Color & Comfort

ANNUAL REPORT 2020

DIC India Limited

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TEN YEARS FINANCIAL STATISTICS

(Rs. in Millions)

	2020@	2019@	2018@	2017	2016	2015	2014	2013	2012	2011
Sales (Net)	6,061	7,866	8,333	7,371	7,042	7,461	7,187	7,087	7,124	6,148
Profit / (Loss) before tax	1,109	175	(59)	(167)	308	403	(181)	120#	315#	382#
Tax	250	(10)	34	(43)	80	106	(83)	(5)	100	117
Profit / (Loss) after tax	859	184	(93)	(124)	228	297#	(309)$	125#	215#	265#
Other Comprehensive loss	(3)	(4)	(5)	-	-	-	-	-	-	-
Total Comprehensive Income/(Loss)	856	180	(99)	-	-	-	-	-	-	-
Dividend	41	-	-	-	44*	44*	-	43*	43*	43*
Retained Profit	815	180	(99)	(124)	184	253	(309)	82	172	220
Earnings per share (Rs)										
-Basic	93.58	20.10	(10.16)	(13.48)	24.88	32.37	(33.65)	13.66#	23.42#	28.82#
-Diluted	93.58	20.10	(10.16)	(13.48)	24.88	32.37	(33.65)	13.66#	23.42#	28.82#
Dividend per share (%)	60	45	-	-	40	40	-	40	40	40
Net worth per equity share (Rs.)	413	325	305	315.68	329.16	309.08	283.77	317.44	308.46	289.69
PBT on sales (%)	18.30	2.22	(0.71)	(0.63)**	4.38	5.40	(2.52)**	1.69	4.42	5.66
PAT on shareholder's funds (%)	22.64	6.19	(3.52)	(4.27)	7.54	10.47	(11.86)	4.3	7.59	9.95
Debt equity ratio	-	0.12:1	0.18:1	0.12:1	-	0.01:1	0.14:1	0.08:1	0.12:1	0.09:1
Sources of funds										
Share Capital	92	92	92	92	92	92	92	92	92	92
Share Application	-	-	-	-	-	-	-	-	-	-
Reserves & Surplus	3,702	2,887	2,707	2,806	2,930	2,745	2,513	2,822	2,704	2,567
Borrowings	-	351	507	350	-	25	352	233	340	227
	3,794	**3,331**	**3,306**	**3,248**	**3,022**	**2,862**	**2,957**	**3,147**	**3,172**	**2,886**
Application of funds										
Net fixed assets	564	607	603	614	725	731	890	976	1,081	897
Investments	-	-	-	-	-	-	-	-	-	-
Net current/non-current assets	3,230	2,723	2,703	2,634	2,297	2,131	2,067	2,171	2,153	1,989
	3,794	**3,331**	**3,306**	**3,248**	**3,022**	**2,862**	**2,957**	**3,147**	**3,172**	**2,886**

Notes

*Includes tax on dividend
#After considering extraordinary items
$ After considering exceptional items
**Profit before tax and exceptional items
@Based on IndAS Financials

Board of Directors



Dipak Kumar Banerjee
Non-Executive Independent Chairman



Manish Bhatia
Managing Director &
Chief Executive Officer



Partha Mitra
Non-Executive
Independent Director



Dr. Reena Sen
Non-Executive
Independent Director



Rajeev Anand
Non-Executive
Independent Director



Prabal Kumar Sarkar
Non-Executive
Independent Director



Pritha Dutt
Non-Executive
Independent Director



Paul Koek
Non-Executive Director



Masahiro Kikuchi
Non-Executive Director

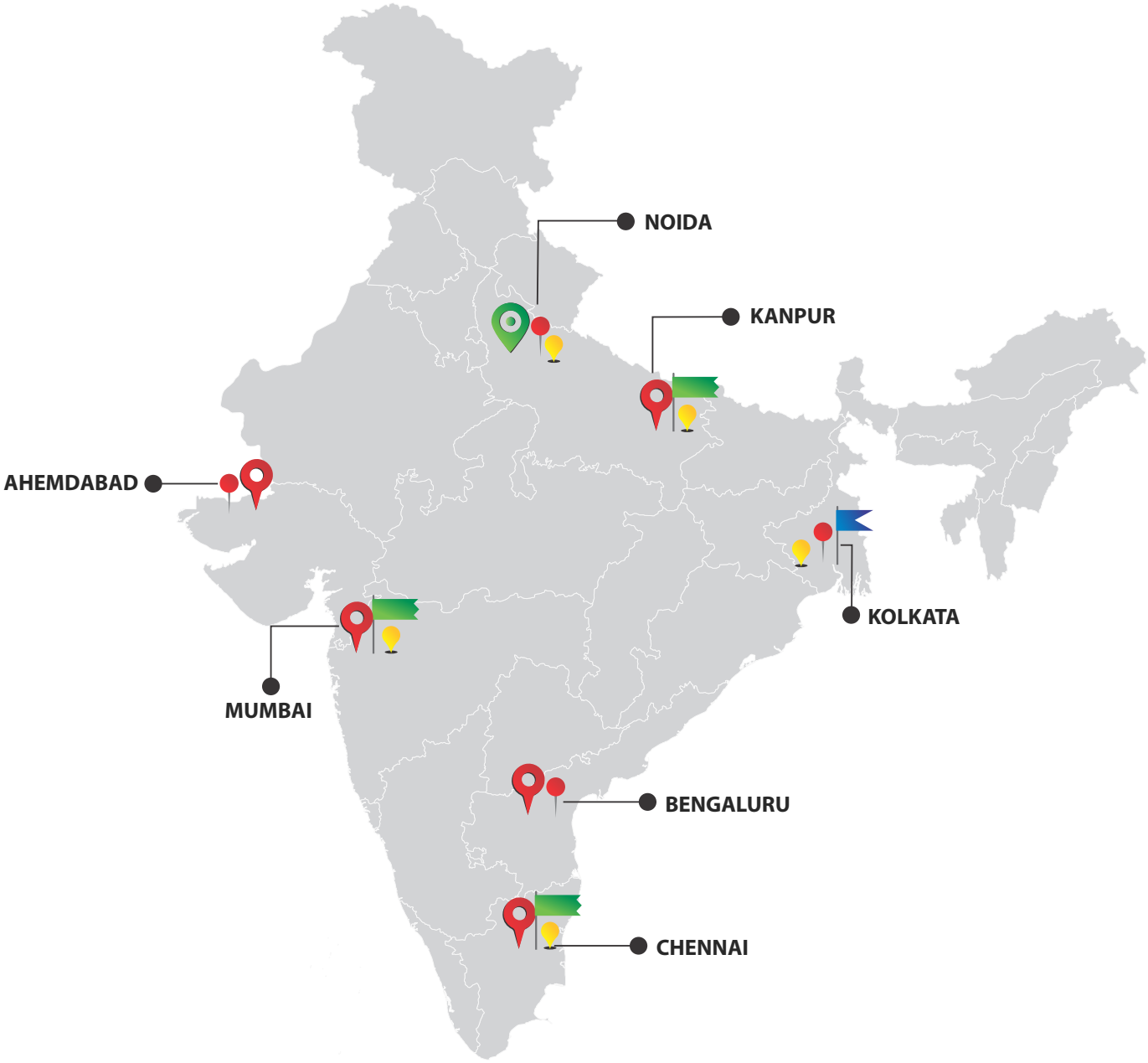


Taishi Nojima
Whole time Director



Ho Guan Yeu
Non-Executive Director

OUR PRESENCE



OFFICE | CORP. OFFICE | DEPOT | PLANT | REG. OFFICE | BLENDING CENTRESE MFG.

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DIC Indian limited

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Corporate Information

DIC INDIA LIMITED

as on December 31, 2020 | CIN: L24223WB1947PLC015202

Board of Directors

Dipak Kumar Banerjee
Chairman - Independent Director
(DIN: 00028123)

Manish Bhatia
Managing Director & Chief Executive Officer
(DIN: 08310936)

Partha Mitra
Independent Director
(DIN: 00335205)

Dr. Reena Sen
Independent Director
(DIN: 07082198)

Rajeev Anand
Independent Director
(DIN: 02519876)

Prabal Kumar Sarkar
Independent Director
(DIN: 03124712)

Pritha Dutt
Independent Director
(DIN: 02910608)

Paul Koek
Non-Executive Director
(DIN: 00081930)

Masahiro Kikuchi
Non-Executive Director
(DIN: 08024525)

Taishi Nojima
Whole Time Director
(DIN: 08401012)

HoYeu Guan
Non-Executive Director
(DIN: 08066136)

Key Managerial Persons

Manish Bhatia
Managing Director & Chief Executive Officer
(DIN: 08310936)

TaishiNojima
Whole Time Director
(DIN: 08401012)

Sandip Chatterjee
Chief Financial Officer
(PAN: ABVPC5782H)

Raghav Shukla
Corp. General Manager Legal & Company Secretary
(M. No. F5252)

Board Committees

Audit Committee
Partha Mitra- *Chairman*
Reena Sen
Paul Koek

Stakeholders' Relationship Committee
Partha Mitra- *Chairman*
Deepak Kumar Banerjee
Paul Koek

Nomination & Remuneration Committee
Reena Sen- *Chairperson*
Partha Mitra
Paul Koek
Masahiro Kikuchi

Corporate Social Responsibility Committee
Reena Sen- *Chairperson*
Partha Mitra
Paul Koek
Taishi Nojima

Risk Management Committee
Partha Mitra- *Chairman*
Manish Bhatia
Ho Yeu Guan
Taishi Nojima

Corporate Office

DIC India Limited
Fusion Square, 5th Floor,
5A-5B, Sector- 126, Noida- 201303
Uttar Pradesh, India
Phone: +91 120 6361 414
Email: investors@dic.co.in

Registered Office

DIC India Limited
Transport Depot Road,
Kolkata- 700 088
Phone: +91 33 2449 6591 – 95;
Fax: +91 33 2449 7033 / 2448 9039
Email: investors@dic.co.in
Website: www.dicindialtd.co

Auditors

Deloitte Haskins & Sells LLP
(Rgn No. 117366W/W-100018)
7th Floor, Building 10, Tower-B,
DLF Cyber City Complex,
DLF City Phase-II, Gurugram- 122 002,
Haryana, India
Phone: +91 124 679 2000;
Fax: +91 124 679 2012

Bankers

State Bank of India
Standard Chartered Bank
HDFC Bank Limited
Mizuho Bank Limited
MUFG Bank Limited

Registrar & Share Transfer Agent

CB Management Services Pvt. Ltd.
(CIN: U74140WB1994PTC062959)
P-22, Bondel Road, Kolkata- 700 019
Phone: +91 33 4011 6700 / 2280 6692 / 2282 7033 / 22870263
Email: rta@cbmsl.com;
Website: www.cbmsl.com

DIC India in Brief

DIC India Limited started its journey in 1947 as Coates of India Limited. In early 2000, it came under the umbrella of DIC Corporation Japan consequent to a Global Acquisition. DIC India prides itself as being one of the largest companies in the printing, publishing and packaging industry in India.

The company has continuously surpassed its own milestones over the years. It is setting new benchmarks by becoming the supplier-of-choice for its esteemed customers.

DIC India Ltd.'s Research and development centers at Noida and Kolkata have been instrumental in developing new products, processes and applications whilst improving the existing technology to better benefit its clients.

Under a dynamic leadership, the company has been on a steady road of growth and innovation allowing it to appropriately reward, its stakeholders.

Mission

We create enhanced value and utilize innovation to introduce socially responsible and sustainable products.

Vision

Color & Comfort by Chemistry
We improve the human condition by safely bringing color and comfort into people's lives.*

Core Value

Enterprising: Lead with a passion for excellence that is evident in the solution-focused actions taken each to drive value through innovation.*

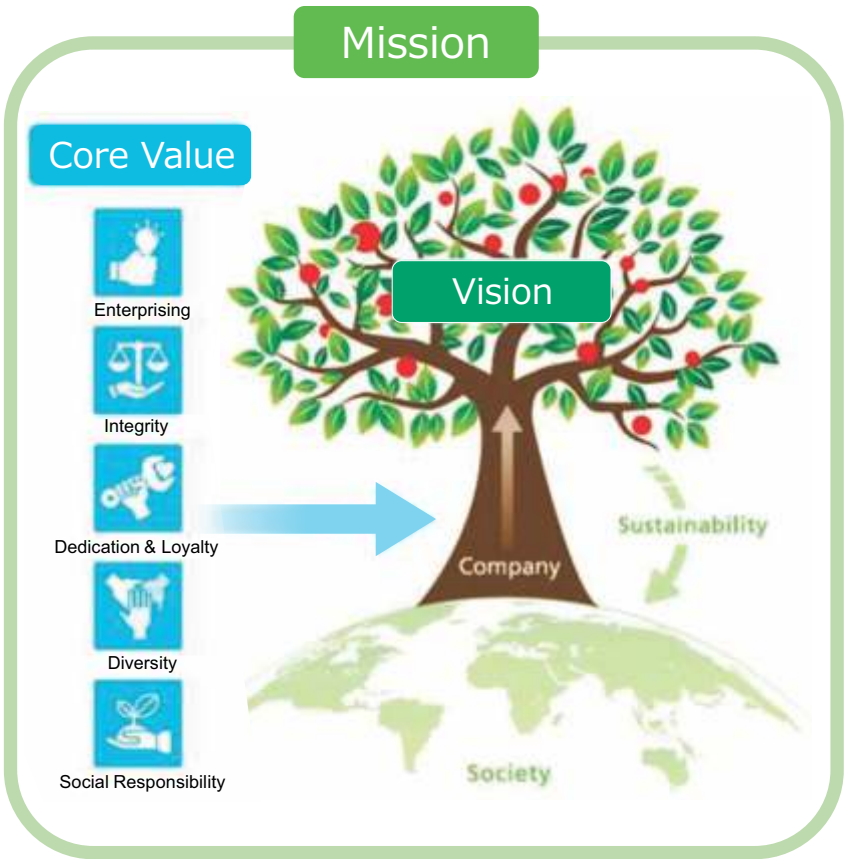
Integrity: Be honest, forthright and ethical in all dealings with customers, suppliers and coworkers.*

Dedication & Loyalty: Take responsibility for performance in the office, laboratory and factory by demonstrating commitment to customers, suppliers and coworkers.*

Diversity: Respect other viewpoint and work collaboratively while valuing collective goals over personal interests to achieve excellence; foster communication and cooperation with people from all backgrounds.*

Social Responsibility: Go beyond compliance to promote products and activities that achieve socially responsible and sustainable development that protect the environment.

*= Annotation



Our Portfolio



Paste Inks

- Sheetfed Inks • UV Inks • News Inks • Heatset Inks
- UV Varnishes • UV Narrow Web Inks • WB Varnishes
- LED Inks

Gravure Inks

Low odour Polyurethane based Inks specially formulated for reverse printing for food & beverage Industry:

- Vinyl Inks • Toluene Free Inks • Nitrocellulose Inks
- Special Food Packaging • Non Toluene Non Ketone Inks





Flexo Inks

Low odour Nitro Cellulose based Inks specially formulated for surface & reverse printing for food & beverage Industry:

- UV Flexo Inks • CI Flexo Inks • WB Flexo Inks

Adhesives

Our DICDRY range of lamination adhesive suits all types of flexible packaging applications and covers both:

- Solvent based Adhesives (SBAD)
- Solvent free Adhesives (SFAD)





Speciality Products

- Barrier Adhesive & Functional Barrier coatings
- Low Migration Low Odour Ink • Tin Printing Inks
- Anti-Counterfeit & Brand Protection Offerings
- Cold Seal Adhesive

Flexible Packaging and Adhesives

Gravure Inks

Smart Ink
Low Odour Polyurethane based lamination Ink formulated for reverse printing on treated BOPP, treated and plain Polyester Film, Nylon, Cellophane and Polyvinyl acetate film. Suitable for packaging of food Products.

Smart KF
High Performance Polyurethane based Toluene and MEK free inks for reverse printing with extremely low solvent retention, high bond strength, excellent printability suitable for BOPP, PET, Nylon films. Suitable for Solvent based Solvent free & Extrusion Lamination. High bond characteristics of Smart KF make the inks suitable for Polyester laminates to pack liquid and heavy weight materials

Ultralam®
General Purpose ink with Excellent Price Performance. Applicable on PET, BOPP (with additive). Good adhesive lamination characteristics are in-built in these inks to make them suitable for lamination with polyethylene film, aluminium foil, board and metalized film to satisfy the need of a variety of packaging application. Suitable for Solvent based and Solvent free Lamination.

TAF
Low odour ink having excellent bond strength, formulated for reverse printing on treated BOPP for direct PP extrusion lamination without AC agent.

Ultralam NT
New generation of non-Toluene ink technology, carefully formulated to offer sharp printability for solid as well as halftone jobs on polyester film at varying press speeds.

GLW1006 Water Based Inks
A range of water-based reverse gravure printing ink series intended for printing on treated and coated films for subsequent lamination for snack bags.

Heat Transfer Ink
A range of non-lamination inks having good flexibility, excellent printability and specifically formulated for reverse printing on plain polyester film.

Smart - TF Plus
A range of Toluene-free low odour lamination inks having high bond strength, excellent printability and specifically formulated for reverse printing on treated BOPP and Polyester film.

Lotus
Surface Printing Ink suitable for High Gloss, excellent adhesion and high print on Polyolefin films, aluminium foils, paper and board.

Modflex™
Surface Printing Ink with Oil resistant properties, suitable for deep freeze application, Oil and Milk Packaging. Can be printed on Polyethylene and Polypropylene films.

Brightflex
Formulated for satisfying the demand of high gloss and high print strength on a wide range of substrates. Suitable for wide range of films, aluminium foils, paper and board with good crinkle and scratch resistance, suitable for twist wrap application on MET PVC and MET PET & general purpose application on PE film.

Gravure Inks

Shrink™
Formulated for printing PVC filmused for Shrink sleeve packaging.

Vulcan
For Shrink sleeve application Surface Printing Heat resisting Inks suitable for printing on Heat sealable treated BOPP and Polyethylene Film, suitable for packaging Crisp Snack Food.

AL/GR
General purpose surface printing on Papers. with excellent printability and low retained solvent levels.

GV Foil
Nitrocellulose based inks for printing on Al-foil, used for packaging and related applications. In Addition to regular GV-Foil inks, Metal Complex Dyes based inks are also available for highly Transparent and Bright colors on AL-Foil.

Matt 100
Over Print Varnish with Matt effect, applicable on BOPP & PET film. Excellent adhesion on PET and treated BOPP. Matt 100 gives heat resistance up to 180°C.

2K NTNK Matt Coat
Over Print Varnish with Matt effect, applicable on BOPP & PET film. Excellent adhesion on PET and treated BOPP.

Ramagloss
Gravure overprint varnish for over lacquering of printed and unprinted coated paper, aluminium, polypropylene and cellophane with high gloss, heat, chemical and rub resistance. Suitable for overprint process in line with printing using standard drying units. suitable for sterilization and deep-freeze applications.

Flexo Inks

GPL Lamination
High strength, high speed advantage with excellent high-fidelity reproductions. Can be used for surface and reverse printing.

DaiOl
Specifically formulated to give excellent dot reproduction and minimum dot gain for high quality flexo half-tone printing on polyethylene, BOPP Films, paper and boards.

Pinnacle
A series designed for Oil and Milk pouches

Aseptic Packaging
Water based complete range of aseptic packaging suitable for beverages sector

Corrugation Packaging
Complete range of preprint and post-print Corroflex Ink.

Adhesives

DICDRY
Our range of lamination adhesive suits all types of flexible packaging applications available in both- Solvent based Adhesives & Solvent free Adhesives

PVBS
Our range of Polyvinyl butyral adhesive suits all types of PET and Fluorine film applications. It is an excellent hydrolysis property. It has been developed for industrial use.

Commercial Publication and Rigid Packaging

Paste Inks

Fusion G
Product with excellent printing quality & colour reproduction. It has major application in excellent quality commercial jobs for fashion and high-grade catalogue, etc.

Syner G HP
Product with excellent printing quality with strong density, dot sharpness, high gloss & excellent rub resistance.

Geos G
A versatile Ink for superior performance on wide range of substrates, provides excellent print with dot sharpness and colour consistency.

Values G®
Ink for excellent Print Quality, efficient workability, easy operation and extensive usages on verity of coated stock.

Genxer™
Ink for high productivity and come-of-age print quality. Suitable for commercial and packaging Industry.

Syner G EX PLUS
Product with high printing quality with optimum density, good uniform gloss and brighter color along with excellent dot reproduction and trapping. It also has fast work & turn / substrate polyvalence.

Passion G PLUS
A robust product for general segment & goodquality commercial jobs. It has reliable printing quality with visually higher density and optimum gloss with wider water window.

Magnum Plus™
Ink having high process stability for quality printing and economic efficiency. Optimized setting and drying on paper for fast work turn.

Xtra Power
Customized for tropical climate suitable for mid-segment packaging and commercial jobs.

Superchromo™
Ink formulated to provide machine friendliness, suitable on variety of substrates like coated, semi coated and uncoated) Paper and Board for commercial and packaging printing job.

Eurostar
Oil Reach inks having substrate Polyvalence for Paper and Board

LT Spectro
Product with balance rheology to print on low gsm and low pick paper, with good litho property required for long print runs

Topsim™
Multi-purpose Ink for short run, fast work turn and immediate conversion and fabrication.

Plustick
Provides superior adhesion and drying on non-absorbent substrates, suitable for PVC Coated Paper, Polyethene, Polypropylene, Polyester, One Way Vision and lacquered cast coated stock.

Paste Inks

SFG
Product for cost conscious segment suitable for general purpose commercial & packaging applications.

Ener G
Economic Grade Ink rich in Oil meant for commercial and general printing.

Vynilon
PVC matt ink with non-reflective properties suitable for display jobs.

Polyfast
Suitable for printing on treated LDPE, HDPE and PP with surface treatment. Resistant to detergents, oils and similar products

Purrab Star
Suitable for printing on paper and board targeted at the economical segment.

Aquatic Eco Smart Op Ink
Ink is particularly versatile, assuring an excellent overall level of performance. The gloss, slip, mechanical resistance are key properties of this top coat.

Aquatic Scuff Op Ink
Ink is particularly versatile, assuring an excellent overall level of performance. The gloss, slip, mechanical resistance, glue ability are key properties of this OPink.

UV & LED Inks

Radicure®
Range of UV Curing Ink formulated for excellent machine performance and adhesion on variety of packaging substrates like cast coated paper, treated PET, coated metallized polyester, PVC, Lamitube etc. suitable for packaging of liquor, cosmetics, health care products, and luxury goods.

LED Inks
Designed to achieve excellent curability, Suitable for printing presses equipped with ultraviolet light emitting LED lamps. LED inks are used in Commercial printing, Narrow web printing on heat sensitive substrates including non-critical packaging. Apart from feature of conventional UV of fast turn around and high gloss, UV LED inks are also having an advantage of High productivity with quick delivery and no waiting time, Cost effective, Energy savings, small press/lamp, no ozone generation, low odour and better working environment as powderless printing.

News Inks

Coldset
News Ink, available in Popular, Polar, Polar Plus, Polar Super, Classic High Speed, Colorman and Wifag series catering to varying speed application (from 25 IPH to 85 IPH)

Heatset
News Ink, available in IMPERIAL and SNP range along with products from Sun Chemical suitable for good print depth, superior picture clarity on SNP, GNP, Coated and LWC Stock.

Pioneer Series
It is a Slow Speed web offset Coldset Ink from DIC India are designed for slow speed cold set web offset printing presses having output rate from 30000 cph to 45000 cph. These are High strength, faster setting ink and very stable on the press over the longer print runs.

Technical Centre - NOIDA











Manufacturing Facilities



Noida Plant- Manufacturing facility for Liquid Inks & News Colour Inks

Kolkata Plant- Manufacturing facility for Liquid Inks, News Inks& Offset inks





Ahmedabad Plant- Manufacturing facility for News Black Inks & Offset aquatic inks

Bengaluru Plant- Manufacturing facility for Adhesives & PU Resins



Our Sustainability Policy

Our Approach

At DIC India Limited, it is our responsibility to raise awareness about environmental issues that are part of our industry, including issues raised by regulatory and customer-driven forces. Given that responsibility, we have a history of, and continue to develop methodologies to assess our impact and to innovate processes and products that are more sustainable from both, economic and environmental dimension.

We have in place a rigorous development process and analytical tools that guides our choice of materials and the safety of our products. We strive to use manufacturing processes that demonstrate environmental excellence through reduced waste generation, lower energy and water usages, and strong safety performance as measured by several key metrics – greenhouse gas emissions, energy and water consumption, carbon footprint and safety record. We commit to meet local regulatory requirements, and to proactively work with government, industry trade groups, and business partners in the value chain to better define, measure and promote sustainability.

Product stewardship and risk management are also important components of our sustainability policy. We are committed leaders in this area and will continue to take a responsible, analytical based approach in our efforts.

To ensure we understand our impact, we measure key metrics – greenhouse gas emissions, energy and water consumption, carbon footprint and safety record.

The result of all our efforts is our ability to provide our consumers with eco-efficiency and, in turn, enhance the sustainability of their processed and end products. Using our long-standing reputation for quality, service and innovation, our dedication to improving sustainability influences both our daily work and our strategic direction across the globe.

DIC 111

SUSTAINABLE DEVELOPMENT GOALS

	Climate change. Resource conservation.	Sustainable use of natural resources.	Food, safety and health.
Social issues	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION; 14 LIFE BELOW WATER; 15 LIFE ON LAND	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	2 ZERO HUNGER; 3 GOOD HEALTH AND WELL-BEING
Primary value of our products	• Contain renewable raw materials • Energy saving and thermal insulation • Reduce weight • Cope with marine plastics	• Recyclable • Reduce waste • Long life • Reduce volume	• Health and comfort • Reduce food waste • Low VDCs and safety

Our People









DIC Employees Working from Home during COVID-19 Pandemic.

DIC "Living our Values" Functional Communication Session with Business Leadership team.

DIC E-Learning Platform "DIC RISE".

