum that is used because of its cost and currently 50 percent of the enameled wire that is used in India is imported. Local industry is setting its capacity up working with us and we believe we have a very good position and technology space when it comes to helping people drop from aluminum and make those wires. we believe that based on the inputs from the industry that the imports from the industry that from current 50 percent of import levels it is going to come down to 20 percent level well, in the next 3 to 4 years. That's how local industry ramp up and mitigate the Chinese risk. Like I said technically and technologically your Company is in very good position to cater to that and has some unique value propositions to customers especially when the gage of the wire is thicker.

The next question sticking to China import of 83 crores, like the Chairman mentioned and I also referred to, we had a period of stoppage last year our endeavor was to supply and support customers so we also imported finished wire enamels from our affiliates in China to serve the market place for the brief period of time. That along with a couple of raw materials that get sourced from China, it's a very small portion of our overall import we saw that it comes in from China. Really looking at it from an angle that should we as a country refrain or prohibit any imports from China we still have alternate sources in other parts of the world specially the Europe and the US which would ensure that we will be able to continue without the import dependency on China. Again, the China plus one or any opportunities that may emerge with the greatest shift coming in from China or moving away from China yes, your Company is definitely in a position to encash on that as the opportunity arises. It's our belief that and with some of the actions that government is taking, there would be a greater view on local value add and local manufacturing and your Company has possibly pre-eminent suppliers' products in the basket. Primary insulation or secondary insulation would be in a very good position to improve its position along with their industry and support the local industry as it starts to become a part of a larger global supply chain value.

In terms of a market and technology Mr. Ashok Jain has talked of the breakthrough process technology, Mr. Jain yes that's a breakthrough, technology that we really been working on it, is a step change. It is different delivery mechanism the traction that it needs or it has taken in the last year has not been to that speed because we also would recognize that it means that a great amount of intellectual property and license to operate our spaces really trying to look at. In the meanwhile, because of global scenarios with respect to raw materials there has been a decent shift in terms of the raw material pricing which also sort of makes it difficult to really en-cash that value. Because, the existing suppliers of raw materials currently been used are also looking at reducing their prices as a supply side prices change. So that something having said that it is still work in progress not to the speed at which we expected but both from the sustainability side, really accruing that value as well as the business side will take its time. We hope to keep you updated once we have a technology which is demonstrated with some or collaborated with some partners. Again, sticking to the question of distribution and I did talk about the geographical expansion as well as delivery mechanism, your Company is really looking at reintegrating its channels to the market. Most of our partners have been with us for a very long time. They are doing a good job but it's also about we expand how do we work with them to really look through. For that we have put in place a channel program dedicated resources to that to really revive. I am happy to inform you that number of power distribution of sales and the margins still continue to progress well and better than what you noted last year it's getting closer to the 45% mark as we speak now. That is something we will be looking at. So these were some questions in terms of market technology and there was another one in terms of Mr. Dilip asking so Dilip when you talk about team this is a segment of growth that we really looking at and that segment of growth comes in via what I would call as electronic specialty consumer and automotive electronics and these are areas where thermal interface material would help add value in terms of been able to manage the increased requirement and insulate the component from the shocks or Sparks in temperature that would happen. Primarily is the function but the area we see is around the consumer electronics and auto electronics like I said that is area where we are working and elaborating with the customers to create applications and develop applications. One of the areas this may also look through is in terms of the EV space and. Mr. Jain had a very interesting remark about EV and ability to look at the two-wheeler and three-wheeler market. I assume your question coming in from the fact that most people are talking of EV and used for delivery online shopping that seems to be the case and for example certain pockets Delhi busy metro stations adjacent to the nearby areas that's where some of EV applications seem to be going. That's again an area falls into consumer electronics automotive electronics and we are really trying to look at collaborating with the customers as they develop. The EV space is very interesting because you will have technologies coming in from the west and technologies coming from China. As we really look at global landscape, China is the front runner in EV manufacturing and technology. Unless I am very wrong, 60% of the global market for electric vehicle and electronics would be coming in from China and that's the edge they have. So once the technology really fixed up and there is some amount of debate around that with the global position hardening on China if I may call it so which are technologies that emerge to front and which are customers who are going to be at a winning space. That's an area where we really trying to look at very closely and your market and technology team is focused with a dedicated team around these applications to try and capture that and collaborate with customers. Elanfilm is new non-stick coating that comes under engineered material segment. Nonstick coating is something that goes on to the pans