The year 2020 has been very challenging full of ups & downs due to pandemic Covid-19. During this testing period, at DIC India, we stood very firm & committed as "**One DIC team**" to ensure not only safety & well-being of our employees at all DIC locations, but also delivering business commitments as per plan & target for the year 2020. In the beginning of year 2020, we launched our E-learning platform "**DIC RISE**" to enable capability building of all the employees through digital mode. This was done focusing on progressive HR practices, but it acted more as a boon in this period of pandemic when we resorted on this tool for helping our employees to scale up their capabilities as per their convenience. Moreover, we rolled out "**Telecommuting**" policy to support our employees & businesses during pandemic period. To ensure regular connect with employees, we used digital platform to conduct "**Living our values**" communication session with all the employees by providing them regular updates about the business as well as key functional plans & achievements. This helped us in a big way keeping our employees engaged & focused on our business commitments. Going forward, we will continue to focus on "Employee Safety" & "Employee well-being" along with driving employee engagement through capability building initiatives. As on 31st December 2020, the company had 497 on roll employees working with us.

Environment, Health and Safety (EHS)

The Companies Environment, Health and Safety (EHS) initiatives are developed to create long-term sustainability for the Company, its employees, shareholders and communities we operate in. Pollution prevention and natural resource conservation are integral part of the Company's business model. The Company also ensures that safe work environment is provided to all employees, contract workmen and visitors.

ENVIRONMENT

DIC India Limited is committed to conserve natural resources and has invested in projects to achieves it contribute in building sustainable future. We also monitor our performance through sustainable goals like reduction in water consumption, waste minimization, reduction in energy usages and green house emissions.

CO_2 EMISSION REDUCTION

Some of the key projects undertaken by Company in this regard includes:

- Conversion to energy saving lightings.
- Replacement of old equipment with energy efficient equipment.
- Efficiency improvement through synchronization of transformers.
- Improvement in cold and hot insulations.
- Improvement in efficiently of compressed air system.
- Substitution of fuel from HSD to LPG.

The above initiatives have resulted in approximately 11% reduction of CO_2 emissions with respect to 2019.

WATER CONSERVATION

We keep on improving our result to ensure water consumption is kept as low as possible. In 2020 some of the key projects implemented which contributed towards water reduction includes:

- Process improvement in heating of raw materials.
- 100% reuse of treated water at Noida facility for industrial use.
- Arresting all possible leakages in water distribution system.

These initiatives have resulted in approximately 14% reduction in freshwater consumption.

WASTE MINIMIZATION

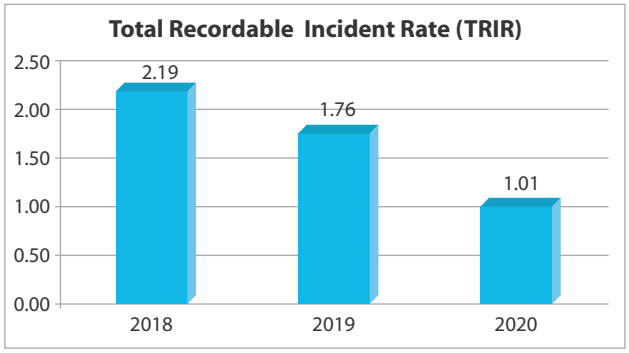
The Company's waste minimization programmes are focused on improving utilization of incoming materials, promoting reuse, recycling and ensuring all applicable compliance. Key initiatives taken in 2020 for reduction of waste includes:

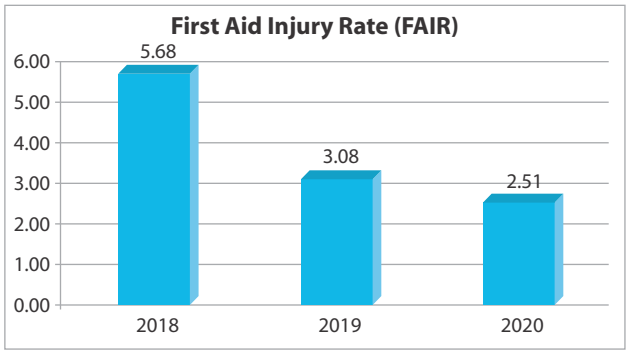
- Reuse of recovered solvents from in-house solvent recovery plant.
- Recycling and reuse of packaging materials.
- Segregation and proper storage of waste.

Above initiatives have contributed towards approximately 6% reduction in waste minimization.

SAFETY

The Company is committed to provide safe work environment to all its employees, contract workmen and visitors. We follow best practices adopted by DIC Group and take timely learnings from any incident occurred in any DIC Group Company. We invest in developing the knowledge and capabilities of our employees to ensure they contribute towards making DIC a safer place to work. In 2021 we leveraged the E-Learning modules for capability improvement in EHS with support from our holding company.





Our safety performance is routinely monitored by the Board. The Company has been achieving continuous improvements in safety performance through a combination of systems and processes as well as cooperation, involvement and support of all employees. During the year, there was no fatal injury at any site. The First Aid Injury Rate (FAIR) and Total Recordable Injury Rate (TRIR) decreased during the year.















HEALTH

Health initiatives were the top priority during the year 2020 due to COVID-19 pandemic. At DIC India we have ensured compliance with all government norms and protocol for prevention of COVID-19 at our facilities. Various initiatives were taken to ensure maintenance of personal hygiene, social distancing and adequate sanitization of facilities including:

- Self-declaration from everyone.
- Temperature monitoring at the time of entry and exit.
- Provision of 3-Ply disposable masks on daily basis for everyone.
- Sanitization between the shifts
- Adequate gap maintained between shifts.
- Working in groups to avoid any cross contamination.
- Raise awareness through training, posters, tool box talk etc.
- Medical surveillance and counseling for all potential cases

DIC INDIA LIMITED

Registered Office - Transport Depot Road, Kolkata – 700088, West Bengal
CIN: L24223WB1947PLC015202, Website – www.dicindialtd.co,
Email id –investors@dic.co.in Tel:+91 33 24496591

Notice

NOTICE is hereby given that the Seventy Third (73rd) Annual General Meeting of the Members of DIC India Limited will be held on Friday, March 19, 2021 at 11.00 a.m. IST through video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the Company for the financial year ended December 31, 2020, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Final Dividend of INR 6.00 (Rupees Six Only) per equity share, for the financial year ended December 31, 2020.
3. To appoint a Director in place of Mr. Paul Koek (DIN: 00081930), who retires by rotation and being eligible, seeks re-appointment.

SPECIAL BUSINESS

4. Appointment of Mr. Rajeev Anand (DIN:02519876) as Non-Executive Independent Director

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

   "RESOLVED THAT pursuant to the provisions of Section 149, 161(1), Schedule IV and other applicable provisions of the Companies Act, 2013 as amended from time to time, and Regulation 17 of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. Rajeev Anand (DIN: 02519876) who was based on the recommendation of the Nomination and Remuneration Committee of the Board, appointed as an Additional Director w.e.f. November 06, 2020 by the Board, to hold office upto the date of the ensuring Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of three years beginning from November 06, 2020 to November 05, 2023, not liable to retire by rotation**."**

5. Appointment of Mr. Prabal Kumar Sarkar (DIN : 03124712) as Non-Executive Independent Director

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

   "RESOLVED THAT pursuant to the provisions of Section 149, 161(1) , Schedule IV and other applicable provisions of the Companies Act, 2013 as amended from time to time, and Regulation 17 of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. Prabal Kumar Sarkar (DIN : 03124712) who was based on the recommendation of the Nomination and Remuneration Committee of the Board, appointed as an Additional Director w.e.f. November 06, 2020 by the Board, to hold office upto the date of the ensuring Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of three years beginning from November 06, 2020 to November 05, 2023, not liable to retire by rotation**."**

6. Appointment of Ms. Pritha Dutt (DIN : 02910608) as Non-Executive Independent Director

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

   "RESOLVED THAT pursuant to the provisions of Section 149, 161(1), Schedule IV and other applicable provisions of the Companies Act, 2013 as amended from time to time, and Regulation 17 of Securities & Exchange Board of India (Listing

Obligations & Disclosure Requirements) Regulations, 2015, Ms. Pritha Dutt (DIN: 02910608) who was based on the recommendation of the Nomination and Remuneration Committee of the Board, appointed as an Additional Director w.e.f. November 06, 2020 by the Board, to hold office upto the date of the ensuring Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of three years beginning from November 06, 2020 to November 05, 2023, not liable to retire by rotation**."**

7. Ratification of Remuneration of Cost Auditor

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, as amended from time to time, the remuneration payable to M/s Sinha Chaudhuri & Associates (Firm Registration No. 000057) appointed as the Cost Auditors of the Company, to conduct the audit of the cost records of the notified products of the Company for the year ending on December 31, 2021, amounting to Rs. 45,000/- (Rupees Forty Five Thousand only), exclusive of out of pocket expenses incurred by them in connection with the aforesaid audit and applicable taxes, be and is hereby ratified and approved.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board

Raghav Shukla
Corp. GM- Legal &
Company Secretary
FCS No. 5252

February 03, 2021
Noida

NOTES:

1. In view of the continuing COVID-19 pandemics, the Ministry of Corporate Affairs vide Circular No. 02/2021 dated January 13, 2021, Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 (hereafter referred to as "MCA Circulars")permitted the holding of Annual General Meeting through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith (Refer serial no. 21) and available at the Company's website www.dicindialtd.co.
2. **The NSDL helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is 1800-1020-990 / 1800-224-430.**
3. Since the AGM is being held through VC/OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available and hence, the Proxy form, Attendance slip and Route map is not annexed to this Notice.
4. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the schedule time of the AGM. However, the participation of members holding 2% or more is not restricted on first come first serve basis. **Members can login and join 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.** Participation is restricted upto2000 members only.
5. Members can raise questions during the meeting or in advance at investors@dic.co.in. However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.
6. Corporate members are requested to send at investors@dic.co.in, rta@cbmsl.com or pandey.tca@gmail.com before e-voting/attending annual general meeting, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013.

7. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto.

8. The Register of Members and Share transfer books of the Company will remain closed from Saturday, March 13, 2021 to Friday, March 19, 2021, both days inclusive.

9. Shareholders holding shares in identical order of names in more than one folio, are requested to write to the Company or to the office of the Registrar & Share Transfer Agent, M/s C B Management Services (P) Limited, P-22 Bondal Road, Kolkata-700019 enclosing their share certificate(s) to enable the Company to consolidate their holdings in one single folio.

10. The Final Dividend for the financial year ended December 31, 2020, as recommended by the Board, if approved at the AGM, will be paid within 30 days of declaration, to those Members whose name appears in the Register of Members of the Company as on the record date, i.e. Friday, March 12, 2021. Members can update their bank account details with the Depository/Depository Participant(s) for receiving dividend directly in their bank accounts through Electronic Clearing Services (ECS). In case any Member is unable to update their details for remittance of dividend through ECS, there dividend warrants/cheque shall be dispatched through post.

11. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, M/s C B Management Services (P) Limited, quoting their folio number. The Members updation form forms a part of the Annual Report and is available on the website of the Company.

12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.dicindialtd.co/. 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 and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

13. Pursuant to the provisions of the Companies Act, 2013, dividend for the year ended December 31, 2013 and thereafter, which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

14. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('The Rules') notified by the Ministry of Corporate Affairs effective from September 7, 2016, all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more would be transferred to the Investor Education and Protection Fund (IEPF) Suspense Account.

15. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members holding shares either physical or demat and have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to rta@cbmsl.com and investors@dic.co.in. Please submit duly filled and signed member updation form to the abovementioned email. Upon verification of the Form the email will be registered with the Company.

16. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to investors@dic.co.in

17. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, March 12, 2021, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 A.M. (IST) on Tuesday, March 16, 2021 and will end at 05.00 P.M. (IST) on Thursday, March 18, 2021. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be

eligible to vote at the AGM (Refer point no. 23 for detailed procedure to vote through e-voting). The Company has appointed Ms. Binita Pandey, failing her Ms. Sumana Mitra – Practicing Company Secretaries, both Partners of T. Chatterjee & Associates, Company Secretaries (FRN P2007WB067100), to act as the Scrutinizer to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given at Serial no. 19. Members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions are requested to refer the instructions provided at serial no. 21.

18. Members who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

19. The details of the process and manner for remote e-voting are explained herein below:

The remote e-voting period begins on Tuesday, March 16, 2021 at 09.00 A.M. IST and ends on Thursday, March 18, 2021 at 05.00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/
Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

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

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.
4. Your User ID details are given below:

Manner of holding Shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your userID is IN300***12******
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example, if EVEN is 101456 and folio number is 001*** then user ID is 101456001***

5. Your password details are given below:

a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c. How to retrieve your 'initial password'?

   i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL

account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
   a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
   b. "Physical **User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, **click on Agree** to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to **click on "Login" button.**
9. After you **click on the "Login" button**, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting.

   Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies **"EVEN"** in which you are holding shares and whose voting cycle is in active status.
3. **Select "EVEN" of DIC India Limited.**
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and **click on "Submit"** and also **"Confirm"** when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

20. General Guidelines for shareholders
   a) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to pandey.tca@gmail.com with a copy marked to evoting@nsdl.co.in
   b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
   c) In case of any queries , you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 send a request to or contact Mr. Amit Vishal, Senior Manager/Ms. Pallavi Mhatre, Manager, NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013 at telephone no. 1800 1020 990 / 1800 22 44 30 / 1800 222 990 or at E-mail id evoting@nsdl.co.in.
   d) 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 of Friday, March 12, 2021.

e) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date Friday, March 12, 2021 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or rta@cbmsl.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800 1020 990 / 1800 22 44 30 / 1800 222 990.

f) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.

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

a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@dic.co.in or rta@cbmsl.com .

b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@dic.co.in or rta@cbmsl.com.

c) Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

22. The details of the process and manner for participating in Annual General Meeting through Video conferencing are explained herein below:

a) Member will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.

b) Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

c) Members are encouraged to join the Meeting through Laptops for better experience.

d) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

e) 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.

f) Shareholders who would like to speak during the meeting are requested to register themselves as a speaker by sending request mentioning their name, demat account number/folio number, email id, mobile number at investors@dic.co.in and at rta@cbmsl.com latest by 05.00 P.M. (IST) on Wednesday, March 17, 2021. The Speakers are also requested to keep their speech short. A maximum of 20 speakers will be allowed to speak at the AGM on the basis of First come First Serve. Those Shareholders who have not registered themselves as Speaker till March 17, 2021or who could otherwise not speak, can be allowed to ask questions through Q&A box during the AGM.

g) Shareholders are requested to mail their queries in advance mentioning their name demat account number/folio number, email id, mobile number at investors@dic.co.in or rta@cbmsl.com latest by 05.00 P.M. on Wednesday, March 17, 2021. The same will be replied by the company suitably.

h) When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

i) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

j) Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30 / 1800 222 990.

23. The details of the process and manner for e-voting at the Annual General Meeting are explained herein below:

a) The procedure for e-Voting on the day of the Annual General Meeting is same as the instructions mentioned above for remote e-voting.

b) Only those Members/ shareholders, who will be present in the meeting through VC/OAVM 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 in the Annual General Meeting.

c) Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the meeting.

d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Annual General Meeting shall be the same person mentioned for Remote e-voting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

Mr. Rajeev Anand holds a Diploma in Mechanical Engineering from Haryana Polytecnic, Nilokheri and a Post Diploma in Industrial Safety and Health from Central Labour Institute, Sion Mumbai. He spent the last decade (11+ years) as Chairman and Managing Director of Goodyear India. Mr. Anand is a strategic minded business veteran with almost four decades of industry experience. He has a strong commercial acumens coupled with manufacturing and operational experiences. He is a well-rounded P&L leader.

Mr. Anand is not related to any of the Directors of DIC India Limited. Further, Mr. Anand does not hold any securities of the Company.

Other Directorship and Committee Membership held by Mr. Rajeev Anand are as given below:

Name of the Company	Position in Board	Committee of the Board	Position in Committee
-	-	-	-

Other than Mr. Rajeev Anand, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested in the relevant resolution setting out his appointment.

ITEM NO. 5:

Mr. Prabal Kumar Sarkar is a Chartered Accountant and a retired partner of the Price Waterhouse and Lovelock & Lewes. He graduated from St. Xavier's College, Kolkata in 1977 and completed Chartered Accountancy from the Institute of Chartered Accountants of India, New Delhi, in 1984.

In 1984, he joined the Assurance practice of Lovelock & Lewes, a member firm of Coopers & Lybrand and was made a partner in 1995. Post-merger of Price Waterhouse and Coopers & Lybrand, Prabal was made an Assurance partner and headed the GRMS (Global Risk Management Solutions). He has a vast experience in various industries which includes consumer products like cement, paints, tyres, tea, utilities including electricity generation, power supply, solar power generation and industrial products.

Mr. Sarkar is not related to any of the Directors of DIC India Limited. Further, Mr. Sarkar does not hold any securities of the Company.

Other Directorship and Committee Membership held by Mr. Prabal Kumar Sarkar are as given below:

Name of the Company	Position in Board	Committee of the Board	Position in Committee
Merino Industries Limited	Additional Director (Independent)	Audit Committee	Chairman

Other than Mr. Sarkar, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested in the relevant resolution setting out his appointment.

ITEM NO. 6:

Ms. Pritha Dutt is a HR & Development Sector Professional with over three decades of experience with both Corporate and Government organizations and Social Enterprises. She is a Board Member of ASTP (Alliance of Skill Training Providers) a registered body having consultative status with the Ministry of Skill Development & Entrepreneurship since 2016 and a Co-Founder and Director of Empower Foundation. She is an Honors Diploma in IR & Personnel Management, XLRI, Jamshedpur (85-87), MA (Development Studies) 2013, IGNOU, Certificate Summer School, Cambridge University (2015).

Ms. Dutt is Visiting Faculty since 1992 with MBA Institutes of repute, which includes IMT Ghaziabad; Oberoi Centre of Learning & Development; MDI (Gurgaon); IIM Bangalore and IIM Visakhapatnam.

Ms. Dutt is not related to any of the Directors of DIC India Limited. Further, Ms. Dutt does not hold any securities of the Company.

Other Directorship and Committee Membership held by Ms. Pritha Dutt are as given below:

Name of the Company	Position in Board	Committee of the Board	Position in Committee
Empower Pragati Vocational And Staffing Private Limited	Director	-	-
Dpronto Delivery Services Private Limited	Director	-	-
Empower Foundation	Director	-	-

Other than Ms. Pritha Dutt, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested in the relevant resolution setting out his appointment.

ITEM NO. 7:

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company relating to the business of manufacturing printing inks.

The Board at its meeting held on February 03, 2021 appointed M/s. Sinha Chaudhuri & Associates, (Firm Registration No. 000057) Cost Accountants as the Cost Auditor of the Company for the financial year ending on December 31, 2021 at a remuneration of Rs. 45,000/- (Rupees Forty Five Thousand only), exclusive of out of pocket expenses incurred by them in connection with the aforesaid audit and applicable taxes. The remuneration of the cost auditor is required to be ratified subsequently in accordance to the provisions of the Act and Rule 14 of the abovementioned Rules.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise in the relevant resolution.

The Board of Directors recommends the aforesaid Resolutions for your approval.

Additional information on director recommended for appointment/re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Mr. Paul Koek

Mr. Paul Koek is a qualified CPA and is registered with Institute of Certified Public Accountants of Singapore. He is a Fellow Member (FCCA) with the Chartered Association of Certified Accountants and a Senior Member with the Association of Accountant Technicians. Mr. Koek brings with him a wealth of more than 30 years in the field of regional tax, group accounting and treasury management. Mr. Koek is presently the Group Finance Director of DIC Asia Pacific Pte. Ltd., Singapore.

Age - 60 Years

Nature of expertise in specific functional areas – Strategy Leadership, Industry Market & Sectorial Expertise, People & Talent understanding, Business Complexcity, Technology & Digital Perspective, Governance Finance Risk, Diversity of Perspective

Disclosure of inter-se relationships between directors and Key Managerial Personnel – NIL

Listed companies in which Mr. Koek holds directorship and Committee membership – NIL

Shareholding in the Company – NIL

Mr. Rajeev Anand

Mr. Rajeev Anand holds a Diploma in Mechanical Engineering from Haryana Polytecnic, Nilokheri and a Post Diploma in Industrial Safety and Health from Central Labour Institute, Sion Mumbai. He spent the last decade (11+ years) as Chairman and Managing Director of Goodyear India. Mr. Anand is a strategic minded business veteran with almost four decades of industry experience. He has a strong commercial acumens coupled with manufacturing and operational experiences. He is a well-rounded P&L leader.

Age - 60 Years

Nature of expertise in specific functional areas – Strategic Leadership, Business Complexcity, Governance Finance & Risk, People & Talent Understanding , Diversity of perspective

Disclosure of inter-se relationships between directors and Key Managerial Personnel – NIL

Listed companies in which Mr. Anand holds directorship and Committee membership – NIL

Shareholding in the Company – NIL.

Mr. Prabal Kumar Sarkar

Mr. Prabal Kumar Sarkar is a Chartered Accountant and a retired partner of the firms Price Waterhouse and Lovelock & Lewes. He graduated from St. Xavier's College, Kolkata, in 1977 and completed Chartered Accountancy from the Institute of Chartered Accountants of India, New Delhi, in 1984. He has a vast experience in various industries which includes consumer products like cement, paints, tyres, tea, utilities including electricity generation, power supply, solar power generation and industrial products.

Age - 63 Years

Nature of expertise in specific functional areas – Strategic Leadership, People & Talent Understanding, Governance Finance & Risk , Diversity of perspective

Disclosure of inter-se relationships between directors and Key Managerial Personnel – NIL

Listed companies in which Mr. Sarkar holds directorship and Committee membership – NIL

Shareholding in the Company – NIL.

Ms. Pritha Dutt

Ms. Pritha Dutt is an Honors Diploma in IR & Personnel Management, XLRI, Jamshedpur (85-87), MA (Development Studies) 2013, IGNOU, Certificate Summer School, Cambridge University (2015). Ms. Dutt is an HR & Development Sector Professional with over three decades of experience with both Corporate and Government organizations and Social Enterprises. She is a Board Member of ASTP (Alliance of Skill Training Providers) a registered body having consultative status with the Ministry of Skill Development & Entrepreneurship since 2016 and a Co-Founder and Director of Empower Foundation.

Age- 56 Years

Nature of expertise in specific functional areas –Strategic Leadership, People & Talent Understanding, Diversity of Perspective, Business Complexcity, Governance Finance & Risk

Disclosure of inter-se relationships between directors and Key Managerial Personnel – NIL

Listed companies in which Ms. Dutt holds directorship and Committee membership – NIL

Shareholding in the Company – NIL.

By order of the Board

Raghav Shukla
Corp. GM-Legal &
Company Secretary

February 03, 2021
Noida

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance in your Company refers to a combination of regulations, procedures and voluntary practices that enable the company to maximize stakeholders' value by attracting financial and human capital to secure efficient performance.

We aim at holding a balance between economic & social goals on one hand and individual & collective goals on the other. Our governance framework encourages the efficient use of resources and attributes accountability for the stewardship of those resources. The aim is to best align the interests of individual, Company and society at large. One of the principal pillars of this philosophy is to have a diverse Board with experts from various fields/industries optimizing the value addition.

As a responsible corporate citizen, it is the earnest endeavor of your Company to improve its focus on Corporate Governance by increasing accountability and transparency to its stakeholders.

2. CODE OF BUSINESS CONDUCT

The Company had formulated a Code of Business Conduct for the employees, including the Executive Directors (**'EDs'**), Non-Executive Directors (**'NEDs'**) and stakeholders of the Company. The Code *inter alia* covers conduct of employees, environment, health & safety, anti-trust/competition laws, anti-bribery & anti-corruption, proper accounting & internal controls. The Code is also available on the Company's website www.dicindialtd.co.

The Company has also adopted the Code of Conduct for Independent Directors (**'IDs'**) which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The same is available on the Company's website www.dicindialtd.co. The Company has received confirmations from the NEDs and EDs regarding compliance of the Code for the year under review.

In terms of the resolution passed by the Board of Directors in their meeting held on February 3, 2021 the Board has authorized Mr. Manish Bhatia, Managing Director & Chief Executive Officer to sign all Certificates as may be required, to comply with the statutory requirements. Accordingly, a declaration from the Managing Director & Chief Executive Officer that all Board Members and Senior Management personnel have duly complied with the Code of Conduct for the financial year ended December 31, 2020 forms part of the Annual report.

3. DIC INDIA LIMITED-CODE OF FAIR DISCLOSURE, CONDUCT & INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the revised DIC INDIA LIMITED - CODE OF FAIR DISCLOSURE, CONDUCT & INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING ('Insider Trading Code').

All our Promoters, Directors, Employees have been identified as Designated Persons, and their Immediate Relatives and other Connected Persons such as auditors, consultants, bankers amongst others, who could have access to the unpublished price sensitive information of the Company, are governed under this Insider Trading Code.

Mr. Raghav Shukla, Corp. General Manager- Legal & Company Secretary of the Company is the 'Compliance Officer' in terms of this Code.

4. BOARD OF DIRECTORS

Size and Composition of the Board

Our policy is to have an appropriate mix of Executive Directors ('EDs'), Non-Executive Non-Independent Directors ('NEDs') and Independent Directors ('IDs') to maintain the Board's independence and separate its functions of governance and management. As on December 31, 2020, the Board comprised of Eleven members, two of whom are EDs, three NEDs and Six IDs, including two Woman Independent Directors. The Board periodically evaluates the need for change in its composition and size. Detailed profiles of our Directors are available on our website www.dicindialtd.co. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. As on date of this report, none of our Directors serve as Director or as IDs in more than seven listed companies and none of the EDs serve as IDs on any listed company. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section149(6) of the Companies Act 2013 along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or maybe reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

The Company has issued formal letters of appointment to the IDs. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at https://www.dicindialtd.co/sites/default/files/investors-pdf/term-appointment-independent-directors-code-independent-directors.pdf

During the Financial Year 2020, none of our Directors acted as Member in more than 10 committees or as Chairperson in more than 5 committees across all listed entities where they serve as a Director. There are no inter-se relationships between our Board Members.

Composition of Board and Directorship held as on December 31, 2020

Name of the Director	Indian Public Companies*		Board Committees**		Directorship in other public entity
	Chairperson	Member	Chairperson	Member	(Category of Directorship)
Independent Directors Mr. Dipak Kumar Banerjee Chairman DIN: 00028123	-	4	-	4	a. Rupa& Company Ltd. (NEID) b. Tayo Rolls Limited (NEID) c. Shristi Infrastructure Development Corporation Limited (NEID) d. A. Treds Limited
Mr. Partha Mitra DIN: 00335205	-	-	-	-	-
Dr. Reena Sen DIN: 07082198	-	-	-	-	-
Mr. Rajeev Anand# DIN: 02519876	1	-	-	1	a. Goodyear India Limited. (NENID)
Mr. Prabal Kumar Sarkar DIN: 03124712	-	1	-	-	a. Merino Industries Ltd (NEID)
Ms. Pritha Dutt DIN: 02910608	-	-	-	-	
Non-Executive, Non-Independent Directors					
Mr. Paul Koek DIN: 00081930	-	-	-	-	-
Mr. Masahiro Kikuchi DIN: 08024525	-	-	-	-	-
Mr. Ho Yeu Guan DIN: 08066136	-	-	-	-	-
Executive Directors					
Mr. Manish Bhatia Managing Director and Chief Executive Officer DIN: 08310936	-	-	-	-	-
Mr. Taishi Nojima Whole Time Director DIN: 08401012	-	-	-	-	-

NEID – Non Executive Independent Director

NENID – Non Executive Non Independent Director

*Directorships in Indian Public Companies (listed and unlisted) excluding DIC India Limited and Section 8 Companies.

**As required under Regulation 26(1)(b) of the Listing Regulations, the disclosure includes chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee in Indian Public companies (listed and unlisted) excluding DIC India Limited.

#Mr. Rajeev Anand's tenure as Non-Executive Director and Chairman of Goodyear India Limited elapsed on December 31, 2020, consequently, he ceased to be Chairman of Board and Member of Audit Committee of Goodyear India Limited.

Particulars of change in directorship during the year:

Name of the Director	Category	Date of Appointment/ Cessation	Remarks
Mr. Partha Mitra	Non-Executive Independent Director	March 24, 2020	Re-appointment
Mr. Rajeev Anand	Non-Executive Independent Director	November 6, 2020	Appointment
Mr. Prabal Kumar Sarkar	Non-Executive Independent Director	November 6, 2020	Appointment
Ms. Pritha Dutt	Non-Executive Independent Director	November 6, 2020	Appointment

Key Board Qualifications, Expertise and Attributes

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standards of corporate governance and meets at least once in a quarter to review and discuss on the Company's quarterly performance and financial results.

Comprehensive background information is provided to the Committee &Board members to enable them to take informed decisions. The Independent Directors also conduct a meeting among themselves and provides their insights to the entire Board and the management team.

Matrix on skill sets possessed by the Board of Directors

The DIC India Board comprises directors from diverse backgrounds possessing a range of professional experiences, capabilities and viewpoints.This helps create a robust and vibrant board.

The capabilities and experiences sought in our Directors are detailed below:

A. Strategic Leadership and Management Experiences:- This entails a director with a vast experience with past or current experience in the "C Level" or in other professional or leadership position oversighting multiple disciplines/functions in an organisation.

B. Industry, Market and Sectorial Expertise:- Has expertise with respect to the processes critical to the Industry, manufacturing and sector in which the organisation operates. Has ability to interpret the macro economic environment, nuances of the business, regulations and legislations for the market/(s) and the business, organisation operates in.

C. People and Talent Understanding:- Has insights and experience of effectively managing human capital and brings best practices which are suitable for the organisation. Ability to infuse strategies to develop talent and align the organisation to meeting Key Objectives and Develop Tomorrow's Leaders.

D. Experience of Business Complexity:-Experience in handling vast and complex geographies in leadership roles for more than 10 years. Has developed expertise and experience in managing vast and complex jurisdictions in terms of operations, risk management and financial stewardship.

E. Technology and Digital Perspective:-Brings expertise to align technologies to business needs to drive process change and product development strategies while aligning to Group's strategic drive. Brings added perspective on the skills required by the organisation in the fields of digital transformation and sustainability.

F. Governance, Finance and Risk:- Has an upto date thorough understanding of principles of Corporate Governance, Financial Management and the legislative landscape of the Industry. Proven capabilities of providing inputs for strategic financial planning, in-depth understanding of financial statements, and overseeing budgets for the efficient use of resources. An expert hand in overall Risk Management of the enterprise.

G. Diversity of Perspective:- Understanding of the larger landscape and providing relevant, diverse and critical views to the Board that is invaluable for managing key stakeholders and business challenges.

Process and criteria used for appointing new directors

The Nomination and Remuneration Committee evaluates the candidature of a new director in line with the Group Policy and the aforementioned skill sets and makes suitable recommendation to the Board for final approval. Candidates will undergo an interview and selection process.

The appointment of all Directors is also subject to shareholders' approval.

The table below summarizes the key skills, expertise, competencies and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board:

Director qualifications, skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions

Director Names/Skills	Age (Years)	Appointment Year	Gender	Committee Membership	Strategic Leadership and Management Experiences	Industry, Market and Sectorial Expertise	People and Talent Understanding	Experience of Business Complexity	Technology and Digital Perspective	Governance, Finance and Risk	Diversity of Perspective
Mr. Dipak Kumar Banerjee	74	2001	M	SRC	✓	✓	✓	✓		✓	✓
Mr. Partha Mitra	69	2017	M	AC, SRC, NRC, CSRC, RMC	✓	✓	✓	✓		✓	✓
Dr. Reena Sen	67	2015	F	AC, NRC, CSRC	✓		✓			✓	✓
Mr. Rajeev Anand	60	2020	M		✓		✓	✓		✓	✓
Mr. Prabal Kumar Sarkar	63	2020	M		✓		✓			✓	✓
Ms. Pritha Dutt	56	2020	F		✓		✓	✓		✓	✓
Mr. Paul Koek	60	2004	M	AC, SRC, NRC, CSRC	✓	✓	✓	✓	✓	✓	✓
Mr. Masahiro Kikuchi	58	2018	M	NRC	✓		✓	✓			✓
Mr. HoYeu Guan	63	2018	M	RMC	✓		✓	✓	✓	✓	✓
Mr. Manish Bhatia	49	2019	M	RMC	✓	✓	✓	✓	✓	✓	✓
Mr. Taishi Nojima	56	2019	M	CSRC, RMC	✓	✓	✓				✓

SRC - Stakeholders Relationship Committee
RMC - Risk Management Committee
NRC - Nomination & Remuneration Committee
AC - Audit Committee
CSRC - Corporate Social Responsibility Committee

Familiarization Programme for Independent Directors

The Company has a structured Familiarization Programme through various reports/codes/policies and the same are placed before the Board with a view to update them on the Company's policies and procedures on a regular basis. This includes various business review presentations at the Board Meetings where Company's performance, strategy, initiatives, risk mitigation programmes are discussed.

The details of Familiarization Programme have been posted in the Company's website https://www.dicindialtd.co/sites/default/files/investors-pdf/ familiarisation-program-independent-directors.pdf.

5. BOARD MEETINGS

7 Board meetings were held during the year ended December 31, 2020 on February 01, 2020, February 12, 2020, February 27, 2020, April 28, 2020, June 11, 2020, August 7, 2020, and November 6, 2020. The gap between any two Board meetings during this period did not exceed one hundred and twenty days.

Name of Director	Category	No. of Meetings held during tenure	No. of Meetings Attended	Attendance %
Mr. Dipak Kumar Banerjee	ID	7	7	100
Mr. Partha Mitra	ID	7	7	100
Dr. Reena Sen	ID	7	7	100
Mr. Rajeev Anand	ID	1	1	100
Mr. Prabal Kumar Sarkar	ID	1	1	100
Ms. Pritha Dutt	ID	1	1	100
Mr. Paul Koek	NED	7	5	71
Mr. Masahiro Kikuchi	NED	7	5	71
Mr. Ho Yeu Guan	NED	7	4	57
Mr. Manish Bhatia	ED	7	6	86
Mr.TaishiNojima	ED	7	7	100

ID – Independent Director; NED – Non-Executive Director; ED – Executive Director

All the Directors were present at the date of last AGM of the Company held on June 12, 2020 except Mr. Rajeev Anand, Mr. Prabal Kumar Sarkar and Ms. Pritha Dutt as they were appointed during the year w.e.f. November 06, 2020.

Particulars of Directors retiring by rotation and seeking re-appointment have been given in the Notice convening the 73rd Annual General Meeting and Explanatory Statement, attached thereto.

Meeting of the Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors met on August 6, 2020 without the presence of Non-Independent Directors and Members of the Management. The Independent Directors, *inter alia*, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board taking into account views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

6. COMMITTEES OF THE BOARD

Audit Committee

The Audit Committee acts as a link between the Internal and Statutory Auditors and the Board of Directors. The Committee provides the Board with additional assurance as to the adequacy of the Company's internal control systems and financial disclosures. The broad terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and to review with the Management and/or Internal Auditors and/or Statutory Auditors, inter alia in the following areas:

i) Oversight of the Company's financial reporting process and financial information disclosures;

ii) Review with the Management, the annual and quarterly financial statements/results before submission to the Board;

iii) Review with the Management, the Internal and External Audit Reports and the adequacy of internal control systems;

iv) Review the adequacy and effectiveness of accounting and financial controls of the Company, compliance with the Company's policies and applicable laws and regulations;

v) Recommending the appointment and removal of External Auditors and fixation of audit terms;

vi) Review of utilization of proceeds raised from Public/Rights issues.

Mr. Raghav Shukla, Corp. General Manager- Legal & Company Secretary acts as the "Secretary" to the Committee. The internal auditor reports functionally to the Audit Committee. The Statutory Auditors, Executive Directors and Senior Management of the Company also attend the meetings as invites whenever required to address concerns raised by the Committee Members.

4 meetings of the Committee were held during the year ended December 31, 2020, on February 12, 2020, June 11, 2020, August 6, 2020 and November 5, 2020.

The composition of the Committee and the attendance details of the Members for the year ended December 31, 2020 are given below:

Name of Members	Category	No. of Meetings held during tenure	No. of Meetings Attended	Attendance %
Mr. Partha Mitra (Chairperson)	ID	4	4	100
Dr. Reena Sen	ID	4	4	100
Mr. Paul Koek	NED	4	3	75

ID – Independent Director; NED – Non-Executive Director

The Chairman of Audit committee was present at the AGM of the Company on June 12, 2020

Nomination and Remuneration Committee

The purpose of the Nomination and Remuneration Committee ('**NRC**')is to oversee the Company's nomination process including succession planning for the senior management and the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria as stated by the Board in its Policy on Nomination and Remuneration.

The Board has adopted the Nomination and Remuneration policy for the functioning of the Committee on December 5, 2014.

The NRC also discharges the Board's responsibilities relating to compensation of the Company's Executive Directors and Senior Management. The remuneration policy and the criteria for making payments to Non-Executive Directors is available on our website https://www.dicindialtd.co/sites/default/files/investors-pdf/remuneration-policy.pdf

3 meetings of the Committee were held during the year ended December 31, 2020, on February 11, 2020, August 6, 2020 and November 5, 2020.

The composition of the Committee and the attendance details of the Members for the year ended December 31, 2020are given below:

Name of Members	Category	No. of Meetings held during tenure	No. of Meetings Attended	Attendance %
Dr. Reena Sen (Chairperson)	ID	3	3	100
Mr. Partha Mitra	ID	3	3	100
Mr. Paul Koek	NED	3	3	100
Mr. Masahiro Kikuchi*	NED	3	3	100

ID – Independent Director; NED – Non-Executive Director

The Chairman of the Nomination and Remuneration Committee was present at the AGM of the Company on June 12, 2020.

* Mr. Masahiro Kikuchi was inducted as Member of the Nomination and Remuneration Committee w.e.f. February 1, 2020.

Board Evaluation

The NRC has formulated a Policy for evaluation of the Board, its Committees and Directors and the same has been approved and adopted by the Board. The details of Board Evaluation forms part of the Board's Report.

Remuneration Policy for Board and Senior Management

The Board has approved the Remuneration Policy for Directors, Key Managerial Personnel ('**KMP**') and all other employees of the Company. The same is available on our website https://www.dicindialtd.co/sites/default/files/investors-pdf/remuneration-policy.pdf. Details of remuneration for Directors in financial year ended December 31, 2020 are provided below:

Shares held and remuneration paid to Directors for the year ended December 31, 2020

Name	Fixed Salary			Performance Bonus	Commission	Sitting Fees	Total Compensation
	Basic	Perquisites / Allowances	Total Fixed Salary				
Independent Directors							
Mr. Dipak Kumar Banerjee	-	-			874,694	420,000	1,294,694
Mr. Partha Mitra	-	-	-		188,578	865,000	1,053,578
Dr. Reena Sen	-	-	-		204,694	630,000	834,694
Independent Directors							
Mr. Rajeev Anand*	-	-	-		-	40,000	40,000
Mr. Prabal Kumar Sarkar*	-	-	-		-	40,000	40,000
Ms. Pritha Dutt*	-	-	-		-	40,000	40,000
Non-Executive Directors							
Mr. Paul Koek	-	-	-		-	-	-
Mr. Masahiro Kikuchi	-	-	-		-	-	-
Mr. Ho Yeu Guan	-	-	-		-	-	-
Executive Directors							
Mr. Manish Bhatia	6,583,164	14,270,745	20,853,909	11,720,000	-	-	32,573,909
Mr. Taishi Nojima	7,800,000	1,209,600	9,009,600	-	-	-	9,009,600

*Mr Rajeev Anand, Mr. Prabal Kumar Sarkar and Ms. Pritha Dutt were appointed as Additional Director of the Company w.e.f. November 6, 2020.

Note:

1. None of our Directors hold shares, stock options, convertible securities or instruments of the Company as on December 31, 2020. None of the Executive Directors are eligible for payment of any severance fees and the contracts with Executive Directors may be terminated by either party giving the other party three (3) months' notice or the Company paying three (3) months' salary in lieu thereof.
2. Except for the Executive Directors and Independent Directors, all the members of the Board are liable to retire by rotation. The appointment of the Executive Director is governed by the resolution passed by the Board, as per recommendations of the Nomination and Remuneration Committee, which covers the terms and conditions of such appointment read with the service rules of the Company, subject to final approval by the members of the Company.

3. Performance Bonus / incentives payable to the Executive Directors is determined on the basis of the status of the inventory and debtors, profitability and overall financial position of the Company.

4. In addition to the sitting fees, the Company had approved payment of commission to its Resident Non-executive Directors pursuant to approval of the members at the Annual General Meeting held on June 12, 2020. The payment of the commission was approved for a period of 5 years commencing from January 1, 2019.

5. The criteria for payment of commission to eligible directors as approved by the Board is as under:

   - Non-Executive Independent Chairman
     - 0.5% of the profits subject to annual ceiling of Rs. 850,000/-
     - Additional amount based on pro rata weightage given to attendance in Board & Committee Meetings
   - Other Non-Executive Independent Directors
     - 0.5% of the profits subject to annual ceiling of Rs. 180,000/- per Director
     - Additional amount based on pro rata weightage given to attendance of the individual director in Board & Committee Meetings

6. At Present sitting fees, details of which are provided below, are paid to Non-Executive Independent Directors for attending each meeting of the Board and the Committees thereof:

Category	Amount (in Rs.)
Board Meetings	
Chairman	50,000
Members	40,000
Audit Committee	
Chairman	50,000
Members	35,000
Nomination and Remuneration Committee, Stakeholders' Grievance Committee, Corporate Social Responsibility Committee, Risk Management Committee, and Independent Directors' Meeting and any other Committee which may be constituted from time to time	
Chairman	35,000
Members	35,000

7. No commission and sitting fees are payable to the representatives of the holding Company, DIC Asia Pacific Pte. Ltd.

8. Other than sitting fees and commission, there is no other pecuniary relationship or transactions with any of the Non-Executive Directors.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ('SRC') terms of reference include redressal of the shareholders'/investors complaints on transfer of shares, non-receipt of balance sheets, non-receipt of dividend etc.

1 meeting of the Committee was held during the year ended December 31, 2020 on December 21, 2020.

The composition of the Committee and the attendance details of the Members for the year ended December 31, 2020 are given below:

Name of Members	Category	No. of Meetings held during tenure	No. of Meetings Attended	Attendance %
Mr. Partha Mitra (Chairperson)	ID	1	1	100
Mr. Dipak Kumar Banerjee	ID	1	1	100
Mr. Paul Koek	NED	1	1	100

ID – Independent Director; NED – Non-Executive Director

In terms of Regulation 6 and Schedule V of the Listing Regulations, the Board has appointed Mr. Raghav Shukla, Corp. General Manager- Legal & Company Secretary as the Compliance Officer of the Company.

The details of complaints received and resolved during the Financial Year ended December 31, 2020 are given below. The complaints relate to non-receipt of annual report, dividend, share transfers and other investor grievances.

Details of complaints received and resolved during the year ended December 31, 2020:

Opening as on January 1, 2020	0
Received during the year	2
Resolved during the year	2
Closing as on December 31, 2020	0

Corporate Social Responsibility Committee

The purpose of our Corporate Social Responsibility (**'CSR'**) Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on Corporate Social Responsibility ('CSR') activities and to monitor from time to time the CSR activities and Policy of the Company.

Pursuant to the requirement of Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Policy was adopted by the Board of Directors at its meeting held on August 25, 2014. This Policy has been placed on Company's website https://www.dicindialtd.co/ sites/default/files/investors-pdf/csr-policy.pdf.

1 meeting of the Committee was held during the year ended December 31, 2020 on May 25, 2020.

The composition of the Committee and the attendance details of the Members for the year ended December 31, 2020are given below:

Name of Members	Category	No. of Meetings held during tenure	No. of Meetings Attended	Attendance %
Dr. Reena Sen (Chairperson)	ID	1	1	100
Mr. Partha Mitra	ID	1	1	100
Mr. Paul Koek	NED	1	1	100
Mr. Taishi Nojima	WTD	1	1	100

ID – Independent Director; NED – Non-Executive Director; WTD - Whole Time Director

7. GENERAL BODY MEETINGS

Location and time, where last three AGMs were held and Special Resolution passed thereat:

Financial Year Ended	Date	Venue	Time	Special Resolution Passed
December 31, 2019	June 12, 2020	AGM held through VC / OAVM (Deemed Venue: DIC India Limited, Transport Depot Road, Kolkata 700088)	11.00 AM	Re-appointment of Mr. ParthaMitra (DIN: 00335205) as an Independent Director of the Company for a term of three years.
December 31, 2018	March 20, 2019	Williamson Magor Hall, Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata – 700 001	11.00 AM	To Appoint Mr. Manish Bhatia (DIN: 08310936) as Managing Director and Chief Executive Officer of the Company

Financial Year Ended	Date	Venue	Time	Special Resolution Passed
December 31, 2017	March 22, 2018	Williamson Magor Hall, Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata – 700 001	11.00 AM	1. Re-appointment of Mr. Dipak Kumar Banerjee as an Independent Director for a term of three years. 2. Re-appointment of Mr. Subir Bose as an Independent Director for a term of three years. 3. Re-appointment of Dr. Reena Sen as an Independent Director for a term of three years.

Postal Ballot

During the year under review, the Company has passed one Special Resolution through Postal Ballot for Ratification of appointment of Mr. Dipak Kumar Banerjee (DIN: 00028123). The Notice and result of the Postal Ballot is posted on Company's website www.dicindialtd.co.

The Board had appointed Ms. Binita Pandey (Membership No. A41594, CP No. 19730), Practicing Company Secretary, partner of M/s. T. Chatterjee & Associates, Company Secretaries, FRN: P2007WB067100 as the Scrutinizer to conduct the Postal Ballot and e-voting process.

Due process was followed to conduct the Postal Ballot in accordance with Section 110 of the Companies Act, 2013, and other applicable provisions, if any, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with circular no. 14/2020 dated April 08, 2020 and circular no. 33/2020 dated September 28, 2020 issued by Ministry of Corporate Affairs.

Details of Voting Pattern of Postal Ballot:

	Vote Cast through Ballot	Vote Cast through E-voting	Total Vote Cast	% of total number of valid votes cast
In Favour	0	6621882	6621882	99.97*
Against	0	2180	2180	0.03*

*Percentage of total votes casted (In favour + Against)

In the forthcoming Annual general Meeting, there is no special resolution on the aenda that needs approval through postal ballot.

8. MEANS OF COMMUNICATION

A) Half-Yearly Report sent to each Household of shareholders : No

B) Quarterly Results
Newspapers published in : Business Standard (English daily)
Financial Express (English daily)
Aajkal (Bengali daily)

Website where displayed : www.dicindialtd.co

C) Audited Financial Results
Year ended December 31, 2019
Newspaper published in : Business Standard (English daily)
Aajkal (Bengali daily)

D) Whether the website also displays official news releases and presentations to institutional investors/ analysts : No presentation has been made to institutional investors/analysts.
Audited/ Unaudited Financial Reports including official news releases are displayed on the Website

E) Whether Management Discussion & Analysis Report is a part of Annual Report : The aspects of the Management Discussion and Analysis Report forms part of the Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

Annual general Meeting 2021

Date	Friday, March 19,2021
Time	11:00 AM
Venue	Video Conferencing/Other Audio Visual Means
Financial Year	January 1,2020 to December 31,2020
Book Closure Dates	March 13,2021 to March 19,2021 (both days inclusive)
Dividend Payment Date	On and from March 23, 2021, if approved by shareholders at the AGM

Name and Address of Stock Exchanges, Stock Code and Confirmation about payment of Annual Listing Fees:

Stock Exchange	ISIN	Stock Code
BSE Limited (BSE) Phiroze Jeejee bhoy Towers, Dalal Street, Mumbai – 400 001	INE303A01010	500089
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051		DICIND
The Calcutta Stock Exchange Limited (CSE) 7, Lyons Range, Kolkata – 700 001		13217

The Annual Listing Fees for the year 2019-20 and 2020-21 has been paid to all these Stock Exchanges within the stipulated time.

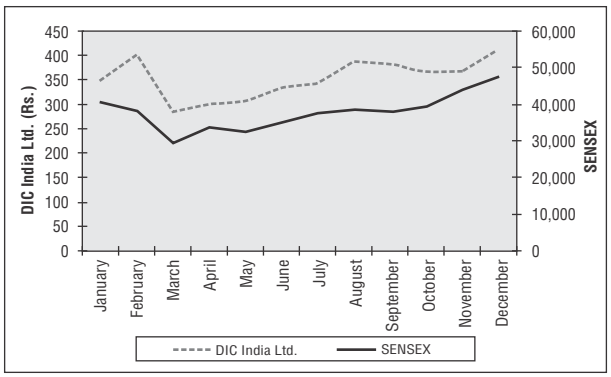
Further, The Company has paid Annual Custody Fees for the year 2019-20 and 2020-21 to both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

Market Price Data–High, Low and volume during each month in Financial Year 2020

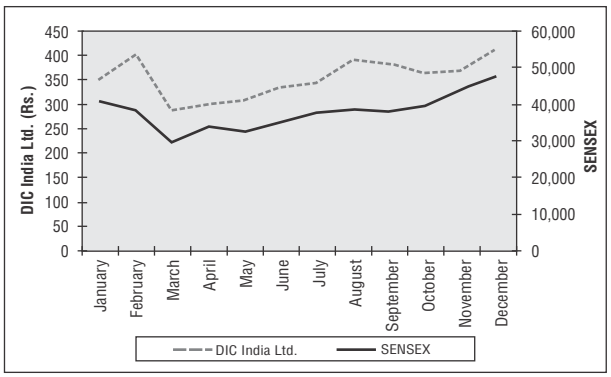
Month	BSE Limited			National Stock Exchange of India Limited		
	High (Rs.)	Low (Rs.)	Volume (No.)	High (Rs.)	Low (Rs.)	Volume
January 2020	365.00	315.10	3938	360.60	311.10	23803
February 2020	424.90	337.25	27624	424.90	335.00	196003
March 2020	450.00	242.00	34500	443.00	235.20	136546
April 2020	341.00	269.80	4131	329.80	269.00	32997
May 2020	317.90	283.10	3261	314.40	282.10	24754
June 2020	360.30	293.15	17398	368.90	291.00	192924
July 2020	370.95	319.05	29346	371.55	315.00	192094
August 2020	414.50	339.20	61939	419.00	336.05	523576
September 2020	397.00	355.05	30749	402.55	354.55	119702
October 2020	396.00	357.10	10081	390.05	342.65	53055
November 2020	387.95	357.80	27047	384.10	356.20	85201
December 2020	422.35	373.00	31010	424.90	367.00	218562

Performance in comparison to Indices

BSE



NSE



Registrar and Share Transfer Agent

Pursuant to the directive of The Securities and Exchange Board of India (SEBI), whereby all work related to share register in terms of both physical and electronic mode for maintenance had to be carried out at a single point, the Company has appointed M/s C B Management Services (P) Limited, Kolkata, from April 1, 2003 as its Registrar & Share Transfer Agent, to handle its entire share related activities, both for physical shares and shares in demat form.

M/s C B Management Services (P) Limited
P-22, Bondel Road, Kolkata - 700 019
Phone: 033-2280 6692-94/40116700
Fax: 033-2287 0263 | E-mail: rta@cbmsl.com |Website: www.cbmsl.com

Share Transfer System

For expeditious transfer of shares, the Board of Directors has authorized certain officers of the Company to approve share transfers before being placed before the Board for ratification.

Distribution of Shareholding as on December 31, 2020

Share held	No. of Shareholders		No. of Shares	
	Total	% of Shareholders	Total	% to Share Capital
1–500	7195	93.4901	603615	6.5761
501 – 1000	243	3.1575	186253	2.0291
1001 - 2000	126	1.6372	182787	1.9914
2001 -3000	37	0.4808	92366	1.0063
3001 - 4000	31	0.4028	108529	1.1824
4001 - 5000	16	0.2079	75957	0.8275
5001 - 10000	21	0.2729	162621	1.7717
10001 - 50000	22	0.2859	384026	4.1838
50001 - 100000	1	0.013	95500	1.0404
100001 and above	4	0.052	7287323	79.3915
Total	**7696**	**100.00**	**9178977**	**100.00**

Dematerialization of Shares and Liquidity

As per notification issued by SEBI, with effect from June 26, 2000, it has become mandatory to trade in the Company's shares in the electronic form. The Company's shares are available for trading in the depository systems of both NSDL and CDSL.