when you make the high heat what it typically marketed as a Teflon coated or non-stick coated. Some of our chemistries are used in that. Elanfilm is an insulator, which is while we supply the liquid resin, elanfilm is of using it as a solid insulator for typically from shifting from low voltage to the high voltage areas. This is an interesting space we do not see this market having evolved very well in India and your Company has a value proposition.

And there was a lot of interest in site and capacity at this point in time the capacity that you are Company operates with roughly around 30,000 tons as you know we have done an acquisition that would also mean that a certain amount of volume gets added to the business of the Company which is what we would look at synergizing and integrating to generate some more bottom line as we step into the coming period. Clearly like I said our assets both at Pimpri and Ankleshwar are in the middle of urbanization like most of you noted and one of the idea is to try and see how do we mitigate that. It would then mean that we would possibly be looking at the whole process of shift or approvals and really getting through and courts are stepping in not just to impact your Company nut the industry as a whole. It makes sense to explore and keep things in the pipeline. As you know most chemical Companies go through a process which is relatively long drawn and with that in mind your Company is looking at, creating some backups and provisions it is in our interest that we try and keep it adjacent. We cannot co-locate it to a very adjacent to our existing sites of operation. That is why you would see us progressing a bit on that that's all its tentative. it's subjective of clearances because only after clearances we would be able to get through any financial transaction or events of that nature which would happen only after approval of the Board as well as information to all of you via Stock Exchange. This is the area your Company and its management team is seriously trying to evaluate and any project of this nature typically takes a space of twelve to eighteen quarters or maybe more to really fructify. So initial stages like it just a mitigation and to look at how things progress. So, any further development or any material development to that, we would definitely look at Board approval as well as inform the shareholders before we step into that. An idea for the larger volume that you see is you can only apply for an approval once, so the idea is to really look at our future plans and keep those provisions and keep rather than going for expansions at the end of every period or at a certain period. That's the vision with which the Company is trying to operate.

De-listing yes, the questioner himself said it is rumor and it's not correct to comment on rumor having said that this is something that the Board and the management would look at market conditions and opportunities that are available and definitely come back to the shareholders on that should that event been considered.

I hope I have covered most of your questions and Mr. Naredi you asked on Ankleshwar, Mr. Golecha you asked about expansion but this is still tentative and subjective and nothing material yet but as Company we have to keep this things in thought and that's where we are looking at. With that I would thank for the questions especially thanks to shareholders who shared questions in advance. If you feel you need more clarification you can let me know or we can connect later on this.

Mr. Abhijit Tikekar

Thank you, Mr. Srikumar, may I request the Chairman to take forward from this point please.

Mr. Talwar

On De-listing, you may recall that few years ago the parent Company made an attempt for de-listing but they were not successful in that and after that they have decided at least for the time being not to look at the de-listing. “Now I authorize Mr. Abhijit Tikekar, Company Secretary to conduct the voting procedure and conclude the Meeting. The e-voting facility will remain enabled for the next 15 minutes so the Members who have not casted their vote already, can do so. The results would be announced on or before 23 July 2020 and same will be intimated to the Bombay Stock Exchange and uploaded on the NSDL Website. With your consent, I and other Board Members would like to leave the Meeting.

I wish all the Members, a very healthy and safe future. Request you all to be very careful and take care of your families during these challenging times.

Thank you.

Mr. Abhijit Tikekar

Thank you Mr. Chairman, for the members, the e-voting process will remain open till 12.55 P.M.
Thank you.