As on December 31, 2020, 98.76% of the Company's total paid up capital representing 9065527 equity shares were held in dematerialized form and the balance 1.24% representing 113450 equity shares were held in physical form.

Outstanding GDR/Warrants and Convertible Bonds, Conversion Dates and likely impact on Equity

The Company had no outstanding GDRs/ADRs/Warrants or any Convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities

Commodity price risk and hedging activities – DIC India Limited purchases a variety of raw materials for manufacturing and finished products for trading. The Company manages the associated commodity price risks based on local and global information with the support of the parent group, subject to commercial negotiation with suppliers. There are no commodities where the exposure of the Company in the particular commodity is material.

Foreign Exchange risk and hedging activities – DIC India Limited is exposed to foreign exchange risks on its imports of raw materials/trading goods and capital item purchases and export of finished goods. The Company has a robust internal policy, approved by its Audit Committee, to manage foreign exchange risks. Hedging is regularly carried out to mitigate the risks in line with the approved policy.

Plant Location

Location	Address
Kolkata	Transport Depot Road, Kolkata – 700 088
Noida	C - 55 A & B, Phase II, Dist. Gautam Budh Nagar, Noida – 201 305
Ahmedabad	Plot No. 633 & 634, G.I.D.C. Industrial Estate, Phase IV, Vatva, Ahmedabad – 382 445
Bengaluru	66A, Bommasandra Industrial Area, Anekal Taluk, Bengaluru – 560099

Address for Correspondence

To serve the investors better and as required under Regulation 46(2)(j) of the Listing Regulations, the designated e-mail address for investor complaints is investors@dic.co.in. The e-mail address for grievance redressal is continuously monitored by the Company's Compliance Officer. The Address of the Compliance officer is

Mr. Raghav Shukla
Corp. GM- Legal & Company Secretary
DIC India Limited
Fusion Square, 5th Floor, 5A-5B, Sector- 126, Noida 201303
Phone: 0120 6361420
Email: raghav.shukla@dic.co.in; investors@dic.co.in
Website: www.dicindialtd.co

10. OTHER DISCLOSURES

Related Party Disclosure

The Board in its meeting held on December 5, 2014 has adopted Related Party Transaction Policy for determining the materiality of related party transactions and also on the dealings with related parties. This Policy has been placed on the Company's website https://www.dicindialtd.co/sites/default/files/investors-pdf/related-party-policy.pdf.

During the year there were no transactions of material nature with related parties that had potential conflict with the interests of the Company. Details of all related party transactions form a part of the accounts as required under Ind AS 24 notified by the Ministry of Corporate Affairs and the same are given in Note 39 to the Financial Statements.

The omnibus approval of the Audit Committee is taken for all proposed related party transactions to be entered into during the forthcoming year and the details of all related party transactions actually entered into in the preceding quarter is placed before them. During preparation of financial statements during the period under review, no accounting treatment which was different from that prescribed in the Accounting Standards was followed.

Subsidiary Company

The Company had no subsidiary company during the financial year ended December 31, 2020.

Details of non-compliance

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. There has been no instance of non-compliance with any legal requirements during the year under review.

None of the Company's listed securities are suspended from trading.

Vigil Mechanism and Whistle Blower Policy

The Company has adopted Whistle Blower Policy (Vigil Mechanism) for Directors and employees which has been placed on the Company's website https://www.dicindialtd.co/sites/default/files/investors-pdf/whistle-blower-policy.pdf. Under the Policy, every Director or employee of the Company has an assured access to the Audit Committee.

Risk Management Policy

The Company has adopted a Risk Management Policy in the meeting of the Board of Directors held on March 3, 2006. Pursuant to the changing economic environment, the Board in its meeting held on December 11, 2018 has adopted an updated Risk Management Policy. It has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework. The Company also has a Risk Management Committee.

There were no material financial and commercial transactions where senior management of the Company had personal interest that may have potential conflict with the interest of the Company at large.

Commodity Price Risk and Commodity hedging activities

Company purchases a variety of raw materials for manufacturing and finished products for trading. The Company manages the associated commodity price risks based on local and global information with the support of the parent group, subject to commercial negotiation with suppliers. There are no commodities where the exposure of the Company in the particular commodity is material.

Certificate from Statutory Auditors

As required by Regulation 34(3) and Schedule V Part E of the Listing Regulations, the certificate given by Deloitte Haskins & Sells LLP, Statutory Auditors of the Company, forms part of the Boards' Reports.

Certificate from Practicing Company Secretary

As required by Clause 10 (i) of Part C under Schedule V of the Listing Regulations, the Company has received a certificate from T. Chatterjee & Associates, Practicing Company Secretaries certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India or Ministry of Corporate Affairs or such other statutory authority, which forms of the Annual Report.

Secretarial Audit

The Company's Board of Directors appointed T. Chatterjee and Associates, Practising Company Secretaries Firm, to conduct secretarial audit of its records and documents for the Financial Year 2020. The secretarial audit report confirms that the Company has complied with all applicable provisions of the Companies Act, 2013, Secretarial Standards, Depositories Act 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

CEO and CFO Certification

As required by Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the Chief Executive Officer & Managing Director and Executive Director & Chief Financial Officer have given appropriate certifications to the Board of Directors.

Consolidated Fees paid to Statutory Auditors

During the Financial Year 2020, the total fees for all services paid by the Company, on a consolidated basis, to Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company is as under:

Particulars	Amount (Rs.)
Services as Statutory Auditors	3,975,000
Taxation matters and audit	1,200,000
Other Services	125,000
Out of Pocket expenses	196,002
Total	**5,496,002**

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure regarding the complaints of sexual harassment are given in the Board's Report.

Demat suspense account/unclaimed suspense account

As on December 31, 2020, there are no outstanding shares lying in the demat suspense account/unclaimed suspense account.

Reconciliation of Share Capital Audit

In terms of Regulation 40(9) and 61(4) of the Listing Regulations, certificates, on half-yearly basis, have been issued by a Company Secretary in Practice with respect to due compliance of share and security transfer formalities by the Company.

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (**'NSDL'**) and Central Depository Services (India) Limited (**'CDSL'**) (**collectively' Depositories'**) and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories). The Audit Report is disseminated to the Stock Exchanges on half yearly basis and is also available on our website www.dicindltd.co under 'Investors' section.

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund ('IEPF')

Pursuant to the provisions of the Companies Act, 2013 read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividends, unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Accordingly, unclaimed dividends of Shareholders for the Financial Year 2013 lying in the unclaimed dividend account of the Company as on July 25, 2021 will be transferred to IEPF on the due date i.e. July 26, 2021. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a consecutive period of seven years from the date of transfer of the dividend to the unpaid dividend account is also mandatorily required to be transferred to the IEPF Authority established by the Central Government. Accordingly, the Company has transferred unclaimed dividend and eligible Shares to IEPF Demat Account within statutory timelines.

The details of unclaimed dividends and shares transferred to IEPF during Financial Year 2020 are as follows:

Financial Year	Amount of Unclaimed Dividend transferred (Rs.)	Number of Shares Transferred
2012	235240.00	0

The Company usually send individual communication to the concerned shareholders at their registered address, whose dividend remained unclaimed and whose shares were liable to be transferred to the IEPF. The communication was also published in national English and local Bengali newspapers.

Any person whose unclaimed dividend and shares pertaining there to, has been transferred to the IEPF Fund can claim their due amount from the IEPF Authority by making an electronic application in e-form IEPF-5. Upon submitting a duly completed form, Shareholders are required to take print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer of the Company. The e-formcan be downloaded from the website of Ministry of Corporate Affairs at www.iepf.gov.in. The Shareholders can file only one consolidated claim in a financial year as per the IEPF Rules.

Details of date of declaration & due date for transfer to IEPF

Financial Year	Dividend %	Date of Declaration	Due Date for Transfer to IEPF
2019	45	June 12,2020	July 11,2027
2018	Nil	March 23,2019	April 22,2026
2017	Nil	March 22,2018	April 21,2025
2016	40	March 24,2017	April 21,2024
2015	40	April 22,2016	May 20,2023
2014	Nil	March 23,2015	April 22,2022
2013	40	June 27,2014	July 26,2021
2012	40	April 12,2013	May 12,2020

11. COMPLIANCE WITH DISCRETIONARY REQUIREMENTS

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

The Board

As on the date of the Report, the positions of the Chairman and the Managing Director & Chief Executive Officer are separate. Mr. Dipak Kumar Banerjee is the Non-Executive Independent Chairman of the Board and Mr. Manish Bhatia is the Managing Director & Chief Executive Officer of the Company.

Maintenance of Chairman's office

The Non-Executive Independent Chairman has a separate office which is not maintained by the Company. Further, no reimbursement of his expenses are made by the Company.

Shareholders' Rights

The Company's financial results are published in the newspapers and also posted on its website www.dicindialtd.co. Hence, the Financial Results are not sent to the shareholders. However, the Company furnishes the financial results on receipt of request from the shareholders.

Modified Opinion in Audit Report

The Company, at present, does not have any modification in the audit opinion pertaining to the financial statements.

Reporting of Internal Auditor

The Company's Internal Auditor reports to the Audit Committee.

Green Initiative

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc., to Shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses sofar are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

CERTIFICATION

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

   1. significant changes in internal control over financial reporting during the year;

   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. no instances of significant fraud or the involvement therein, if any, of the management or an employee having a significant role have come to our notice.

For **DIC India Limited**
Sd/-
Manish Bhatia
Managing Director & CEO
DIN: 08310936

February 3, 2021
Noida

sd/-
Sandip Chatterjee
Chief Finance Officer
PAN: ABVPC5782H

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY

This is to state that the Company had duly adopted a Code of Conduct in the meeting of the Board of Directors held on April 29, 2005 and thereafter on October 28, 2016 adopted an updated Code of Conduct. After adoption of the Code of Conduct, the same was circulated to all the Board Members and senior management personnel for compliance. The Code of Conduct has also been posted on the website of the Company. The Company has since received declaration from all the Board Members and senior management personnel affirming compliance of the Code of Conduct of the Company in respect of the financial year December 31, 2020. The same has been duly noted by the Board in its meeting held on February 3, 2021.

For **DIC India Limited**
Sd/-
Manish Bhatia
Managing Director & CEO
DIN: 08310936

February 3, 2021
Noida

BOARDS' REPORT

Dear Shareholder,

Your Directors take pleasure in presenting the 73rd Annual Report on the business and operations of DIC India Limited ('Company'), along with the summary of financial statements for the year ended December 31, 2020.

FINANCIAL RESULTS

(Rs. in Lakhs except EPS figure)

Particulars	Year ended	
	December 31, 2020 (Audited)	December 31, 2019 (Audited)
Revenue from operations	60,825.48	79,113.28
Other income	734.71	1,298.75
Total income	61,560.19	80,412.03
Total Expenses	60,234.95	78,665.46
Profit before exceptional item and tax	1,325.24	1,746.57
Exceptional Item:	9,762.53	-
Profit before tax	11,087.77	1,746.57
Tax Expense - Current tax	2,522.50	617.42
- Deferred tax charge/ (credit)	(24.77)	(715.52)
Total Tax Expenses	2,497.73	(98.10)
Profit for the Period/ Year	8,590.04	1,844.67
Other comprehensive income/ (Loss)	(28.66)	(41.06)
Total comprehensive income for the period/ year	8,561.38	1,803.61
Paid-up Equity Share Capital	917.90	917.90
Earnings per equity share (of Rs.10 each) (not annualised) (a) Basic (b) Diluted	 93.58 93.58	 20.10 20.10

STATE OF COMPANY'S AFFAIRS

Your Company recorded a turnover of Rs. 6060.52 million in the current year against 7866.29 in the previous year .The sales volume was lower by 24% against 2019 resulting in a lower value growth of 23%. The Company operates in two segments Printing Inks and Lamination Adhesives. The turnover of Printing Inks registered a lower growth by 24% at Rs. 5491 Million against a sale of Rs.7262 million in 2019.The Adhesive segment also registered a lower growth by 6% at 569 million against 604 million in 2019.The Company registered a Profit before tax and exceptional income (including Other Comprehensive Income) of Rs. 129 million for the year ended 31st December, 2020 against a Profit before tax (including the Comprehensive Income) of 169.17 million in the previous year. On an overall basis including the exceptional Income and Comprehensive Income, the Profit before tax was 1105 million for the year ended 31st December, 2020.

DIVIDEND

The Board of Directors have recommended a final dividend of Rs. 6.00 (Rupees Six Only) per equity share for FY 2020 (against Rs.4.50 in FY 2019) for the approval of the Members at the ensuing Annual General Meeting (AGM).

The dividend will be paid out of profits for the year. The dividend is subject to the approval of the Shareholders at the Annual General Meeting ('AGM') scheduled to be held on Friday March 19, 2021.The dividend once approved by Shareholders will be paid on and from March 23, 2021.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will remain closed from March 13, 2021 to March 19, 2021 (both days inclusive) for the purpose of payment of the dividend for the Financial Year ended December 31, 2020.

TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve for the financial year ended December 31, 2020.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company has approved commencement of the construction of its state of the art manufacturing facility at G.I.D.C., Bharuch, Gujarat. The Outlay of the Project is Rs.100 Crore (Aprox.) to be funded by Internal Funds. The expected completion of the Project is two years.

CHANGES IN THE NATURE OF BUSINESS

There has been no fundamental change in the nature of business of the Company during the financial year ended December 31, 2020.

CHANGE IN SHARE CAPITAL

The paid-up share capital of the Company as on December 31, 2020 was Rs. 91.79 million and there has been no change in the capital structure of the Company.

BOARD MEETINGS

The Board evaluates all the decisions on a collective consensus. 7 Board Meetings were held during the year ended December 31, 2020 on February 1, 2020, February 12, 2020, February 27, 2020, April 28, 2020, June 11, 2020, August 7, 2020 and November 6, 2020. The gap between any two Board meetings during this period did not exceed one hundred and twenty days.

The details of the Board Meetings held during the F.Y. 2020 have been furnished under Clause 5 in the Corporate Governance Report forming a part of this Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as independent directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

In terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

EVALUATION OF BOARD'S PERFORMANCE

The Board evaluated the effectiveness of its functioning, that of the Committees and of individual Directors, pursuant to the provisions of the Act and SEBI Listing Regulations. The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.) ;
- Structure, composition and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board/Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole, and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting that followed the meeting of the independent directors and the meeting of Nomination and Remuneration Committee, the performance of the Board, its committees and individual directors was discussed.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management, and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

FAMILIARISATION PROGRAMME FOR DIRECTORS

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by the Senior Management giving an overview of all the functions to familiarise them. This includes products, Group Structure, Board constitution and procedures and major risks.

Further, to enable the existing Board members to take informed decisions, the Management presents a quarterly review in the areas of safety health & Environment, strategy, operations, governance, safety, health and environment, industry trends, financial statements etc.

REMUNERATION POLICY

A Nomination and Remuneration Policy formulated and adopted, pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto *inter alia* define the Company policy on appointment and remuneration by the Nomination and Remuneration Committee.

The said policy may be referred to, at the Company's website https://www.dicindialtd.co/sites/default/files/investors-pdf/remuneration-policy.pdf.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan, guarantees or made any investments prescribed under Section 186 of the Companies Act, 2013.

SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANIES

The Company does not have any subsidiary/associate/joint venture company for the year ended December 31, 2020.

DEPOSITS

In terms of the provisions of Section 73 to 76 of the Act read with the relevant rules made thereunder, your Company has not accepted any deposit from the public.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 forms part of the Board report and is annexed as **Annexure-A.** The same is also available on the Company's Website www.dicindialtd.co.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

As required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings & outgo is annexed and forms a part of this Report marked as **Annexure B**.

HUMAN RESOURCES

DIC India believes that the Competence and Commitment of our employees are the key differentiating factors which enable our organization to create value by offering quality products & services to our customers. We strive to create a harmonious work environment & strengthen our work culture to drive high level of performance orientation. As a part of the culture, we are committed towards scaling up competence level of employees & offering them a long term career to attract & retain talent. As on December 31, 2020, the Company had 496 employees (previous year 512) on its direct pay roll.

Information in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of this Report marked as **Annexure C**. As per the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report excluding the information on employee's particulars is being sent to the members which is, however, available for inspection at the Registered Office of the Company during working hours. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has in place a Policy for Prevention of Sexual Harassment of Women at Work Place and constituted an Internal Complaints Committees (ICC). No complaint has been raised during the year ended December 31, 2020.

AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished under Clause 6 in the Corporate Governance Report forming a part of this Annual Report. There had been no instances where the Board has not accepted the recommendations of the Audit Committee.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Related Party Policy has been adopted by the Board of Directors at its meeting held on December 5, 2014 for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at the Company's website https://www.dicindialtd.co/sites/default/files/investors-pdf/related-party-policy.pdf. The Audit Committee reviews all related party transactions quarterly.

Further, during the year there were no material related party contracts entered into by the Company and all contracts were at arm's length and in ordinary course of business.

WHISTLE BLOWER MECHANISM

The Company has an updated Whistle Blower Policy in place. The said policy may be referred to, at the Company's website https://www.dicindialtd.co/sites/default/files/investors-pdf/whistle-blower-policy.pdf.

INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of its business. Detailed procedural manuals are in place to ensure that all the assets are protected against loss and all transactions are authorized, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are placed before the Board.

RISKS & MITIGATING STEPS

The Board has adopted a risk management policy where various risks faced by the Company have been identified and a framework for risk mitigation has been laid down. Even though not mandated, the Company has constituted a Risk Management Committee to monitor, review and control risks. The risks and its mitigating factors are discussed in the Board.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Acknowledging its responsibility towards the society, your Company has put in place a CSR Policy, which may be referred to at the Company's website https://www.dicindialtd.co/sites/default/files/investors-pdf/csr-policy.pdf. The CSR Committee guides and monitors the activity undertaken by the Company in this sphere.

Pursuant to the provisions of Sec 135 of the Companies Act, 2013 and applicable Rules, for the year ended December 31, 2020, the Company had a corpus of Rs.10.11 Lakh in its CSR funds to be expended towards CSR activity.

As a part of DIC Group's Corporate Social Responsibility, The Company actively participated in CSR initiative driven by DIC Asia Pacific Pte. Ltd. engaging all the DIC entities in Asia Pacific region to distribute "DIC Care Packs" to Corona Warriors who are supporting society by their noble services in the challenging times of Pandemic Covid-19. In India, the Company's CSR team engaged with Corona warriors i.e. Health Department, Local Administration at district levels in various cities i.e. NCR, Ahmedabad, Kolkata & Bengaluru to provide them PPE (Personal Protective Equipment) kits to support them in the noble cause. In addition, the support was also extended to residents residing at Slum area at Goragacha road near Company's Kolkata

plant under the supervision of local Administration of Area. Total 5000 PPE kits were distributed through CSR Initiative at DIC India.

The Company, in the Financial Year 2020 has fully utilize the full CSR Corpus, and spent Rs.14.50 Lakh towards Corporate Social Responsibility.

Details of the project undertaken under CSR forms a part of the Report as **Annexure D**.

CORPORATE GOVERNANCE

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improving investors' protection and maximizing long-term shareholders' value. The certificate of the Statutory Auditors, M/s Deloitte Haskins & Sells LLPs, confirming compliance of conditions of Corporate Governance as stipulated under Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure E**.

SECRETARIAL STANDARDS

The company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries (ICSI).

BUSINESS RESPONSIBILITY REPORT

The Securities and Exchange Board of India ('SEBI') requires companies to prepare and present to stakeholders a Business Responsibility Report ('BRR').Company has prepared the Business Responsibility as per the Suggested Format of SEBI. The BRR is annexed as **Annexure F.** The same is also available on our website www.dicindialtd.co.

DIRECTORS

The shareholders of the Company at the AGM held on June 12, 2020, approved the re-appointment of Mr. Partha Mitra as Non-Executive Independent Director of the Company to hold office for a second term effective March 24, 2020 through March 23, 2023.

Mr. Rajeev Anand, Mr. Prabal Kumar Sarkar and Ms. Pritha Dutt on November 6, 2020, were appointed as Additional Directors (Non-Executive Independent) on the Board of the Company to hold office till ensuing AGM. The Board recommends their appointment as Non-Executive Independent Directors w.e.f. November 6, 2020 for a period of Three Years. The detailed agenda and resolution in this regard forms part of the Notice of Annual General Meeting.

In terms of Articles of Association of the Company, Mr. Paul Koek, retire from the Board by rotation and being eligible, offer him self for re-appointment. The necessary resolutions for re-appointment of Director forms part of the Notice convening the ensuing AGM scheduled to be held on March 19, 2021.

The profile and particulars of experience, attributes and skills that qualify Mr. Anand, Mr. Sarkar, Ms. Dutt and Mr. Koek, for Board memberships, are disclosed in the said Notice.

KEY MANAGERIAL PERSONNEL

In terms of Section 203 of the Act, the Key Managerial Personnel of the Company are:

1. Mr. Manish Bhatia– Managing Director & Chief Executive Officer
2. Mr. Taishi Nojima- Whole Time Director
3. Mr. Sandip Chatterjee - Chief Financial Officer
4. Mr. Raghav Shukla – Corp. General Manager-Legal & Company Secretary

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Directors state that:

i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

ii. 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;

iii. 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;

iv. The Directors had prepared the annual accounts on a going concern basis; and

v. 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.

vi. 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.

STATUTORY AUDITORS

As per the provisions of the Act, the Company appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the 70th Annual General Meeting held on March 22, 2018.

STATUTORY AUDITORS' OBSERVATIONS

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report is an Un-modified report and does not contain any qualification, report of fraud, reservation, adverse remark or disclaimer and do not call for any further comments.

SECRETARIAL AUDITORS

The provisions of Section 204 of the Companies Act, 2013 mandates Secretarial Audit of the Company by a Company Secretary in Practice. The Board in its meeting held on February12, 2020 appointed M/s. T. Chatterjee & Associates, Practicing Company Secretary (Firm Registration No. S2007WB097600) as the Secretarial Auditor for the financial year ending December 31, 2020. The Secretarial Auditors' Report for the financial year ending December 31, 2020 is annexed to the Boards' Report as **Annexure G**. There are no qualification, reservation, adverse remark or disclaimer in the said report and do not call for any further comments.

COST AUDITORS

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company relating to the business of manufacturing printing inks. Accordingly, M/s. Sinha Chaudhuri & Associates, Cost Accountants (Firm Registration No. 000057) were appointed as the Cost Auditors for auditing the Company's cost accounts for the year ended December 31, 2020.

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

During the financial year ended December 31, 2020, unpaid or unclaimed dividend for the financial year ended December 31, 2012 amounting to Rs.2.35 Lakh were transferred to the Investor Education and Protection Fund established by the Central Government, in compliance with section 125 of the Companies Act, 2013. No Shares were liable to be transferred to Investor Education and Protection Fund during Financial Year ended December 31, 2020.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

ACKNOWLEDGMENT

Your Directors take this opportunity to thank the employees, customers, shareholders, suppliers, bankers, business partners/associates, financial institutions, Securities and Exchange Board of India and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board

February 3, 2021

Mr. Dipak Kumar Banerjee
Director
DIN: 00028123
Kolkata

Mr. Manish Bhatia
Managing Director &
Chief Executive Officer
DIN: 08310936
Noida

Annexure 'A'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
As on financial year ended on December 31, 2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1.	CIN	L24223WB1947PLC015202
2.	Registration Date	April 2, 1947
3.	Name of the Company	DIC INDIA LIMITED
4.	Category/Sub-category of the Company	Indian Non Government Company
		Public Company Limited by Share
5.	Address of the Registered office & contact details	Transport Depot Road, Kolkata- 700088, West Bengal Tel: 033 24496591; Fax: 033 24495267; Email: investors@dic.co.in
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	CB Management Services (P) Ltd, P-22 Bondel Road, Kolkata - 700019, Tel: 033 40116700; Fax: 033 22870263; Email: rta@cbmsl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Printing Inks	20223	90.60
2	Lamination Adhesives		9.40

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Applicable	% of shares held	Applicable Section
1.	DIC Asia Pacific Pte. Ltd. 78 Shenton Way #27-02/03 Singapore 079120	N.A.	Holding	71.75	2(46)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on January 1, 2020]				No. of Shares held at the end of the year [As on December 31, 2020]				% Change during year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	**0.00%**
2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	65,86,077	-	65,86,077	71.75%	65,86,077		65,86,077	71.75%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	**65,86,077**	**-**	**65,86,077**	**71.75%**	**65,86,077**	**-**	**65,86,077**	**71.75%**	**0.00%**
TOTAL (A)	**65,86,077**	**-**	**65,86,077**	**71.75%**	**65,86,077**	**-**	**65,86,077**	**71.75%**	**0.00%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	354	-	354	0.01%	103	-	103	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	240	240	0.00%	-	240	240	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	**354**	**240**	**594**	**0.01%**	**103**	**240**	**343**	**0.00%**	**0.00%**

Category of Shareholders	No. of Shares held at the beginning of the year [As on January 1, 2020]				No. of Shares held at the end of the year [As on December 31, 2020]				% Change during year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,01,333	5,451	3,06,784	3.34%	266436	5451	271887	2.96	-0.38
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	11,83,507	1,07,300	12,90,807	14.06	11,52,085	1,05,933	12,58,018	13.71	-0.36
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	9,13,764	0	9,13,764	9.95	9,53,582	0	9,53,582	10.39	0.43
c) Others (specify)									
Non Resident Indians	42,311	1,826	44,137	0.48	47,952	1,826	49,778	0.54	0.06
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	0	0	-	0.00%	0.00%
Clearing Members	649	0	649	0.01	23,571	0	23,571	0.26	0.25
Trusts	430	0	430	0.00	0	0	0	0.00	0.00
IEPF	35,735	0	35,735	0.39	35,721	0	35,721	0.39	0.00
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	**24,77,729**	**1,14,577**	**25,92,306**	**28.24**	**24,79,347**	**1,13,210**	**25,92,557**	**28.25**	**0.00**
Total Public (B)	**24,78,083**	**1,14,817**	**25,92,900**	**28.25**	**24,79,450**	**1,13,450**	**25,92,900**	**28.25**	**0.00**
C. Shares held by Custodian for GDRs & ADRs			**-**	**0.00%**				**0.00%**	**0.00%**
Grand Total (A+B+C)	**90,64,160**	**1,14,817**	**91,78,977**	**100.00**	**90,65,527**	**1,13,450**	**91,78,977**	**100.00**	**0.00**

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares the company	% of Shares Pledged / encumbered to total shares	
1	DIC Asia Pacific Pte. Ltd.	65,86,077	71.75%	0	65,86,077	71.75%	0	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	At the beginning of the year			65,86,077	71.75%	65,86,077	71.75%
2.	Changes during the year			-	0.00%	-	0.00%
3.	At the end of the year			65,86,077	100.00%	65,86,077	100.00%

(iv) Shareholding Pattern of top ten Shareholders

(other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Name/Folio No.	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	IN30036020087818						
	HITESH RAMJI JAVERI						
	a) At the beginning of the year	01-01-2020		250000	2.72	250000	2.72
	b) Changes during the year						
		14-02-2020	Increase	5077	0.06	255077	2.78
		20-03-2020	Increase	1500	0.02	256577	2.80
		12-06-2020	Increase	300	0.00	256877	2.80
		17-07-2020	Increase	400	0.00	257277	2.80
		24-07-2020	Increase	2350	0.03	259627	2.83
		31-07-2020	Increase	2950	0.03	262577	2.86
		07-08-2020	Increase	2757	0.03	265334	2.89
		14-08-2020	Increase	480	0.01	265814	2.90
		21-08-2020	Increase	2863	0.03	268677	2.93
		28-08-2020	Increase	1060	0.01	269737	2.94
		04-09-2020	Increase	320	0.00	270057	2.94

S. No.	Name/Folio No.	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		11-09-2020	Increase	200	0.00	270257	2.94
		09-10-2020	Increase	1000	0.01	271257	2.96
		16-10-2020	Increase	743	0.01	272000	2.96
	c) At the end of the year	31-12-2020				272000	2.96
2.	IN30036020087795						
	HARSHA HITESH JAVERI						
	a) At the beginning of the year	01-01-2020		256500	2.79	256500	2.79
	b) Changes during the year						
		20-03-2020	Increase	1050	0.01	257550	2.81
		21-08-2020	Increase	72	0.00	257622	2.81
		28-08-2020	Increase	428	0.00	258050	2.81
		23-10-2020	Increase	3000	0.03	261050	2.84
		30-10-2020	Increase	2500	0.03	263550	2.87
		06-11-2020	Increase	2550	0.03	266100	2.90
	c) At the end of the year	31-12-2020				266100	2.90
3.	IN30096610000088						
	GLOBE CAPITAL MARKET LTD						
	a) At the beginning of the year	01-01-2020		201487	2.20	201487	2.20
	b) Changes during the year						
		03-01-2020	Increase	56	0.00	201543	2.20
		10-01-2020	Increase	239	0.00	201782	2.20
		17-01-2020	Increase	22	0.00	201804	2.20
		24-01-2020	Decrease	22	0.00	201782	2.20
		21-02-2020	Decrease	3354	0.04	198428	2.16
		28-02-2020	Decrease	253	0.00	198175	2.16
		06-03-2020	Decrease	537	0.01	197638	2.15
		13-03-2020	Increase	834	0.01	198472	2.16
		20-03-2020	Increase	20	0.00	198492	2.16
		31-03-2020	Increase	453	0.00	198945	2.17
		03-04-2020	Decrease	1	0.00	198944	2.17
		17-04-2020	Increase	704	0.01	199648	2.18
		08-05-2020	Increase	5	0.00	199653	2.18
		15-05-2020	Decrease	5	0.00	199648	2.18
		05-06-2020	Increase	2854	0.03	202502	2.21
		12-06-2020	Decrease	2854	0.03	199648	2.18

S. No.	Name/Folio No.	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		26-06-2020	Increase	4821	0.05	204469	2.23
		03-07-2020	Decrease	50	0.00	204419	2.23
		10-07-2020	Increase	953	0.01	205372	2.24
		24-07-2020	Increase	10	0.00	205382	2.24
		31-07-2020	Increase	4435	0.05	209817	2.29
		07-08-2020	Decrease	1925	0.02	207892	2.26
		14-08-2020	Decrease	5965	0.06	201927	2.20
		21-08-2020	Increase	190	0.00	202117	2.20
		28-08-2020	Decrease	1732	0.02	200385	2.18
		04-09-2020	Decrease	5190	0.06	195195	2.13
		11-09-2020	Decrease	102	0.00	195093	2.13
		13-11-2020	Increase	400	0.00	195493	2.13
		20-11-2020	Decrease	400	0.00	195093	2.13
		27-11-2020	Decrease	257	0.00	194836	2.12
		04-12-2020	Decrease	382	0.00	194454	2.12
		11-12-2020	Decrease	1286	0.01	193168	2.10
		18-12-2020	Decrease	1617	0.02	191551	2.09
		25-12-2020	Decrease	3	0.00	191548	2.09
		31-12-2020	Decrease	7080	0.08	184468	2.01
	c) At the end of the year	31-12-2020				184468	2.01
4.	IN30009510813322						
	BISHWANATH PRASAD AGRAWAL						
	a) At the beginning of the year	01-01-2019		68365	0.74	68365	0.74
	b) Changes during the year						
		30-06-2020	Decrease	5365	0.06	63000	0.69
		03-07-2020	Decrease	11500	0.13	51500	0.56
		10-07-2020	Decrease	17000	0.19	34500	0.38
		17-07-2020	Decrease	10500	0.11	24000	0.26
		24-07-2020	Decrease	12000	0.13	12000	0.13
		31-07-2020	Decrease	12000	0.13	0	0.00
	c) At the end of the year	31-12-2019				0	0.00
5.	IN30154915620236						
	G SHANKAR						
	a) At the beginning of the year	01-01-2019		63121	0.69	63121	0.69

S. No.	Name/Folio No.	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	b) Changes during the year						
		10-01-2020	Increase	229	0.00	63350	0.69
		17-01-2020	Increase	320	0.00	63670	0.69
		24-01-2020	Increase	62	0.00	63732	0.69
		31-01-2020	Increase	250	0.00	63982	0.70
		06-03-2020	Increase	18	0.00	64000	0.70
		20-03-2020	Increase	300	0.00	64300	0.70
		31-03-2020	Increase	100	0.00	64400	0.70
		24-04-2020	Increase	600	0.01	65000	0.71
		15-05-2020	Increase	100	0.00	65100	0.71
		05-06-2020	Increase	50	0.00	65150	0.71
		12-06-2020	Increase	1000	0.01	66150	0.72
		19-06-2020	Increase	2150	0.02	68300	0.74
		26-06-2020	Increase	570	0.01	68870	0.75
		30-06-2020	Increase	1630	0.02	70500	0.77
		03-07-2020	Increase	550	0.01	71050	0.77
		10-07-2020	Increase	930	0.01	71980	0.78
		17-07-2020	Increase	1770	0.02	73750	0.80
		07-08-2020	Increase	1102	0.01	74852	0.82
		14-08-2020	Increase	849	0.01	75701	0.82
		04-09-2020	Increase	299	0.00	76000	0.83
		11-09-2020	Increase	600	0.01	76600	0.83
		18-09-2020	Increase	400	0.00	77000	0.84
		25-09-2020	Increase	1600	0.02	78600	0.86
		30-09-2020	Increase	1400	0.02	80000	0.87
		16-10-2020	Increase	400	0.00	80400	0.88
		06-11-2020	Increase	400	0.00	80800	0.88
		13-11-2020	Increase	150	0.00	80950	0.88
		20-11-2020	Increase	1050	0.01	82000	0.89
		11-12-2020	Increase	2750	0.03	84750	0.92
		18-12-2020	Increase	4350	0.05	89100	0.97
		25-12-2020	Increase	3258	0.04	92358	1.01
		31-12-2020	Increase	3142	0.03	95500	1.04
	c) At the end of the year	31-12-2019				95500	1.04

S. No.	Name/Folio No.	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
6.	IN30070810656671						
	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS						
	a) At the beginning of the year	01-01-2020		35735	0.39	35735	0.39
	b) Changes during the year						
		15-05-2020	Decrease	14	0.00	35721	0.39
	c) At the end of the year	31-12-2020				35721	0.39
7.	IN30267930299434						
	NITIN TANDON						
	a) At the beginning of the year	01-01-2020		32100	0.35	32100	0.35
	b) Changes during the year	NO CHANGE					
	c) At the end of the year	31-12-2020				32100	0.35
8.	IN30115123072378						
	JAYASRI SURESH						
	a) At the beginning of the year	01-01-2020		26000	0.28	26000	0.28
	b) Changes during the year						
		25-09-2020	Increase	200	0.00	26200	0.29
	c) At the end of the year	31-12-2020				26200	0.29
9.	IN30036010619779						
	AMI HITESH JAVERI						
	a) At the beginning of the year	01-01-2020		24550	0.27	24550	0.27
	b) Changes during the year	Date	Reason				
		14-02-2020	Increase	550	0.01	25100	0.27
		23-10-2020	Increase	500	0.01	25600	0.28
		30-10-2020	Increase	500	0.01	26100	0.28
	c) At the end of the year	31-12-2020				26100	0.28
10.	IN30226911122741						
	LINCOLN P COELHO						
	a) At the beginning of the year	01-01-2020		22068	0.24	22068	0.24
	b) Changes during the year	NO CHANGE					
	c) At the end of the year	31-12-2020				22068	0.24

S. No.	Name/Folio No.	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
11.	IN30116030429245						
	RAM KRISHAN KHANDELWAL						
	a) At the beginning of the year	01-01-2020		22581	0.25	22581	0.25
	b) Changes during the year						
		24-01-2020	Decrease	1650	0.02	20931	0.23
		06-03-2020	Increase	500	0.01	21431	0.23
		20-03-2020	Increase	100	0.00	21531	0.23
	c) At the end of the year	31-12-2020				22581	0.23

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares of
1.	Sandip Chatterjee, CFO						
	At the beginning of the year			1	0.00%	0	0.00%
	Changes during the year			-	-	-	-
	At the end of the year			1	0.00%	0	0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	**-**	**-**	**-**	**-**
Change in Indebtedness during the financial year				
* Addition				-
* Reduction				-
Net Change	**-**	**-**	**-**	**-**
Indebtedness at the end of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	**-**	**-**	**-**	**-**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration Name Designation	Name of MD/WTD/ Manager Manish Bhatia Managing Director and Chief Executive Officer	 Taishi Nojima* Whole Time Director	Total Amount (Rs.)
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,37,06,820	78,00,000	2,15,06,820
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,836,509	12,09,600	7,046,109
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify(Actual Performance Bonus payout for 2019, PF, Gratuity)	1,30,30,580		1,30,30,580
	Total (A)	32,573,909	90,09,600	41,583,509
	Ceiling as per the Act	In Compliance with Section 197, read with Schedule V of the Companies Act, 2013		

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors						Total Amount (Rs)
1	Independent Directors	Mr. Dipak K Banerjee	Mr. Partha Mitra	Dr. Reena Sen	Mr. Rajiv Anand	Ms. Pritha Dutt	Mr. Prabal K Sarkar	
	Fee for attending board / committee meetings	4,20,000	8,65,000	6,30,000	40,000	40,000	40,000	
	Commission	8,74,694	1,88,578	2,04,694	-	-	-	
	Others, please specify	-	-	-	-	-	-	
	Total (1)	12,94,694	10,53,578	8,34,694	40,000	40,000	40,000	**33,02,966**
2	Other Non-Executive Directors	Mr. Paul Koek		Mr. Masahiro Kikuchi		Mr. Ho Yeu Guan		
	Fee for attending board committee meetings	-		-		-		
	Commission	-		-		-		
	Others, please specify	-		-		-		
	Total (2)	-		-		-		-
	Total (B)=(1+2)							**33,02,966**
	Total Managerial Remuneration							**58,877,330**
	Overall Ceiling as per the Act			In Compliance with Section 197, read with Schedule V of the Companies Act, 2013				

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

S. No.	Particulars of Remuneration Name Designation	Name of Key Managerial Personnel Sandip Chatterjee CFO	 Raghav Shukla Corp. General Manager-Legal & CS	Total Amount (Rs.)
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	57,95,046	34,07,292	92,02,338
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10,41,663	13,10,276	23,51,939
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	16,11,894	8,24,684	24,36,578
	Total	**84,48,603**	**55,42,252**	**1,39,90,855**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

ANNEXURE- 'B'

Statement pursuant to Section 134(m) of the Companies Act, 2013, read with The Companies (Accounts) Rules, 2014, forming part of the Directors' Report

A. CONSERVATION OF ENERGY

The Company's operations do not involve substantial consumption of energy in comparison to the cost of production. Energy conservation measures have been implemented in the following areas:

- Highly efficient Chilling plant installed at Noida plant.
- LED Lights installed at Kolkata Plant.

FORM – A

CONSERVATION OF ENERGY FOR THE ACCOUNTING PERIOD ENDED DECEMBER 31, 2020

(I) POWER AND FUEL CONSUMPTION

	Fuel consumption	**Units**	**2020**	**2019**
1	Electricity			
(i)	Purchased from Electricity Board			
	KWH	Million	3.25	4.41
	Total Amount	Rs. in Million	29.91	37.54
	Average Rate	Rs./Units	9.21	8.97
(ii)	Purchased from Others			
	KWH	Million	3.41	5.51
	Total Amount	Rs. in Million	33.31	49.08
	Average Rate	Rs./Units	9.78	8.91
(iii)	Own Generation-through Diesel Generator			
	KWH	Million	0.115	0.22
	Unit generated per litre of diesel	Kwh	3.07	3.0
	Average Rate	Rs./Units	22.4	20.76
2.	HSD Used (other than 1(iii) above)			
	Ltrs	Million	0.041	0.053
	Total Amount	Rs in million	2.68	3.49
	Average Rate	Rs./Units	65.64	67.05
3.	Furnace Oil / PNG			
	Ltrs (PNG)*	Million	0.274	0.329
	Total Amount	Rs in million	8.60	12.41
	Average Rate	Rs./Units	31.4	38.3

(I) Steps taken for utilizing alternate sources of energy

- LPG introduced for Kolkata canteen at the place of HSD.

(II) Capital Investment sanctioned/incurred for energy conservation equipment

- Chilling plant– 5.3M INR
- LED Lights– 1.8M INR

(III) Consumption **per Unit of Production**

Electricity } Since the Company manufactures different types of products, it
HSD } is not practical to give consumption per unit of production.
Furnace Oil }

B. RESEARCH & DEVELOPMENT

1. Specific areas in which R&D efforts have been put in by the Company

- Development of aromatic solvent free inks for food packaging to enhance new packaging regulations in India.
- Development of environment friendly water based inks for flexible packaging aiming low VOC and economical option for converter.
- Development of LED coating and LED offset to reduce energy consumption and make it more environment friendly
- Development and establishment of Solar panel adhesive (PVBS)
- Development and Establishment of low cost "Diol" in Flexo application
- Development of Volatile Organic Content free base colours for Sheetfed packaging application.

2. Benefits derived as a result of R&D

The Company has successfully developed the previously mentioned technology(ies) and products listed in B1 above and the process thereof. These have resulted in:

- Opportunities to expand business in new areas
- Cost and quality advantage in highly competitive inks market.
- Develop indigenous production process
- Inks range expanded to cater high-end customers and will act as an import substitute
- Environment friendly products

3. Future Plan of Action

The Company's R&D is working continuously, in collaboration with its parent company, DIC Corporation, Japan for the development of new products, processes and improved formulations to give high quality superior performance inks for different applications to its customers.

4. Expenditure on R&D

The Company has modern R&D Centres at Kolkata, Bengaluru and Noida unit which are recognized by Dept. of Scientific and Industrial Research, Ministry of Science & Technology, Government of India. During the year, the Company has incurred the following expenditures on R&D Facilities:

- Capital Expenditure of Rs. 10.20 million
- Recurring Expenditure of Rs. 54.82 million,
- Total Expenditure Rs. 65.02 million and
- Total R&D Expenditure as a percentage to total Turnover was 1.06%.

C. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1. The efforts made towards Technology Absorption, Adoption and Innovation

The Company has been successfully developing the technologies and products listed in B1 above.

2. Benefits derived as a Result of above Efforts

As a result of the aforesaid efforts, the Company has become more environment friendly and worked on sustainable packaging.

3. Information in case of Imported Technology (Imported during the last Five years, reckoned from the beginning of the Financial Year).

The Company has executed an Agreement with its Parent Company, DIC Corporation (formerly Dainippon Ink & Chemicals Inc.) Japan on 1st April 2007 (with effect from 1st January 2007 till 31st December 2020) to import technology and technical information for manufacturing poly-ester poly-urethane poly-urea resin solely for captive consumption. Poly-ester poly-urethane poly-urea resin is used to manufacture gravure inks, a finished product of the company and comes under the segment of liquid ink. Poly-ester poly urethane poly-urea resins are presently being imported and such manufacture in India through DIC technology will reduce the company's dependence on imported items. Further, it will reduce the cost of the company to a great extent.

The Company had also executed a Technical Collaboration Agreement with DIC Corporation, Japan with effect from 1st July 2011. This Technical Collaboration Agreement does not relate to a specific project or product but transfer of technology 'on an ongoing basis' for all the existing and future range of printing inks and lamination adhesives. The scope of Agreement covers upgradation of existing products, manufacturing techniques, quality assurance, raw materials testing, training to Indian technicians and also use of DIC's trade names, brand names, marks and symbols.

D. Foreign Exchange Earnings and Outgo

Exports during the year stood at Rs. 5309.96 lakhs (from Rs. 6377.74 lakhs in 2019), registering a decrease of 16.74%. Earnings in foreign exchange through exports and other earnings amounted to Rs. 5542.28 lakhs (FY2019: Rs. 6674.38 Lakhs). Outgo of foreign exchange on import of raw materials, spare parts, capital goods, traded goods and also in respect of royalty, dividend and other matters amounted to Rs. 15606.27 lakhs (FY2019: Rs. 18677 lakhs).

Annexure 'C'

Disclosure under Section 197 (12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

S.	Name of Director/KMP and designation	Remuneration during the financial year 2020 (Rs in million)	% increase in remuneration in the financial year 2020	Ratio of remuneration of each director to median remuneration of employees
1	Mr. Manish Bhatia, Managing Director & CEO	32.57*	8%	31.26
2	Mr. D Banerjee Independent Director	0.42	NA	0.40
3	Mr. ParthaMitra Independent Director	0.865	NA	0.83
4	Mr. Prabal Kumar Sarkar Independent Director	0.04	NA	0.04
6	Ms. PrithaDutt Independent Director	0.04	NA	0.04
7	Mr. Rajeev Anand Independent Director	0.04	NA	0.04
7	Dr. Reena Sen Independent Director	0.63	NA	0.60
8	Mr. M. Kikuchi Non-executive Director	Nil	NA	NA
9	Mr. Francis Ho Non-executive Director	Nil	NA	NA
10	Mr. P Koek Non-executive Director	Nil	NA	NA
12	Mr. S Chatterjee Chief Finance Officer	8.45	5%	8.11
13	Mr. R Shukla Company Secretary	5.54	9%	5.32
14	Mr. Taishi Nojima Whole Time Director	9.01	NA	8.65

*includes variable pay disbursement for 2019

(ii) Percentage increase in the median remuneration of employees in the financial year

The percentage increase in the median remuneration of all Non-unionised employees in the financial year 2020 was 6.38%.

The pay structure and increment of the graded staff/workers were on the basis of Union Agreement (Agreement) which was valid till December 2020. The renewal of the Agreement is under discussion as a part of Long Term Wages settlement process for 4 years.

(iii) Number of permanent employees on the rolls of company

The Company had 496 permanent employees on its rolls as on December 31, 2020.

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

Average percentile increase, other than managerial personnel was 6.38%. However, the managerial remuneration was slightly higher than the average increase in 2020 due to promotion of one KMP.

(v) Affirmation that the remuneration is as per the remuneration policy of the company

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

Annexure 'D'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.	Your Company attaches great importance to the society and environment alongside its business activities. The Company understands that its activities have wider ramifications on the society as a whole and as such it gives due consideration to all stakeholders like shareholders, government, suppliers, employees, business patrons and its local communities. Your Company was guided by Schedule VII of the Companies Act, 2013 (as amended from time to time) in selecting its CSR activity As a part of DIC Group's Corporate Social Responsibility, The Company actively participated in CSR initiative driven by DIC Asia Pacific Pte. Ltd. engaging all the DIC entities in Asia Pacific region to distribute "DIC Care Packs" to Corona Warriors who are supporting society by their noble services in the challenging times of Pandemic Covid-19. In India, the Company's CSR team engaged with Corona warriors i.e. Health Department, Local Administration at district levels in various cities i.e. NCR, Ahmedabad, Kolkata & Bengaluru to provide them PPE (Personal Protective Equipment) kits to support them in the noble cause. In addition, the support was also extended to residents residing at Slum area at Goragacha road near Company's Kolkata plant under the supervision of local Administration of Area. Total 5000 PPE kits were distributed through CSR Initiative at DIC India. Brief outline of the Company's CSR objectives and its projects/programmes are mentioned in the CSR section of the Board's report and Management Discussion & Analysis section of the annual report of the Company. The details are also provided in the CSR policy which is available on the Company's website https://www.dicindialtd.co/sites/default/files/investors-pdf/csr-policy.pdf
2	Composition of the CSR Committee	Dr. Reena Sen- Chairperson (Non-Executive Independent Director) Mr. Partha Mitra (Non-Executive Independent Director) Mr. Paul Koek (Non-Executive Director) Mr. Taishi Nojima (Whole Time Director)
3	Average net Profit for last 3 financial years	Rs.505.36 Lakh
4	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs.10.11 Lakh
5	Details of CSR spent during the financial year Total amount to be spent for the financial year;	Rs.10.11 Lakh NIL
	Amount unspent, if any;	

Manner in which the amount spent during the financial year is detailed below::									
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken		Annual Amount Outlay (budget) project or programs wise (Rs. in Lakh)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: (Rs. in Lakh)		Cumulative expenditure from commence -ment upto the reporting period (Rs. in Lakh)	Amount spent: direct or through implementing agency
			Area	District		Direct Expen-diture	Overheads		
1	Distribution of PPE kits to Corona Warriors	Health and Hygiene	Noida	Gautam Budh Nagar	10.11	4.35	NIL	14.50	14.50
2			Vatva	Ahmedabad		2.90	NIL		
3			Bengaluru	Bengaluru		2.90	NIL		
4			Kolkata	Kolkata		4.35	NIL		
TOTAL							14.50		

1. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report.

   Not Applicable

2. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

   The implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

February 3, 2021

Mr. Manish Bhatia
Managing Director & CEO
Noida

Dr. Reena Sen
Chairperson, CSR Committee
Kolkata

Annexure 'E'

TO THE MEMBERS OF
DIC INDIA LIMITED
INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter dated 29 May, 2020.
2. We, Deloitte Haskins &Sells LLP, Chartered Accountants, the Statutory Auditors of DIC India Limited("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 December 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and there presentations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses(b) to (i) of regulation46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 December,2020.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Sameer Rohatgi)
Partner
(Membership No. 094039)
UDIN: 21094039AAAAAG6149

Date: 03 February, 2021
Place: Gurugram

Annexure 'F'

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L24223WB1947PLC015202
2	Name of the Company	DIC INDIA LIMITED
3	Registered address	Transport Depot Road,Kolkata,West Bengal- 700088 India
4	Website	www.dicindialtd.co
5	E-mail id	investors@dic.co.in
6	Financial Year reported	January 1, 2020 to December 31, 2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	24 (Manufacture of Chemicals and Chemical Products)
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	1. Printing Inks 2. Adhesives
9	Total number of locations where business activity is undertaken by the Company	
	i. Number of International Locations (Provide details of major 5)	Not Applicable
	ii. Number of National Locations	4
10	Markets served by the Company (Local / State / National / International)	National

Section B: Financial Details of the Company

1	Paid up Capital (INR)	9,17,89,770
2	Total Turnover (INR)	606,05,25,151
3	Total profit after taxes (INR)	85,61,39,756
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	14,50,000
5	List the activities as per Schedule VII of Company's Bill, 2011 in which expenditure in 4 above has been incurred	Promoting health care including preventive health care-Distribution of PPE Kits for COVID-19 prevention.

Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

Section D: BR Information

1. Details of Director/Directors responsible for BR

a	Details of the Director/Director responsible for implementation of the BR policy/policies	
	• DIN Number	08310936
	• Name	Manish Bhatia
	• Designation	Managing Director & Chief Executive Officer
b	Details of the BR head	
	• DIN Number (if applicable)	The Leadership Team of the Company is responsible for implementation of BR policies.
	• Name	
	• Designation	
	• Telephone number	
	• E-mail id	

2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of compliance (Reply in Y/N)

S. N.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for									
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Please refer to Annexure 1 to this Report for linkages of these policies with BR principles								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Please refer to Annexure 2 to this Report for Link of Policies								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S. N.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Annually
b	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Annually

Section E: Principle-wise Performance

Principle 1

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs /Others?	The Policies on ethics, bribery and corruption covers the entire Group.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	For Investor Complaints please refer to Corporate Governance Report

Principle 2

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities	a. Development of aromatic solvent free inks for food packaging to comply with packaging regulations in India. b. Development of environment friendly water based inks for flexible packaging aiming low VOC and economical option for converter c. Development of LED coating and LED offset to reduce energy and make it more environment friendly

2	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The company is regularly working in the direction wherein as a principle we want a major part of the goods and services to be sourced locally wherever possible and in the process also promoting small businesses. As of now 20% of our inputs are bought from MSME segment and total 60-70% of our inputs are sourced locally. Additionally whenever a new requirement comes up we work with these set of vendor to get it fulfilled.
3	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	The Company recycles process waste solvents in-house using Solvent Recovery Plant. In 2020 the Company has recovered 87.8 Tons of solvent out of 97.1 Tons of process waste, with a rate of recovery of approx. 90%.

Principle 3

1	Please indicate the Total number of employees			496
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.			In 2020 the Company has not hired any employee on temporary/ contractual/ casual basis. However, 138 employees hired by Company on Contractual basis continue to remain employed by Company
3	Please indicate the Number of permanent women employees			17
4	Please indicate the Number of permanent employees with disabilities			NIL
5	Do you have an employee association that is recognized by management			Yes
6	What percentage of your permanent employees is members of this recognized employee association?			40%
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year			
	No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
	1	Child labour/forced labour/involuntary labour	NIL	NIL
	2	Sexual harassment	NIL	NIL
	3	Discriminatory employment	NIL	NIL

8	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year? a. Permanent Employees b. Permanent Women Employees c. Casual/Temporary/Contractual Employees d. Employees with Disabilities	 100% 100% 100% Not Applicable

Principle 4

1	Has the company mapped its internal and external stakeholders? Yes/No	The Company has taken the path of inclusive development to address the societal issues and engage with the disadvantaged, vulnerable and marginalised stakeholders. There are certain criteria for selecting a social development project in the areas of health and education.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company has identified communities from the poor and marginal sections of the society as its primary stakeholders.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	The Company directly engages with these communities to understand their needs and other major challenges impeding their development and accordingly plan interventions to benefit them.

Principle 5

1	Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	All Stakeholders
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	NIL

Principle 6

1	Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.	The Policy extends to Company and its Contractors & Processors
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc	Yes, we drive initiative around water conservations, waste minimization and CO2 emission reduction on annual basis.
3	Does the company identify and assess potential environmental risks? Y/N	Yes
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc	Yes, we have plans to utilize solar panels at our Noida plant in 2021.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year	NIL

Principle 7

1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	a. All India Printing Ink Manufacturer's Association b. Confederation of Indian Industry c. Gujarat State Plastic Manufacturers Association d. Label Manufacturers Association Of India
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	The Company actively participates in the meetings and programmes of the associations to augment the objectives thereof.

Principle 8

1	Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	In-House
3	Have you done any impact assessment of your initiative?	Impact assessment is a continuous process undertaken through in-house measures.
4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	Work in Progress
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Work in Progress

Principle 9

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year	Nil
2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)	Yes
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes

Annexure 1

Linkages of Policies with BR principles

Principle No.	NVG Principle	Reference Document	Reference Section
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	DIC Group Code of Business Conduct	Section 2, 4(i), 4(iv), 4(v), 4(vi), 4(x)
		Policy on Determination of Material Disclosure	Policy
		DIC India Limited-Code of Fair Disclosure, Conduct & Internal Procedure for Prevention of Insider Trading	Policy
		Whistle Blower Policy	Policy
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	DIC Group Code of Business Conduct	Section 2, 4(ii)
		Quality, Environment, Safety and Health (QESH) Policy	Policy
		CSR Policy	Policy
3	Businesses should promote the well-being of all employees	DIC Group Code of Business Conduct	Section 2, 4(i), 4(viii)
		Policy for Prevention of Sexual Harassment of Women at Work Place	Section 1, 2
4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	DIC Group Code of Business Conduct	Section 4(ii)
		CSR Policy	Policy
5	Businesses should respect and promote human rights	DIC Group Code of Business Conduct	Section 2
6	Businesses should respect, protect and make efforts to restore the environment	DIC Group Code of Business Conduct	Section 2, 3, 4(ii)
		CSR Policy	Policy
7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	DIC Group Code of Business Conduct	Section 4(v)
8	Businesses should support inclusive growth and equitable development	Quality, Environment, Safety and Health (QESH) Policy	Policy
		CSR Policy	Policy
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	DIC Group Code of Business Conduct	Section 4 (ii), 4(vi)
		CSR Policy	Policy

Annexure 2

Web Links of Policies

Policy	Web Link
DIC Group Code of Business Conduct	https://www.dicindialtd.co/sites/default/files/investors-pdf/code-conduct-policy.pdf
Policy on Determination of Material Disclosure	https://www.dicindialtd.co/sites/default/files/investors-pdf/materiality-policy.pdf
DIC India Limited-Code of Fair Disclosure, Conduct & Internal Procedure for Prevention of Insider Trading	https://www.dicindialtd.co/sites/default/files/investors-pdf/code-fair-disclosure-conduct-internal-procedure-prevention-insider-trading.pdf
Whistle Blower Policy	https://www.dicindialtd.co/sites/default/files/investors-pdf/whistle-blower-policy.pdf
Quality, Environment, Safety and Health (QESH) Policy	https://www.dicindialtd.co/sites/default/files/investors-pdf/qesh-policy.pdf
CSR Policy	https://www.dicindialtd.co/sites/default/files/investors-pdf/csr-policy.pdf
Policy for Prevention of Sexual Harassment of Women at Work Place	https://www.dicindialtd.co/sites/default/files/investors-pdf/posh-policy_0.pdf
Related Party transaction Policy	https://www.dicindialtd.co/sites/default/files/investors-pdf/related-party-policy.pdf

Annexure 'G'

SECRETARIAL AUDIT REPORT
FORM MR-3
(For the financial year ended December 31, 2020)
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of

DIC India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DIC India Ltd. CIN- L24223WB1947PLC015202 (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 (including RTA), electronic records available in the official portal of the Ministry of Corporate Affairs www.mca.gov.in, portal of the Stock Exchanges, representation made by the Management and considering relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India on account of global pandemic Novel Coronavirus (COVID 19), we hereby report that in our opinion, the company has, during the audit period covering financial year ended on 31st December, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed with the stock exchange, in the official portal of the ministry of corporate affairs (MCA)etc and other records maintained by the company for the audit period financial year ended on **31st December 2020,** according to the applicable provisions of:

I. The Companies Act, 2013 (**the Act**) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. Secretarial Standards as prescribed by Institute of Company Secretaries of India.

VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act')** to the extent applicable to the company :-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ; (not applicable to the Company during audit period)

d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation 2008 ; (not applicable to the Company during audit period)

e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014. (not applicable to the company during audit period)

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations , 2009 ; (not applicable to the Company during audit period) and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 ; (not applicable to the Company during audit period)

i. The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015;

VII. Management represented that other fiscal, labour and environmental laws which are generally applicable to such companies, are duly complied. The following industry specific laws/Acts applicable to the Company are complied with, to the extent applicable:

a) Air (Prevention and Control of Pollution) Act, 1981;
b) Water (Prevention and Control of Pollution) Act, 1974;
c) Hazardous and other Wastes (Management & Trans boundary Movement) Rules, 2016;
d) Legal Metrology (Packaged Commodities) Rules, 2011;
e) Factories Act, 1948;
f) Petroleum Rules, 2002; and
g) All other applicable laws

We have also examined compliance of the applicable clauses of the following:

a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
b. The Listing Agreements entered into by the Company with the Stock Exchanges read with the provisions of the Securities and Exchange Board of India (**SEBI**) [Listing Obligations & Disclosure Requirements] Regulations 2015;

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

We further report that:

a. 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.
b. 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 other than those held at shorter notice 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.
c. The Company has complied Secretarial Standard, SS-1 and SS-2 as applicable to it with respect to Board Meeting, General Meeting and meetings of the Committee of the Board.
d. As per the minutes, the decisions at the Board meetings were taken unanimously.
e. The Company has obtained all necessary approvals under the various provisions of the Act. However, the Company has made an application pursuant to Section 196 read with Schedule V of the Companies Act, 2013, for appointment of Mr. Taishi Nojima as a Whole-time Director of the Company to the Central Government for its approval under SRN: H77996379, approval is awaited.
f. There were no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement, Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.
g. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

2. We further report that based on the information received and records maintained 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.

For T. Chatterjee & Associates
FRN No. - P2007WB067100

Binita Pandey - Partner
Membership No: 41594
COP No.: 19730
UDIN:A041594B002451507

February 3, 2021
Kolkata

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members of
DIC India Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Due to global pandemic of Novel Coronavirus (COVID 19) , Advisory dated 05-03-2020 issued by the Ministry of Health and Family Welfare, Government of India and lockdown declared by the governments , the audit of the few records were carried out on the basis of data and information provided by the Company in electronic mode.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For T.Chatterjee & Associates
FRN - P2007WB067100

Binita Pandey - Partner
Membership No: 41594
COP No. :19730
UDIN: A041594B002451507

Kolkata
February 03, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Environment

Indian Economy, like most major global economies, has seen unprecedented impact due to Covid 19. The June quarter witnessed a severe drop in demand, impacted by lockdown and destabilisation of Supply Chain. From December quarter, there has been a gradual recovery. The latest economic data shows that the Economy is recovering by uneven pace across sectors. In December, the Goods & Service Tax (GST) receipts were above Rs 1 Trillion mark for 3rd consecutive month. While new orders and production are steadily growing up, input costs are on the rise, and job creation has been negative. The Index of Industries Production (IIP) numbers are also a mixed bag; it has moved up and down over the last quarter. The current account has remained surplus driven by muted imports signifying a demand slow down. The external account position is also stable and generally positive. The economy is expected to contract in high single digits, significantly improving from a 23.9% contraction in June quarter. The December quarter is likely to have witnessed growth which will be +/-5% across sectors barring few like publication, hospitality, Services, etc. which are much harder hit.

Inflation pressures remain significant. The Consumer Price Index (CPI) is generally operating above the prescribed Reserve Bank of India (RBI) band, reflecting liquidity in the market.

The global commodity prices are fast recovering from a Covid-19 induced slump. Since April 2020, the crude prices have almost doubled, though they skill remain, as of end Dec 2020, below pre-pandemic levels. The metals and minerals prices are also firmed up strongly. The S&P GSCI commodities index has climbed by 14% since early November. This will eventually feed into domestic prices. At the same time, weak domestic capex will, sooner or later, create supply-side constraints for Economy, running head-on into recovering demand and pushing up prices.

As a result of this, Government Agencies will have limited created to support growth. Reserve Bank of India (RBI) has indicated the following critical areas as guidelines for reviving growth and stability. First is human capital with specific emphasis on education and health; second is productivity; third, being exports leading to India's role in the global value chain; and fourth being tourism, food processing and associated areas.

The company will have to watch the headwinds created by strengthening raw material prices both on the domestic and international front and will continue to focus on value creation and value engineering.

Opportunities & Threats

Opportunity

2020, due to global pandemic, has seen major break down of supply chain networks, in India and abroad with different countries going for lockdown at different stages.

With its multi-location manufacturing and distribution footprint, DIC India supported by global sourcing support could emerge as a reliable supplier to its customers. As the supply-side constraints, especially for imported raw material will be a challenge going into 2021, this presents an opportunity for DIC to be a reliable supplier of choice for Indian printers and converters.

In India, the pandemic also saw a delayed reopening of many printers and converters post the lockdown. DIC has strict safety practices. As a global leader, the company initiated a ***DIC Konnect*** program focused on safe reopening. This initiative has helped the company build a stronger connect with existing and potential customers.

The BIS (Bureau of Indian standards) and FSSAI have notified a toluene ban on food packaging. DIC is well-positioned as a global category leader, to provide Indian converters easy transition proposition when the ban formally gets implemented.

Threats

The pandemic has caused a severe impact on the publication side of the printing industry. Some newspaper industry segments have been very badly hit, with demand declining by over 60-70% during the middle of 2020. There has been a revival of demand, in the second part of 2020, especially during the festival period. However, this revival remains relatively muted and much lower than pre-COVID times. This segment will have a longer revival curve to reach pre-Covid levels. Further, Last Quarter has witnessed increase in raw materials prices.

DIC has been traditionally a solid player in this segment. The company continues to drive efficiencies in this segment to remain a preferred supplier of choice. DIC is also reorienting its business with a stronger focus in packaging to mitigate this threat.

The Company is dependent on a few raw materials. Which are proprietary in nature and generally imported. Though all efforts are being made to develop potentials substitutes, however, global currency changes and raw materials pricing surge and low acceptability of immediate price changes in market, offers a threat to sustainable profit growth.

Segment-wise performance and Industry outlook

Covid 19 has resulted in a mixed impact on different segments. Though all businesses were severely impacted in early Q2, however, due to increased demand of packaged food items, the flexible packaging segment had a quick recovery in Q3 and has stabilised at near Pre Covid 19 levels. Other packaging segments have also recovered and are now close to Pre Covid 19 levels.

The publication inks business, however, has had a severe impact. The newspaper industry is still below Covid 19 levels and takes a longer path to recover, impacted by the drop in advertising revenue and circulation. With an increased emphasis on online education and sales promotions, the commercial offset inks are also reviving on a slower trajectory compared to packaging inks.

In all likelihood, the packaging industry will grow at 1.5X GDP in the long run, and the economic revival should support the same in the future.

Adhesives, part of the packaging segment, will continue to see the shift towards solvent-free adhesives, and this segment is likely to see a growth in line with packaging industry growth.

The company reviews the market environment and deploys suitable marketing and portfolio strategies in line with its business objectives. DIC Corporation is suitably supporting this.

Risk & Concerns

Covid 19 has severely impacted India's economic performance in 2020, though there has been a revival in Second half from a steep decline in June quarter. The demand remains erratic and lower than pre Covid-19 times; primarily on reduced consumption. Traditional channels using packaging products like Hospitality, airlines and publication sectors like textbook printing, tourism and ticketing have been severely impacted and will take longer to revive.

2020 also saw severe disruptions in the supply chain – both domestic and global. This has happened due to Covid-19 as well as geopolitical tensions. The revival has been affected again due to surge in Covid-19 infections in many parts of the world in the last 3-4 months.

The supply constraints have resulted in a surge in raw material prices in December quarter of 2020; this has continued into the New Year. Further, the global freight movement is badly impacted, and international logistic costs are high. The crude also continues to strengthen; this will, directly and indirectly, impact RM prices in the future.

A relatively weak demand pattern will challenge the industry to pass on the RM increase to the customers.

The company focuses on productivity and innovation to mitigate these risks and concerns.

Business Strategy

The Economy went into tail spin-in 2020 and is still not fully recovered. DIC India continued to drive the focus on three principal areas:

1. Aggressive Cost Optimisation: Strong productivity measures were put in place to deliver cost effectiveness in 2019. These were further strengthened in 2020 and aligned to demand shrinkage to ensure the rationalisation of overheads. The company achieved this with a strong focus on productivity and performance.

   The India procurement team, also aligned itself with global sourcing teams to leverage DIC group's international buying, and deliver RM cost advantage.

2. Strong Innovation Culture: - DIC India established a regional technical centre in Noida, UP at the end of 2019. The Centre closely collaborates with global R&D sites and is focused on portfolio innovation and alignment with emerging market needs. The Centre also works towards mitigating raw material risks and localising raw material where ever feasible. The research centre has helped the business to refresh its portfolio in line with market needs on cost and performance

3. Going Digital: - DIC India has taken a series of initiatives to drive efficiency with a strong focus on digitisation of operations and process. Almost all functions: Sales & Marketing, Supply Chain, Finance, HR, Research & Development have projects focused on building operational excellence, ease of operations and reducing response time using digital tools.

   DIC India – marketing team, is actively using the Digital First approach, to connect with customers through various programs and initiatives.

Internal Control System and their adequacy

The Details pertaining to Company's Internal Control System and their adequacy has been furnished in the Boards' Report forming a part of this Annual Report.

Financial performance with respect to operational performance

The performance of the Company got impacted with restricted operations for a large part of the year due to COVID 19, resulting in significant drop in sales volume impacted by lower consumption in certain product categories. The volume recovered but still remained below normal in December quarter as the economy started opening. The raw material prices for some products hardened due to COVID 19 but with a stable rupee, benefits from value engineering in operation, better product mix and strict control over operational cost helped the Company to remain profitable during the year. During the year the Company sold the Mumbai land and recorded a Profit of Rs. 976.2 million and the same has been considered as an exceptional item in the accounts.

Your Company recorded a turnover of Rs. 6060.52 million in the current year against 7866.29 in the previous year. The sales volume was lower by 24% against 2019 resulting in a lower value growth of 23%. The Company operates in two segments Printing Inks and Lamination Adhesives. The turnover of Printing Inks registered a lower growth by 24% at Rs. 5491 Million against a sale of Rs. 7262 million in 2019. The Adhesive segment also registered a lower growth by 6% at 569 million against 604 million in 2019. The Company registered a Profit before tax and exceptional income (including Other Comprehensive Income) of Rs. 129 million for the year ended 31st December, 2020 against a Profit before tax (including the Comprehensive Income) of 169.17 million in the previous year. On an overall basis including the exceptional Income and Comprehensive Income, the Profit before tax was 1105 million for the year ended 31st December, 2020.

Human Resource

The Details pertaining to Human Resources has been furnished in the Boards' Report forming a part of this Annual Report.

Disclosure of Accounting Treatment:

The financial statements are prepared and presented in accordance with Indian Accounting Standards (IndAS) notified under the Companies (Indian Accounting Standards) Rules2015, as amended from time to time as notified under Section 133 of the Companies Act 2013, the relevant provision of the Companies Act 2013 ("the Act").

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015)

To
The Members,
DIC India Limited
Transport Depot Road,
Kolkata-700088

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of DIC India Limited, CIN: L24223WB1947PLC015202 and having registered office at Transport Depot Road Kolkata West Bengal 700088 (hereinafter referred to as 'the **Company'**), listed BSE Ltd. (**Scrip Code- 500089)**, National Stock Exchange of India Ltd., (**Stock Code-DICIND**) and The Calcutta Stock Exchange Ltd. (**Scrip Code-10013217)** produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number **("DIN")** status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on **31st December 2020**, have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Serial No.	Name of the Directors	DIN	Date of Appointment *
1	Mr. Dipak Kumar Banerjee	00028123	08/03/2001
2	Mr. Partha Mitra	00335205	08/02/2017
3	Ms. Reena Sen	07082198	04/02/2015
4	Mr. Rajeev Anand	02519876	06/11/2020
5	Ms. PrithaDutt	02910608	06/11/2020
6	Mr. Prabal Kumar Sarkar	03124712	06/11/2020
7	Mr. Paul Koek	00081930	29/06/2004
8	Mr. Masahiro Kikuchi	08024525	06/02/2018
9	Mr. Ho Guan Yeu	08066136	06/02/2018
10	Mr. Manish Bhatia	08310936	30/01/2019
11	Mr. Taishi Nojima	08401012	26/04/2019

** The date of appointment is as per the MCA Portal*

Ensuring the eligibility for the appointment / continuity as Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification and representation made by the respective directors.

For T. Chatterjee & Associates
Company Secretaries
FRN No. - P2007WB067100

Binita Pandey - Partner
Membership No: 41594
COP No. : 19730
UDIN : A041594B002451551

February 03, 2021
Kolkata

INDEPENDENT AUDITOR'S REPORT

To The Members of DIC India Limited
Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying financial statements of DIC India Limited ("the Company"), which comprise the Balance Sheet as at December 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flows Statement and the Statement of Changes in Equity for the year then ended, and 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at December 31,2020, and its profit, total comprehensive income, its cash flows statement and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment of tangible assets (Refer note 3.12 and 5 to the Ind AS Financial Statements) The Company assesses impairment of tangible assets at the end of each reporting period or when events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. The Company reviews the carrying amount of its tangible assets for the "Cash Generating Unit" (CGU) to assess whether there is any indication that those assets have suffered any impairment loss. In assessing, whether there is an indication of impairment, management applies estimates and assumptions, in determining the recoverable amount, being the higher of the assets fair value less costs to sell and its value in use. We identified the impairment of tangible assets as a key audit matter because of the significant estimates and assumptions that management makes to evaluate the recoverability of these assets.	**Principal Audit Procedures** Our audit procedures included following: • Obtaining an understanding of the methodology used by the management for impairment assessment including evaluation around the appropriateness of those methods used for impairment assessment. • We evaluated the design and implementation of key controls, and tested the operating effectiveness of the controls over management's assessment of recoverability of tangible assets. • We evaluated fair value less cost to sell analysis by (i) Comparing sale price of asset with similar assets available and assumptions used by management with external sources and (ii) testing the mathematical accuracy of the data. • We evaluated management's discounted future cash flows analysis by comparing management's projections to the Company's historical results, external market sources and results from other areas of the audit. • We evaluated management's assessment by comparing the higher of the assets fair value less costs to sell and its value in use with the carrying amounts of respective CGU in the books of account.

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 Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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.

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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 and so far as it appears from our examination of those books, except that the backup of the books of account and other records and papers maintained in electronic mode has not been maintained on servers physically located in India.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on December 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 no 33(a) of the Ind AS financial statements)

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. (Refer Note no 43 of the Ind AS financial statements)

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. (Refer Note no 33 (c) of the Ind AS financial statements)

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sameer Rohatgi
Partner
Membership No. 094039
UDIN:21094039AA AA AF9586

Place : Gurugram
Date : February 03, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 over financial reporting of **DIC INDIA LIMITED** ("the Company") as of December 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 adequate internal financial controls over financial reporting 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 adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at December31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sameer Rohatgi
Partner
Membership No. 094039
UDIN:21094039AAAAAF9586

Place : Gurugram
Date : February 03, 2021

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. In respect of its Property, plant and equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(b) The Company has a program of verification of Property, plant and equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date except as mentioned below. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Right to use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement except as mentioned below:

(Amount Rs in Lakhs)

No of cases	Asset category	Gross Block as at December 31, 2020	Net Block as at December 31, 2020	Remarks
1	Freehold land	0.86	0.86	The title deeds are in the name of Coates of India Limited (erstwhile name of the Company) and mutation of the name is pending
4	Leasehold land	128.77	88.82	
2	Building	15.03	4.39	

ii. As explained to us, the inventories (other than goods in transit) were physically verified during the year by the Management at the reasonable intervals and no material discrepancies have been noticed on physical verification. Inventories in transit, were verified by the management based on subsequent delivery challans.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order 2016 is not applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Services Tax, Custom Duty, Value Added Tax and Cess with the appropriate authorities. Also, refer to the note 33(d) to the financial statements regarding management assessment on certain matters relating to the provident fund.

(b) There are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Services Tax, Custom Duty, Value Added Tax and Cess in arrears as at December31, 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Income tax, Sales Tax, Service Tax, Custom Duty and Excise Duty which have not been deposited as on December 31, 2020 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (Rupees in Lakhs)	Amount unpaid (Rupees in Lakhs)
Income Tax Act, 1961	Income Tax	Deputy Commissioner of Income tax	2012-13	102.80	-
		Income Tax Appellate Tribunal	2013-14	209.90	-
		Hon'ble High court at Calcutta	1989-1990 and 1988-1989	27.77	27.77
Central sales Tax Act, 1956	Central Sales tax	Commercial Taxes Tribunal	2008-09	6.00	6.00
		Joint commissioner of Sales Tax (Appeals)	2010-11 and 2012-13	30.67	23.15
		Deputy Commissioner	2003-04, 2011-12	1.42	1.42
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Commercial Taxes Tribunal	2009-10	18.68	7.04
		Additional Commissioner (Appeals)	2014-15, 2015-16 and 2016-17	15.47	7.83
Central Excise Act, 1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal	1994-95 to 1996-97, 2008-09	89.74	87.78
		Commissioner of Central Excise	1997-98	120.24	120.24
		Commissioner (Appeals)	2005-06 to 2007-08	74.16	74.16
Finance Act, 1944	Service Tax	Commissioner (Appeals)	2001-02 to 2004-05	172.20	172.20
Custom Act, 1962	Customs Duty	Customs, Excise & Service Tax Appellate Tribunal	2005-06, 2009-10 to 2010-11	254.02	250.08

We have been informed that there are no dues of Goods and Services Tax which have not been deposited as on December31, 2020 on account of disputes.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has neither obtained any loan or borrowings from government or financial institution nor has it issued any debentures.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sameer Rohatgi
Partner
Membership No. 094039
UDIN:21094039AAAAAF9586

Place : Gurugram
Date : February 03, 2021

Balance Sheet

As at December 31, 2020
All amounts in Rupees in Lakhs, unless otherwise stated

Particulars			Note No.	As at December 31, 2020	As at December 31, 2019
A		**ASSETS**			
	1	**Non-current assets**			
		(a) Property, plant and equipment	5	5,514.10	5,921.31
		(b) Capital work-in-progress	5	105.09	136.08
		(c) Intangible assets	6	23.79	17.57
		(d) Right to use assets	37	2,382.67	-
		(e) Financial assets			
		(i) Other financial assets	7	2,155.06	393.61
		(f) Deferred tax assets (net)	8	763.74	729.33
		(g) Other non-current assets	9	162.45	2,048.37
		(h) Non-Current Tax assets (net)	10	716.85	495.99
		Total Non - Current assets		**11,823.75**	**9,742.26**
	2	**Current assets**			
		(a) Inventories	11	10,262.46	9,848.57
		(b) Financial assets			
		(i) Trade receivables	12	18,189.12	20,076.01
		(ii) Cash and cash equivalents	13	3,306.42	1,493.29
		(iii) Bank balances other than (ii) above	13	5,912.40	17.27
		(iv) Other financial assets	14	398.00	495.96
		(c) Other current assets	15	3,014.91	3,182.53
				41,083.31	**35,113.63**
		Assets classified as held for sale	16	-	2,029.31
		Total Current assets		**41,083.31**	**37,142.94**
		Total Assets (1+2)		**52,907.06**	**46,885.20**
B		**EQUITY AND LIABILITIES**			
	1	**Equity**			
		(a) Equity share capital	17	917.90	917.90
		(b) Other equity	17.1	37,022.16	28,873.83
		Total Equity		**37,940.06**	**29,791.73**

See accompanying notes to the Ind AS financial statements

For and on behalf of the Board of Directors

In terms of our report attached.
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
FRN : 117366W/W-100018

Sameer Rohatgi
Partner

Manish Bhatia
Managing Director & CEO
DIN: 08310936

Partha Mitra
Director
DIN: 00335205

Raghav Shukla
Company Secretary
M. No. F5252

S. Chatterjee
Chief Finance Officer
PAN : ABVPC5782H

Place : Gurugram
Date : February 03, 2021

Place : Noida
Date : February 03, 2021

Place : Kolkatta
Date : February 03, 2021

Balance Sheet
All amounts in Rupees in Lakhs, unless otherwise stated

Particulars			Note No.	As at December 31, 2020	As at December 31, 2019
	2	**Non-current liabilities**			
		(a) Financial liabilities			
		Lease liabilities	37	344.93	-
		(b) Provisions	18	451.48	414.76
		Total Non - Current Liabilities		**796.41**	**414.76**
	3	**Current liabilities**			
		(a) Financial liabilities			
		(i) Borrowings	19	-	3,513.65
		(ii) Trade payables	20		
		Total outstanding dues of micro enterprises and small enterprises;		707.90	282.83
		Total outstanding dues of creditors other than micro enterprises and small enterprises		10,480.83	10,796.03
		(iii) Other financial liabilities	21	1,420.81	1,394.40
		(iv) Lease liabilities	37	229.65	-
		(b) Provisions	22	278.75	162.98
		(c) Other current liabilities	23	316.29	411.88
		(d) Current tax liabilities (net)	24	736.36	116.94
		Total Current Liabilities		**14,170.59**	**16,678.71**
		Total Liabilities		**14,967.00**	**17,093.47**
		Total Equity and Liabilities (1+2+3)		**52,907.06**	**46,885.20**

See accompanying notes to the Ind AS financial statements

For and on behalf of the Board of Directors

In terms of our report attached.
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
FRN : 117366W/W-100018

Sameer Rohatgi
Partner

Manish Bhatia
Managing Director & CEO
DIN: 08310936

Partha Mitra
Director
DIN: 00335205

Raghav Shukla
Company Secretary
M. No. F5252

S. Chatterjee
Chief Finance Officer
PAN : ABVPC5782H

Place : Gurugram
Date : February 03, 2021

Place : Noida
Date : February 03, 2021

Place : Kolkatta
Date : February 03, 2021

Statement of Profit and Loss

For the year ended December 31, 2020
All amounts in Rupees in Lakhs, unless otherwise stated

Particulars	Note No.	Year ended December 31, 2020	Year ended December 31, 2019
I Revenue from operations	25	60,825.48	79,113.28
II Other income	26	734.71	1,298.75
III Total Income (I + II)		**61,560.19**	**80,412.03**
IV Expenses			
(a) Cost of materials consumed	27(a)	40,270.22	52,518.13
(b) Purchases of stock-in-trade	27(b)	2,618.81	3,196.08
(c) Changes in stock of finished goods, stock-in-trade and work-in-progress	28	(213.46)	2,171.71
(d) Employee benefits expense	29	7,542.42	6,967.85
(e) Finance costs	30	189.97	465.69
(f) Depreciation and amortisation expense	31	1,472.34	1,116.60
(g) Other expenses	32	8,354.65	12,229.40
V Total expenses		**60,234.95**	**78,665.46**
VI Profit before exceptional item and tax (III - V)		**1,325.24**	**1,746.57**
VII Exceptional item			
Profit on Sale of Land	16	9,762.53	-
VIII Profit before tax (VI + VII)		**11,087.77**	**1,746.57**
IX Tax Expense			
(1) Current tax		2,522.50	617.42
(2) Deferred tax credit	8	(24.77)	(715.52)
Total tax expense/ (income)		**2,497.73**	**(98.10)**
X Profit for the year (VIII - IX)		**8,590.04**	**1,844.67**
XI Other comprehensive loss			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement loss of the defined benefit liabilities		(38.30)	(54.87)
(ii) Tax credit on above		9.64	13.81
Total other comprehensive income/ (Loss)		**(28.66)**	**(41.06)**
XII Total comprehensive income for the year (X+XI)		**8,561.38**	**1,803.61**
XIII Earnings per equity share (of Rs 10 each):			
(1) Basic	41	93.58	20.10
(2) Diluted	41	93.58	20.10

See accompanying notes to the Ind AS financial statements

For and on behalf of the Board of Directors

In terms of our report attached.
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
FRN : 117366W/W-100018

Sameer Rohatgi
Partner

Manish Bhatia
Managing Director & CEO
DIN: 08310936

Partha Mitra
Director
DIN: 00335205

Raghav Shukla
Company Secretary
M. No. F5252

S. Chatterjee
Chief Finance Officer
PAN : ABVPC5782H

Place : Gurugram
Date : February 03, 2021

Place : Noida
Date : February 03, 2021

Place : Kolkatta
Date : February 03, 2021

Cash Flow Statement

For the year ended December 31, 2020
All amounts in Rupees in Lakhs, unless otherwise stated

Particulars		As at December 31, 2020	As at December 31, 2019
A.	**Cash flow from operating activities:**		
	Profit for the year	11,087.77	1,746.57
	Adjustments for:		
	Finance costs	189.97	465.69
	Depreciation and amortisation	1,472.34	1,116.60
	Bad trade and other receivables, loans and advances written off	57.38	66.30
	Exceptional item - Profit on sale of land (Refer Note 16)	(9,762.53)	-
	Loss on disposal of property, plant and equipment (net)	0.07	1.41
	Property, plant and equipment written off	36.85	76.70
	Provision for doubtful debts on trade receivables and advances (net)	(138.09)	607.66
	Liabilities no longer required written back	(53.09)	(151.44)
	Interest income	(226.56)	(924.26)
	Unrealised foreign exchange (gain)/ loss	(0.38)	(3.92)
	Operating profit before working capital changes	**2,663.73**	**3,001.31**
	Adjustments for changes in working Capital:		
	- Increase/ (decrease) in trade payables	114.95	(7,928.61)
	- Increase/ (decrease) in short term provisions	77.47	(66.19)
	- Increase/(decrease) in long term provisions	36.72	42.93
	- Increase/(decrease) in other current liabilities	(95.59)	0.35
	- Increase/(decrease) in Other financial liabilities	(81.51)	300.08
	- (Increase)/decrease in other non current assets	47.88	19.85
	- (Increase)/decrease in non current financial assets	(11.45)	57.47
	- (Increase)/ decrease in inventories	(413.89)	4,092.63
	- (Increase)/ decrease in trade receivables	1,964.52	3,751.37
	- (Increase)/ decrease in current financial assets	103.70	407.09
	- (Increase)/ decrease in other current assets	144.79	2,380.95
	Cash generated from operating activities	**4,551.32**	**6,059.23**
	- Net income tax paid	(2,123.94)	(209.37)
	Net cash generated from operating activities	**2,427.38**	**5,849.86**
B.	**Cash flow from investing activities:**		
	Capital expenditure on property, plant and equipment (including capital advances)	(605.39)	(1,196.81)
	Proceeds from sale of property, plant and equipment	2.57	3.79
	Proceeds from sale of land (net of expenses paid)	10,150.00	(4,350.00)
	Change in bank balances other than cash and cash equivalents	(5,895.13)	1,647.10
	Interest received	164.15	219.65
	Net cash from/(used) in investing activities	**3,816.19**	**(3,676.27)**

Cash Flow Statement *(Contd.)*
All amounts in Rupees in Lakhs, unless otherwise stated

Particulars	As at December 31, 2020	As at December 31, 2019
C. Cash flow from Financing activities:		
Net repayment of borrowings	(3,513.65)	(1,556.99)
Finance costs paid	(221.88)	(601.62)
Repayment of lease liability	(281.86)	-
Dividend paid	(413.05)	-
Net Cash used in Financing activities	**(4,430.44)**	**(2,158.61)**
Net Increase/(Decrease) in cash & cash equivalents	**1,813.13**	**14.98**
Cash and cash equivalents as at beginning of the year	**1,493.29**	**1,478.31**
Cash and cash equivalents as at end of the year	**3,306.42**	**1,493.29**
Cash and cash equivalents comprise (Refer Note to 13)		
Cash on hand	0.44	0.75
Balance with banks		
- In current accounts	2,655.98	1,492.54
- In deposit accounts (with original maturity of less than 3 months)	650.00	-
	3,306.42	**1,493.29**

See accompanying notes to the Ind AS financial statements

For and on behalf of the Board of Directors

In terms of our report attached.
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
FRN : 117366W/W-100018

Sameer Rohatgi
Partner

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S. Chatterjee
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PAN : ABVPC5782H

Place : Gurugram
Date : February 03, 2021

Place : Noida
Date : February 03, 2021

Place : Kolkatta
Date : February 03, 2021

Statement of changes in equity

for the period ended December 31, 2020
All amounts in Rupees in Lakhs, unless otherwise stated

a. Equity share capital (Figures in Rs)

Balance as at January 1, 2019	9,17,89,770
Changes in equity share capital during the year	-
Balance as at December 31, 2019	9,17,89,770
Changes in equity share capital during the year	-
Balance as at December 31, 2020	9,17,89,770

b. Other equity

Particulars	Reserves and Surplus				Total
	General reserves	Securities premium	Capital reserve	Retained earnings	
Balance as at January 1, 2019	6,559.12	6,548.08	0.59	13,962.43	27,070.22
Profit for the year	-	-	-	1,844.67	1,844.67
Other comprehensive income/ (Loss), net of tax	-	-	-	(41.06)	(41.06)
Balance as at December 31, 2019	**6,559.12**	**6,548.08**	**0.59**	**15,766.04**	**28,873.83**
Profit for the year	-	-	-	8,590.04	8,590.04
Other comprehensive income/ (Loss), net of tax	-	-	-	(28.66)	(28.66)
Dividend paid	-	-	-	(413.05)	(413.05)
Balance as at December 31, 2020	**6,559.12**	**6,548.08**	**0.59**	**23,914.37**	**37,022.16**

Notes:

Securities premium: This represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve: This is created by an appropriation from one component of other equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.

Retained earnings: This represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This can be utilised in accordance with the provisions of Companies Act, 2013.

See accompanying notes to the Ind AS financial statements

For and on behalf of the Board of Directors

In terms of our report attached.
For **DELOITTE HASKINS & SELLS LLP**
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FRN : 117366W/W-100018

Sameer Rohatgi
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PAN : ABVPC5782H

Place : Gurugram
Date : February 03, 2021

Place : Noida
Date : February 03, 2021

Place : Kolkatta
Date : February 03, 2021

Notes to the financial statements

for the year ended December 31, 2020
All amounts in Rupees in Lakhs, unless otherwise stated

1. General information

"DIC India Limited ('DIC' or 'the Company') [CIN:L24223WB1947PLC015202] is a public limited company incorporated on April 02, 1947. The Company is a subsidiary of DIC Asia Pacific Pte Limited, Singapore and the ultimate holding Company is DIC Corporation, Japan. The Company is listed on Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and Calcutta Stock Exchange(CSE). The Company is engaged in the business of manufacturing of printing inks, which covers newsprint ink, offset ink and liquid ink used in newspapers, other publications and packaging industries. The Company also provides lamination adhesive. The Company has four manufacturing plants one each at Kolkata (West Bengal), Noida (Uttar Pradesh), Ahmedabad (Gujarat) and Bangalore (Karnataka) and its registered office is situated at Kolkata, West Bengal, India.

The accompanying Indian Accounting Standards (Ind AS) (as amended) financial statements reflect the results of the activities undertaken by the Company during the year ended December 31, 2020."

2. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from January 1, 2021.

3. Significant accounting policies

3.1 Statement of compliance

The financial statements are prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time as notified under Section 133 of the Companies Act 2013, the relevant provision of the Companies Act 2013 ("the Act").

3.2 Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on above basis, except measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

The principal accounting policies are set out below.

3.3 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes collected on behalf of the government which are levied on sales such as GST, sales tax, value added tax, etc.

Revenue is recognized when control of the promised goods or services is transferred to the customers, at an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

Sale of goods

The transfer of control on sale of goods occurs when the goods are dispatched and title have passed, depending upon the contractual conditions.

Rendering of services

Revenue from rendering of services are recognised on satisfaction of performance obligations towards rendering of such services, as and when the services are rendered in accordance with the specific terms of contract with customers.

3.4. Other income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Claims/counter-claims/penalties/awards are accounted for in the year of its settlement.

3.5. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company's lease asset classes primarily consist of leases for Leasehold land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for

Notes to the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

"ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Also, refer note 37 to the financial statements for disclosure."

3.6 Foreign currencies

"The functional currency of the Company is Indian Rupees (INR) which represents the currency of the primary economic environment in which it operates.

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange difference arising in respect of foreign currency monetary items is recognised in the statement of profit and loss."

3.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

3.8 Employee benefits

(a) Short-term Employee Benefits

All employee benefits which are expected to be settled in twelve months at the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(b) Post-employment benefits:

Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

(i) Defined Contribution Plans

Contributions to defined contribution schemes such as superannuation scheme are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the

employees. The Company contributes a certain percentage of the eligible salary for employees covered under the scheme towards superannuation fund administered by the Trustees. The Company has no further obligations for future superannuation benefits other than its contributions. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(ii) Defined Benefit Plans

Defined benefit plans comprises of gratuity, provident fund, pension fund and retirement benefit plan and are explained as mentioned below:

1. Gratuity

   In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the Gratuity Fund Trustees fund managers. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method.

2. Provident Fund

   Certain employees of the Company receive provident fund benefits, which are administered by the Provident Fund Trust set up by the Company. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employees and the Company make monthly contributions at specified percentage of the employees' salary to such Provident Fund Trust. The Contribution is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. Company's contribution to the provident fund is charged to Statement of Profit and Loss.

3. Pension Fund

   The Company has discontinued the Defined Pension Benefit scheme with effect from May 1, 2009 and all the employees who were members of the erstwhile Defined Pension Benefit scheme have been brought under the Defined Contribution superannuation scheme. The Company's obligation in respect of pension plan till April 30, 2009 is actuarially determined at the end of each year by discounting the present value of crystallised pension as at April 30, 2009.

4. Retirement Benefits

   Liability accrued during the year in respect of retirement benefit payable to certain employees governed by agreement with the unions representing them are treated as a defined benefit plan. As per the scheme, a lumpsum benefit is paid to the eligible employees on cessation of service with the Company.

   "For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

   - service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
   - net interest expense or income; and
   - remeasurement

Notes to the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

(c) Other Long-term Employee Benefits (unfunded)

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The cost of providing other long-term employee benefits (Leave Encashment) is determined using Projected Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Other long-term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

(d) Termination Benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur.

3.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as a Deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.10 Property, plant and equipment

The Company had elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as of January 1, 2017 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. Cost includes net of interest on capital advances and duty credits and is inclusive of freight, duties, taxes (not recoverable) and other incidental expenses. In respect of assets due for capitalization, where final bills/claims are to be received/passed, the capitalisation is based on the engineering estimates. Final adjustments, for costs and depreciation are made retrospectively in the year of ascertainment of actual cost and finalisation of claim. Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS 16 when they meet the definition of property, plant and equipment.

Capital work in progress (CWIP) is stated at cost.The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary. CWIP are not yet ready for their intended use and the cost of assets not put to use before the Balance Sheet date.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

3.10.1 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on property, plant & equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of the certain categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful life of various property, plant & equipment is as under:-

(a) Buildings- 3 to 60 years, written down value method

(b) Vehicles- 2 to 16 years, written down value method

(c) Furniture and fixtures- 2 to 30 years, written down value method

(d) Office equipment- 2 to 30 years, written down value method

(e) Plant and equipment used in manufacturing- 2 to 20 years, straight-line method

(f) Computer- 3-10 years, straight-line method

On Plant and equipment and computer as mentioned above in (e) and (f) above, depreciation is provided on straight line method over the useful lives. On all other tangible assets, depreciation is provided on written down value method over the useful lives.

Freehold land is not depreciated.

The estimated useful life, residual life and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. In respect of assets whose useful lives has been revised, the unamortised depreciable amount is charged over the revised remaining useful lives of the assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Notes to the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

3.11 Intangible Assets

The Company had elected to continue with the carrying value of all of its intangible assets recognised as of January 1, 2017 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

Expenditure on computer software, which is not an integral part of hardware, is capitalised as an intangible asset. The cost of software includes license fee and implementation cost and is capitalised in the year of its implementation. Computer Software are amortised on a straight-line basis over their estimated useful life of four years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3.12 Impairment of Non-financial assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Component of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

3.13 Inventories

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

Cost is determined on first-in-first-out formula for all categories of inventories except stores and spare parts for which it is determined under weighted average formula. Cost includes expenditure incurred in the normal course of business in bringing inventories to its present location, condition, direct labour and related production overheads, where applicable.

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

Inventories are written down for obsolete / slow-moving/ non-moving items, wherever necessary.

3.14 Provisions & Contingent Liabilities

a. Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

b. Contingent Liabilities

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.

3.15 Earnings per share (EPS)

Basic earnings per share ('EPS') is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the result would be anti-dilutive.

3.16 Cash and Cash equivalent and cash flow statement

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.17 Segment Reporting

The Company's segmental reporting is in accordance with Ind AS 108 Operating Segments. Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors, which is responsible for allocating resources and assessing performance of the operating segments, and has been identified as the chief operating decision maker.

3.18 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.19 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

3.19.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

Notes to the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 3.19.4.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in statement of profit or loss for FVTOCI debt instruments.

All other financial assets are subsequently measured at fair value.

3.19.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in statement of profit or loss and is included in the "Other income" line item.

3.19.3 Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

3.19.4 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables and other financial assets.

Expected Credit loss 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 Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account risk profiling of customers and historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

3.19.5 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received is recognised in the statement of profit and loss.

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

3.20.1 Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.20.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

3.20.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

3.20.3.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

3.20.3.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL, are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.20.3.3 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

3.20.3.4 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged,

Notes to the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.21 Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss.

3.22 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

3.23 Government grant

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The Company receive government grants in the form of Merchandise Exports from India Scheme (MEIS) which are issued as export benefits and are recognised as revenue grants. MEIS scrips are recognised as Other Income in the Statement of Profit and Loss at the time of submission of application to the concerned Government authority after ascertaining the amount of benefit permissible under the scheme.

4. Critical accounting estimates and assumptions

In the application of the Company's accounting policies, which are described in note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Defined benefit plans

The cost of the defined benefit plan and the present value are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b) Useful life of Property, plant and equipment

Property, plant and equipment (asset) represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

c) Impairment of Property, plant and equipment

Property, plant and equipment are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of the cash generating unit is higher of value in use and fair value less cost of disposal. The calculation of value in use and fair value of a cash generating unit involves use of significant estimates and assumptions which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions, sale price of comparable assets.

d) Taxes

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability, the Company considers whether the entity has sufficient taxable temporary differences, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Notes forming part of the financial statements

All amounts in Rupees in Lakhs, unless otherwise stated

5. Property, plant and equipment and Capital work-in-progress

Carrying amount of	**As at December 31, 2020**	As at December 31, 2019
Land-Freehold	96.07	96.07
Buildings	1,170.18	1,273.75
Plant and Equipments	4,020.61	4,385.09
Furniture and Fixtures	89.33	73.27
Vehicles	1.10	0.70
Office Equipment	7.09	7.77
Computers	129.72	84.66
Total	**5,514.10**	**5,921.31**
Capital work-in-progress	105.09	136.08
	5,619.19	**6,057.39**

Description of assets	**Land-Freehold**	**Buildings**	**Plant and equipment**	**Furniture and Fixtures**	**Vehicles**	**Office Equipment**	**Computers**	**Total**
I. Cost								
Balance as at January 1, 2019	96.07	1,729.64	7,429.19	206.33	3.39	5.47	190.35	9,660.44
Additions during the year	-	365.81	949.03	30.33	-	4.97	59.48	1,409.62
Deletions during the year	-	92.71	111.84	28.50	1.11	0.16	15.26	249.58
Balance as at December 31, 2019	**96.07**	**2,002.74**	**8,266.38**	**208.16**	**2.28**	**10.28**	**234.57**	**10,820.48**
Balance as at January 1, 2020	96.07	2,002.74	8,266.38	208.16	2.28	10.28	234.57	10,820.48
Additions during the year	-	68.43	482.85	70.51	1.14	4.07	109.83	736.83
Deletions during the year	-	16.80	30.30	1.90	0.47	1.03	3.43	53.93
Balance as at December 31, 2020	**96.07**	**2,054.37**	**8,718.93**	**276.77**	**2.95**	**13.32**	**340.97**	**11,503.38**
II. Accumulated depreciation and impairment								
Balance as at January 1, 2019	-	599.72	3,129.42	115.78	2.37	1.72	112.32	3,961.33
Depreciation expense	-	151.69	858.15	42.01	0.21	0.94	52.55	1,105.55
Eliminated on disposal of assets	-	22.42	106.28	22.90	1.00	0.15	14.96	167.71
Balance as at December 31, 2019	**-**	**728.99**	**3,881.29**	**134.89**	**1.58**	**2.51**	**149.91**	**4,899.17**
Balance as at January 1, 2020	-	728.99	3,881.29	134.89	1.58	2.51	149.91	4,899.17
Depreciation expense	-	157.04	827.16	53.03	0.42	3.90	63.00	1,104.55
Eliminated on disposal of assets	-	1.84	10.13	0.48	0.15	0.18	1.66	14.44
Balance as at December 31, 2020	**-**	**884.19**	**4,698.32**	**187.44**	**1.85**	**6.23**	**211.25**	**5,989.28**
Net block (I-II)								
Balance as at December 31, 2020	**96.07**	**1,170.18**	**4,020.61**	**89.33**	**1.10**	**7.09**	**129.72**	**5,514.10**
Balance as at December 31, 2019	96.07	1,273.75	4,385.09	73.27	0.70	7.77	84.66	5,921.31

Note:

5.1 During the year 2017, consequent to losses incurred in adhesive division and after evaluation of the expected future performance of the division, the management had performed an impairment testing of property, plant and equipment and capital work-in-progress of the adhesive division and impaired the value of its property, plant and equipment and capital work-in-progress to the extent of Rs. 1161.66 Lakhs and capital work-in-progress to the extent of Rs. 44.26 Lakhs. While recognising the impairment loss, the Company had considered its adhesive business division as a cash generating unit, in keeping with the accounting policy on Impairment set out in Note 3.12, and the value in use as the recoverable amount. The Company had used a discount rate of 12% for discounting future cash flows while estimating the value in use.

During the current year, the financial performance of Adhesive segment has improved. As a result of this, the management has carried out an assessment of impaired adhesive division as per Ind AS 36- Impairment of assets using "Discounted cash flow method" and noted that the adhesive division has been negatively valued. The Company have used a discount rate of 12% for discounting future cash flows while estimating the value in use. Based on the above assessment, the management has continued with the impairment charge recorded in the previous year ending December 31, 2017 in respect of Adhesive division as per above assessment made by the management.

5.2 During the current year, the management has carried out an assessment as per Ind AS 36- Impairment of assets for its printing ink business. In view of the management, the higher of discounted cash flow and net realisable value of its ink business is more than its the carrying value and no impairment is required to be recognised under Ind AS 36.

6. Intangible assets

Carrying amount of	**As at 31 December 2020**	As at 31 December 2019
Computer software	23.79	17.57

Description of Assets	**Computer Software**
I. Cost	
Balance as at January 1, 2019	73.93
Additions during the year	-
Deletions during the year	-
Balance as at December 31, 2019	**73.93**
Deemed cost as at January 1, 2020	73.93
Additions during the year	18.36
Deletions during the year	-
Balance as at December 31, 2020	**92.29**
II. Accumulated depreciation	
Balance as at January 1, 2019	45.28
Amortisation expense	11.08
Eliminated on disposal of assets	-
Balance as at December 31, 2019	**56.36**
Balance as at January 1, 2020	56.36
Amortisation expense	12.14
Eliminated on disposal of assets	-
Balance as at December 31, 2020	**68.50**
Net block (I-II)	
Balance as at December 31, 2020	**23.79**
Balance as at December 31, 2019	17.57

7. Other financial assets

Particulars	**As at 31 December 2020**	As at 31 December 2019
Unsecured, considered good unless otherwise stated		
(a) Deposits with lessors and others	348.39	361.60
(b) Advance to employee	-	0.38
(c) Lease Receivables (Refer to note 37 (ii))	-	31.63
(d) Receivables from disposal of land (refer note 16)	1,750.00	-
(e) Interest accured on receivables from disposal of land	56.67	-
Total	**2,155.06**	**393.61**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

8. Deferred tax assets (net)

The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet:

Particulars	As at 31 December 2020	As at 31 December 2019
Deferred tax assets	763.74	729.33
	763.74	**729.33**

Particulars	Balance as on January 1, 2019	Recognised in profit and Loss	Recognised in other comprehensive income	Balance as on December 31, 2019
Deferred tax assets				
(i) Provision for doubtful debts	-	273.21	-	273.21
(ii) Provision for employee benefits	-	148.73	13.81	162.54
(iii) Property, plant and equipment's and intangible assets	-	151.67	-	151.67
(iv) Expenses allowable for tax purpose on payment	-	141.91	-	141.91
Net deferred tax assets	**-**	**715.52**	**13.81**	**729.33**

Particulars	Balance as on January 1, 2020	Recognised in profit and Loss	Recognised in other comprehensive income	Balance as on December 31, 2020
Deferred tax assets				
(i) Provision for doubtful debts	273.21	(34.76)	-	238.45
(ii) Provision for employee benefits	162.54	11.60	9.64	183.78
(iii) Property, plant and equipment's and intangible assets	151.67	43.86	-	195.53
(iv) Expenses allowable for tax purpose on payment	141.91	4.07	-	145.98
Net deferred tax assets	**729.33**	**24.77**	**9.64**	**763.74**

Note:

The Company is of view that it is probable that sufficient taxable income will be available to set off deferred tax created and hence, deferred tax assets amounting to Rs 763.74 Lakhs (December 31, 2019: Rs 729.33 Lakhs) has been created in books of account, as required under IND- AS 12 'Income Taxes'.

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before income tax is summarized below :a

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Profit before tax as per statement of Profit and loss	11,087.77	1,746.57
Income tax expenses calculated on income other than profit on sale of Land at 25.168%	333.54	439.58
Income tax expenses calculated on profit on sale of Land at 22.88%	2,171.31	-
Adjustments in respect of unrecognised deferred tax assets of previous years	-	(243.27)
Utilisation of previously unrecognised tax losses	-	(129.41)
Adjustments in respect of differences in current tax rates and deferred tax rates	-	(118.29)
Others	(7.12)	(46.71)
Income tax expense recognised in profit or loss	**2,497.73**	**(98.10)**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

9. Other non current assets

Particulars	As at December 31, 2020	As at December 31, 2019
Unsecured, Considered good unless otherwise stated		
(a) Capital advances	48.79	27.76
(b) Prepaid expenses	86.40	137.52
(c) Deferred rent expense	22.05	24.02
(d) Prepaid lease payments	-	1,859.07
(e) Balance with banks		
(i) Balance held as margin money or security against guarantees and other commitments	4.28	-
(ii) In deposit accounts (with original maturity of more than 12 months)	0.93	-
Total	**162.45**	**2,048.37**

10. Non current tax assets

Particulars	As at December 31, 2020	As at December 31, 2019
Advance tax and tax deducted at source receivable	3,199.74	4,033.83
Provision for income tax	(2,482.89)	(3,537.84)
Total	**716.85**	**495.99**
11. Inventories		
(a) Raw material	4,852.25	4,606.87
(b) Work-in-progress	1,284.21	1,311.90
(c) Finished Goods	3,541.42	3,493.66
(d) Stock- in- trade	284.44	91.05
(e) Store and spares	194.36	251.77
(f) Containers	105.78	93.32
Total	**10,262.46**	**9,848.57**
Details of stock in transit included in inventories above		
(a) Raw materials	685.20	571.28
(b) Finished Goods	511.63	702.84
(c) Stock- in- trade	-	3.84
Total goods-in-transit	**1,196.83**	**1,277.96**

11.1 The cost of inventories recognised as an expense during the year in respect of operations was Rs. 44,394.83 Lakhs (For the year ended December 31, 2019: Rs. 60,308.48 Lakhs).

11.2 The cost of inventories recognised as an expense includes Rs. 8.02 Lakhs (writeback in December 2019: Rs. 49.97 Lakhs) in respect of write-downs of inventory to net realisable value. The provision for net realisable value has been increased to Rs. 22.62 Lakhs (December 2019: Rs. 14.59 Lakhs). Previous write-downs have been reversed as a result of increased sales prices in certain markets.

11.3 The mode of valuation of inventories has been stated in Note 3.13.

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

12. Trade receivables

Particulars	**As at December 31, 2020**	**As at December 31, 2019**
Current		
(a) Secured, considered good	965.55	885.46
(b) Unsecured, considered good	17,223.57	19,190.55
(c) Unsecured, considered doubtful	947.46	1,085.55
	19,136.58	21,161.56
Less: Allowance for doubtful debts (expected credit loss allowance)	947.46	1,085.55
Total	**18,189.12**	**20,076.01**

12.1 The average credit period on sales of goods is 30 to 120 days. No interest is charged on the trade receivables for the amount overdue above the credit period. There are no customers who represent more than 5% of the total balance of trade receivables.

12.2 The Company assesses the potential customer's credit quality and defines credit limits by customer.

12.3 The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix under simplified approach. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due. For computation of expected credit loss allowance, the Company excludes inter company balances and trade receivables which are secured by dealer deposits. Based on internal assessment which is driven by the historical experience and current facts available in relation to default and delays in collection thereof, the credit risk for these trade receivables is considered low. The provision matrix at the end of the reporting period is as follows:

Ageing wise % of expected credit loss	**Year ended December 31, 2020**	**Year ended December 31, 2019**
Within the credit period	0%-2.51%	0%-3.21%
90 days overdue	0.61%-3.65%	1.08%-4.87%
91-180 days overdue	3.92%-11.56%	3.92%-15.45%
181-270 days overdue	4.10%-57.25%	4.92%-74.15%
271-365 days overdue	100.00%	100.00%
More than 365 days overdue	100.00%	100.00%
Age of receivables	**Year ended December 31, 2020**	**Year ended December 31, 2019**
Within the credit period	15,804.18	16,935.57
90 days overdue	2,594.81	3,350.22
91-180 days overdue	20.45	341.89
181-270 days overdue	143.16	126.04
271-365 days overdue	116.02	143.80
More than 365 days overdue	457.96	264.04
	19,136.58	**21,161.56**
Movement in the expected credit loss allowance	**Year ended December 31, 2020**	**Year ended December 31, 2019**
Balance at the beginning of the year	1,085.55	477.89
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(138.09)	607.66
Balance at the end of the year	**947.46**	**1,085.55**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

13. Cash and cash equivalents and Other bank balances

Particulars	As at December 31, 2020	As at December 31, 2019
1. Cash and cash equivalents		
(a) Cash on hand	0.44	0.75
(b) Bank balances		
(i) in current accounts	2,655.98	1,492.54
(ii) In deposit accounts (with original maturity of less than 3 months)	650.00	-
Total-Cash and cash equivalents [A]	**3,306.42**	**1,493.29**
2. Other bank balances		
Balance with banks		
(i) In deposit accounts (with original maturity of more than 3 months upto 12 months)	5,900.68	5.69
(ii) Balances with banks in unpaid dividend accounts	11.72	11.58
Total-Other bank balances [B]	**5,912.40**	**17.27**
Cash and cash equivalents and Other bank balances (A+B)	**9,218.82**	**1,510.56**

14. Other current financial assets

Unsecured, Considered good measured at amortised cost		
(a) Deposits with lessors and others	14.56	24.87
(b) Receivables from related parties	257.35	316.72
(c) Advance to employees	104.19	95.31
(d) Interest accrued on deposits	5.97	0.23
(e) Lease receivable (Refer to note 37 (ii))	-	39.34
(f) Others		
(i) Insurance Claim receivable	11.39	13.74
(ii) Other receivables	4.54	5.63
Measured at Fair Value		
Fair value of foreign currency forward contracts	-	0.12
Total	**398.00**	**495.96**

15. Other current assets

Unsecured, Considered good unless otherwise stated		
(a) Prepaid expense	170.09	374.85
(b) Advance to vendor	550.94	393.16
(c) Prepaid lease payments	-	22.83
(d) Advance contribution to gratuity fund (net) [Refer Note 35]	-	2.72
(e) Balance with government authorities		
(i) Vat credit receivable	4.05	4.05
(ii) Goods and services tax credit receivable	2,174.45	2,279.51
(iii) Duty Drawback receivable	37.53	72.60
(iv) MEIS License receivable	77.85	32.81
Total	**3,014.91**	**3,182.53**

16. Assets classified as held for sale

Freehold land held for sale (refer to note)	-	2,026.22
Building held for sale	-	3.09
	-	**2,029.31**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

"The Board of Directors at its meeting held on February 27, 2020, approved the sale of land of the Company located at Chandivali, Mumbai to Godrej Properties Limited (GPL) at a fixed consideration of Rs 12,000 Lakhs and additional consideration of Rs. 3,300 Lakhs. The additional consideration is contingent on achieving certain milestones with respect to height clearance, to be obtained by the GPL, from the appropriate authorities.

On June 18, 2020, the Conveyance deed in respect of the above Land executed between the Company with GPL, was registered with the appropriate authorities. Pursuant to the above, the Company has handed over the possession of above land to GPL. Accordingly, the Company has recognised profit on sale of above land amounting to Rs. 9,762.53 Lakhs and has disclosed the same as an exceptional item in the financial statements.

The above profit has been computed after deducting the book value of the land and building thereon amounting to Rs 2,029.31 Lakhs and related selling expenses amounting to Rs. 208.16 Lakhs from the fixed consideration of Rs.12,000 lakhs. The remaining contingent consideration of Rs.3,300 lakhs will be recognised in the period when GPL obtains the approval of height clearances from the appropriate authorities.

As per Conveyance deed, the Company has received Rs. 10,250 lakhs (including taxes) and an irrevocable Bank Guarantee amounting to Rs. 1,750 lakhs from GPL towards the fixed consideration of Rs. 12,000 lakhs. The consideration receivable amounting to Rs. 1,750 Lakhs will be received within 18 months of the registration of the conveyance deed or GPL obtaining approval of the height clearances, which ever is earlier.

Subsequent to the above recognition of profit on the sale of above land, there has been no development in respect of the above mentioned additional consideration amount of Rs. 3,300 Lakhs.

17. Equity Share Capital

Particulars	As at December 31, 2020		As at December 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital:				
Equity shares of Rs 10 each with voting rights	1,50,00,000	1,500.00	1,50,00,000.00	1,500.00
Issued, Subscribed and Fully paid:				
Equity shares of Rs 10 each with voting rights	91,78,977	917.90	91,78,977.00	917.90
Total	**91,78,977**	**917.90**	**91,78,977.00**	**917.90**

(i) Rights, preferences and restrictions attached to Equity Shares:

The company has one class of Equity shares having a par value of Rs.10 per Equity Share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shares held by the holding company and its subsidiary:

Particulars	As at December 31, 2020		As at December 31, 2019	
	No. of shares	(% of holding)	No. of shares	(% of holding)
DIC Asia Pacific Pte. Limited, Singapore- Holding Company	6,586,077	71.75	6,586,077	71.75

(iii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at December 31, 2020		As at December 31, 2019	
	No. of shares	(% of holding)	No. of shares	(% of holding)
DIC Asia Pacific Pte. Limited, Singapore- Holding Company	6,586,077	71.75	6,586,077	71.75

(iv) There were no shares issued pursuant to contracts without payment being received in cash, by way of bonus issue and no shares were bought back in the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

17.1 Other equity

Particulars	Reserves and Surplus				Total
	General reserves	Securities premium	Capital reserve	Retained earnings	
Balance as at January 1, 2019	6,559.12	6,548.08	0.59	13,962.43	27,070.22
Profit for the year	-	-	-	1,844.67	1,844.67
Other comprehensive income, net of tax	-	-	-	(41.06)	(41.06)
Balance as at December 31, 2019	**6,559.12**	**6,548.08**	**0.59**	**15,766.04**	**28,873.83**
Profit for the year	-	-	-	8,590.04	8,590.04
Other comprehensive income/ (loss), net of tax	-	-	-	(28.66)	(28.66)
Dividend Paid	-	-	-	(413.05)	(413.05)
Balance as at December 31, 2020	**6,559.12**	**6,548.08**	**0.59**	**23,914.37**	**37,022.16**

Note : For nature and purpose of reserves, refer to statement of changes in equity.

18. Long term provisions

Particulars	As at December 31, 2020	As at December 31, 2019
Provision for employee benefits		
Compensated absence	376.90	337.60
Retirement benefits (Refer note 35)	74.58	77.16
Total	**451.48**	**414.76**

19. Borrowing

Particulars	As at December 31, 2020	As at December 31, 2019
Unsecured- at amortised cost		
Loan repayable on demand		
From a Bank working capital loan (refer note (i)	-	3,000.00
Secured- at amortised cost		
Bank overdraft (refer note (ii))	-	513.65
Total	**-**	**3,513.65**

Notes:

(i) The weighted average rate of interest on above borrowings is 6.97% (December 31, 2019:7.67%)

(ii) The Company's borrowings from the Consortium of Banks (bank overdraft) are secured by first pari pasu charge on inventory and trade receivables of the Company, both present and future.

20. Trade payables

Particulars	As at December 31, 2020	As at December 31, 2019
Total outstanding dues of micro enterprises and small enterprises; (Refer note 34)	707.90	282.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,480.83	10,796.03
Total	**11,188.73**	**11,078.86**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

21. Other current financial liabilities

Particulars	As at December 31, 2020	As at December 31, 2019
Measured at amortised cost		
(a) Payables on purchase of property, plant and equipment	149.77	9.94
(b) Deposit from customers	1,044.30	954.61
(c) Interest payable on customer deposits	195.48	231.74
(d) Directors' commission payable	17.35	15.70
(e) Book Overdraft	-	170.83
(f) Unclaimed dividend	11.72	11.58
Measured at Fair Value		
Fair value of foreign currency forward contracts	2.19	-
Total	**1,420.81**	**1,394.40**

22. Short term provisions

Provision for employee benefits		
(a) Gratuity obligation (Refer note 35)	14.57	-
(b) Compensated absence	86.99	100.42
(c) Retirement benefit (Refer note 35)	4.73	6.81
(d) Pension (Refer note 35)	71.01	55.75
(e) Employee restructuring cost (Refer note 35.4)	101.45	-
Total	**278.75**	**162.98**

23. Other current liabilities

(a) Advances from customers	19.03	28.19
(b) Statutory remittances	297.26	383.69
Total	**316.29**	**411.88**

24. Current tax liabilities (net)

(a) Provision for income tax	4,803.40	1,660.00
(b) Advance tax and tax deducted at source receivable	(4,067.04)	(1,543.06)
Total	**736.36**	**116.94**

25. Revenue from operations
The following is an analysis of the company's revenue for the year from operations.

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
(a) Revenue from sale of goods	60,605.25	78,662.94
(b) Other operating income (Refer note: 25(i))	220.23	450.34
Total	**60,825.48**	**79,113.28**

25 (i). Other operating income comprises of

(a) Sale of containers	96.15	115.45
(b) Commission income	0.86	74.50
(c) Duty drawback	64.48	96.95
(d) MEIS License received	45.04	126.26
(e) Insurance claim	13.70	37.17
	220.23	**450.33**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

26. Other income

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
(a) Interest income		
- Interest on bank deposit and others	226.56	117.22
- Interest on refund of Income tax	-	62.34
- Interest on delayed payment on proposed sale of land (Refer note below)	-	744.70
(b) Management/ service fees	295.96	213.79
(c) Provision for doubtful debts written back	138.09	-
(d) Liabilities/ provisions no longer required written back	53.09	151.44
(e) Miscellaneous receipts	21.01	9.26
Total	**734.71**	**1,298.75**

Note :

Interest on delayed payment on proposed sale of land in Mumbai in previous year represents the interest accrued for the period January 01, 2019 to June 30, 2019 on delayed payments from the erstwhile buyer.

27 (a) Cost of materials consumed

(i) Raw material		
Opening stock	4,606.87	6,493.70
Add: Purchases	37,749.37	47,115.95
	42,356.24	53,609.65
Less: Closing stock	4,852.25	4,606.87
Cost of materials consumed - raw material	**37,503.99**	**49,002.78**
(ii) Containers		
Opening stock	93.32	160.83
Add: Purchases	2,778.69	3,447.84
	2,872.01	3,608.67
Less: Closing stock	105.78	93.32
Cost of materials consumed - containers	**2,766.23**	**3,515.35**
Total ((i) +(ii))	**40,270.22**	**52,518.13**

27 (b) Purchase of stock in trade

Purchase of stock in trade	2,618.81	3,196.08
Total	**2,618.81**	**3,196.08**

28 Changes in Inventories of finished goods, work in progress and stock in trade

Inventories at the end of the year:		
Finished goods	3,541.42	3,493.66
Work-in-progress	1,284.21	1,311.90
Stock-in-trade	284.44	91.05
a)	5,110.07	4,896.61
Inventories at the beginning of the year:		
Finished goods	3,493.66	4,991.89
Work-in-progress	1,311.90	1,436.46
Stock-in-trade	91.05	639.97
b)	4,896.61	7,068.32
Net (increase) / decrease in inventory c)=(b) - (a)	**(213.46)**	**2,171.71**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

29. Employee benefits expense

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
(a) Salaries and wages, including bonus	6,628.66	5,941.58
(b) Contribution to provident and other fund (Refer note 35)	459.60	490.75
(c) Staff welfare expenses	454.16	535.52
Total	**7,542.42**	**6,967.85**

30. Finance cost

Interest Expenses		
(a) Borrowings	58.91	387.45
(b) Other borrowing costs		
- Interest on dealer deposit	57.97	64.83
- Interest others	15.32	13.41
(c) Interest expense on lease liabilities (Refer note 37(i))	57.77	-
Total	**189.97**	**465.69**

31. Depreciation and amortisation expenses

(a) Depreciation on Property, plant and equipment	1,104.55	1,105.52
(b) Amortisation on Intangible assets	12.14	11.08
(c) Depreciation of Right-of-use assets (Refer note 37 (i))	355.65	-
Total	**1,472.34**	**1,116.60**

32. Other Expenses

(a) Consumption of stores and spare parts	474.37	744.48
(b) Power and fuel	837.83	1,181.94
(c) Rent (Note 37)	317.76	712.65
(d) Repairs and maintenance - buildings	21.91	111.06
(e) Repairs and maintenance - machinery	331.57	397.98
(f) Repairs and maintenance - others	33.58	27.61
(g) Insurance	225.98	138.86
(h) Rates and Taxes, excluding taxes on income	71.11	90.74
(i) Selling agents' commission	266.60	379.63
(j) Travelling expenses	144.66	411.51
(k) Freight and forwarding	1,976.50	2,720.69
(l) Processing charges	407.06	496.14
(m) Royalty	761.71	919.56
(n) Net Loss on foreign currency transaction, translation and derivatives	129.40	99.24
(o) Provision for doubtful debts on trade receivables and advances (net)	-	607.66
(p) Bad trade and other receivables, loans and advances written off	57.38	66.30
(q) Payments to auditors (Refer Note (i) below)	54.96	52.63
(r) Loss on disposal of property, plant and equipment (net)	0.07	1.41
(s) Expenditure towards corporate social responsibility activities (Refer Note (ii) below)	14.50	-
(t) Property, plant and equipment written off	36.85	76.70
(u) Legal and professional	487.52	867.47
(v) Communication expenses	57.57	86.09
(w) Printing and stationery	23.39	35.77
(x) Outsource expense	394.23	383.51
(y) Miscellaneous expenses	1,228.14	1,619.77
Total	**8,354.65**	**12,229.40**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

Notes:
(i) Auditors' remuneration

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Payments to the auditors comprises (excluding GST):		
(i) As auditors (including quarterly reviews)	39.75	33.00
(ii) For taxation matters	12.00	12.00
(iii) For other services	1.25	4.25
(iv) Auditors out-of-pocket expenses	1.96	3.38
	54.96	**52.63**

(ii) Expenditure on corporate social responsibility

Section 135(5) of the Companies Act, 2013 as amended via Notification No.1/2018 read with the Companies (Corporate social responsibility policy) Rules, 2014, requires that if the Company reports profit in the immediate preceding year, then the board of directors of every eligible Company, shall ensure that the Company spends at least 2% of the average net profits made during the immediately preceding three financial years, in pursuance of its Corporate Social Responsibility Policy. The details of corporate social responsibility expenditure made in during the year is as follows:

(a) Gross amount required to be spent by Company	10.11	-
(b) Amount spent during the year on:		
- Construction/acquisition of any asset	-	-
- on other purposes (paid)	14.50	-

33. Contingent Liabilities and commitments

(a) Contingent Liabilities	As at December 31, 2020	As at December 31, 2019
Claims against the Company not acknowledged as debt:		
(a) Income tax matters	340.47	340.47
(b) Disputed indirect tax matters for which appeals before the relevant authorities are pending disposal are as follows :		
i) Custom duty matters	201.59	201.59
ii) Excise duty matters	283.14	302.83
iii) Service tax matters	172.21	316.79
iv) Sales tax / Value added tax / Entry tax matters	63.69	73.71
(c) other Cases	-	211.24

The Company has been legally advised that the above demand are likely to be either deleted or substantially reduced and accordingly no provision has been made in the books of account.

(b) Commitment

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	210.47	220.76

(ii) The Company has other commitments, for purchase orders which are issued after considering requirements per operating cycle for purchase of services, employee's benefits. The Company does not have any other long term commitments or material non-cancellable contractual commitments /contracts, including derivative contracts for which there were any material foreseeable losses.

(c) There has been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(d) Based upon the legal advise obtained by the management, there are various interpretation issues and thus the management is in the process of evaluating the impact of the recent Supreme Court Judgement in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952.

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

34. Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

In terms of notification dated September 4, 2015 issued by the Central Government of India, the disclosure related trade payables as at December 31, 2020 are as follows:

Particulars	As at December 31, 2020	As at December 31, 2019
Balance of trade payables as at the end of the year		
Total outstanding dues of micro enterprises and small enterprises	707.90	282.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,480.83	10,796.03
	11,188.73	**11,078.86**
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	707.90	282.83
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	1,079.95	789.57
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	9.58	9.06
(v) The amount of interest accrued & remaining unpaid at the end of the accounting year	65.79	56.21
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

The above disclosure is based on information available with the Company regarding status of the suppliers as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

35. Employee benefit plan

35.1 Defined contribution plans

During the year the Company has recognised an amount of Rs. 176.47 lakhs (December 31, 2019 Rs. 189.71 lakhs) as expenditure towards defined contribution plans of the Company.

35.2 Defined benefit plans

The Company offers the employee benefit schemes of Pension (funded), Gratuity (funded) and Retirement benefit (unfunded) to its employees. Benefits payable to eligible employees of the Company with respect to these schemes, defined benefit plans are accounted for on the basis of an actuarial valuation as at the balance sheet date.

The present value of defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.
These plans typically expose the Company to actuarial risks such as:

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows

	Valuation as at	
Financial assumption	**As at December 31, 2020**	**As at December 31, 2019**
Pension Fund		
Interest rate for discounting	5.40%	6.63%
Salary increase rate	0.00%	0.00%
Expected rate of return on plan assets	5.40%	6.63%
Gratuity Obligation		
Interest rate for discounting	6.25%	6.86%
Salary increase rate:		
(a) Management staff	5.00%	5.00%
(b) Union staff	4.00%	4.00%
Expected rate of return on plan assets	6.25%	6.86%
Retirement Benefit		
Interest rate for discounting	6.25%	6.84%
Salary increase rate	0.00%	0.00%

(i) Amount recognised in the Balance sheet are as follows

		Pension	Gratuity	Retirement benefit
Present value of defined benefit obligation	2020	194.19	1,114.23	79.31
	2019	201.25	1,087.70	83.97
Fair value of plan assets	2020	123.18	1,099.66	-
	2019	145.50	1,090.42	-
Net asset / (liability)	2020	(71.01)	(14.57)	(79.31)
	2019	(55.75)	2.72	(83.97)
Experience adjustments on plan assets [gain/ (loss) during the year]	2020	5.01	23.62	-
	2019	2.73	26.87	-
Experience adjustments on obligations [(gain)/ loss during the year]	2020	6.26	(8.56)	1.20
	2019	13.42	2.30	1.37

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

(ii) Amount recognised in the Statement of Profit and Loss and Other comprehensive loss are as follows

		Pension	Gratuity	Retirement benefit
Current service cost	2020	-	81.43	4.77
	2019	-	74.06	5.26
Interest cost	2020	3.01	(2.84)	4.75
	2019	2.39	(2.80)	4.85
Expected return on plan assets	2020	-	-	-
	2019	-	-	-
Actuarial loss/(gain)- Other comprehensive loss	2020	12.25	24.23	1.82
	2019	17.31	32.15	5.41
Total expense*	2020	15.26	102.82	11.34
	2019	19.70	103.41	15.52
Recognised in statement of Profit and Loss	2020	3.01	78.59	9.52
	2019	2.39	71.26	10.11
Actuarial loss/(gain) recognised in Other comprehensive loss	2020	12.25	24.23	1.82
	2019	17.31	32.15	5.41

* Recognised under "Contribution to Provident and Other Funds" in Note 29 for Pension, Gratuity and under "Staff welfare expenses" in Note 29 for retirement benefit.

(iii) Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligation

		Pension	Gratuity	Retirement benefit
Opening present value of defined benefit obligation	2020	201.25	1,087.70	83.97
	2019	234.90	1,055.27	73.45
Current service cost	2020	-	81.43	4.77
	2019	-	74.06	5.26
Interest cost	2020	9.94	62.81	4.75
	2019	13.35	66.65	4.85
Past service cost	2020	-	-	-
	2019	-	-	-
Actuarial loss/(gain)	2020	17.26	47.85	1.82
	2019	20.04	59.02	5.41
Benefits paid	2020	(34.26)	(165.56)	(16.00)
	2019	(67.04)	(167.30)	(5.00)
Closing present value of defined benefit obligation	2020	194.19	1,114.23	79.31
	2019	201.25	1,087.70	83.97

(iv) Reconciliation of Opening and Closing Balances of the Fair Value of plan assets

		Pension	Gratuity
Opening fair value of plan assets	2020	145.50	1,090.42
	2019	198.85	1,031.38
Expected return on plan assets	2020	6.93	65.65
	2019	10.96	69.47
Actuarial gain/ (loss)	2020	5.01	23.62
	2019	2.73	26.87
Contributions by employer	2020	-	85.53
	2019	-	130.00
Benefits paid	2020	(34.26)	(165.56)
	2019	(67.04)	(167.30)
Closing fair value of plan assets	2020	123.18	1,099.66
	2019	145.50	1,090.42

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

(v) Major categories of plan assets as a percentage of Fair Value of the total plan assets

		Pension	Gratuity
Govt. of India Securities/Deposits	2020	42%	5%
	2019	40%	10%
PSU Bonds / State Securities	2020	17%	6%
	2019	15%	0%
Corporate bonds	2020	2%	4%
	2019	0%	9%
Insurance managed funds	2020	8%	85%
	2019	6%	80%
Bank balances	2020	31%	0%
	2019	39%	1%
Total	2020	100%	100%
	2019	100%	100%

(vi) Actual return on plan assets

	2020	2019
Pension	11.94	13.69
Gratuity	89.27	96.34

(vii) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	As at December 31, 2020		As at December 31, 2019	
	Discount rate	Salary increase	Discount rate	Salary increase
Pension Fund				
Decrease in Defined benefit obligation due to increase by 1%	(8.49)	-	(8.97)	-
Increase in Defined benefit obligation due to decrease by 1%	9.17	-	9.74	-
Gratuity Obligation				
Decrease in Defined benefit obligation due to increase by 1%	(91.65)	104.98	(86.57)	99.44
Increase in Defined benefit obligation due to decrease by 1%	105.41	(93.07)	99.17	(88.14)
Retirement Benefit				
Decrease in Defined benefit obligation due to increase by 1%	(5.91)	-	(6.00)	-
Increase in Defined benefit obligation due to decrease by 1%	6.69	-	6.78	-

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

35.3 Defined Benefit plans- Provident Fund

In terms of Guidance on implementing Ind AS 19 on Employee Benefits issued by the Accounting Standard Board of the Institute of Chartered Accountants of India (ICAI), a provident fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet shortfall, if any, on account of interest.

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the balance sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date amounting to Rs. 36.89 Lakhs (December 31, 2019: Rs 28.11 Lakhs) and charge for the current year in 'Contribution to Provident and Other Funds' in Note 29 amounting to Rs. 8.68 Lakhs (December 31, 2019: Rs 11.17 Lakhs). Further during the year, the Company's contribution of Rs. 194.67 Lakhs (2019 - Rs. 221.63 Lakhs) to the Provident Fund Trust has been expensed under the 'Contribution to Provident and Other Funds' in Note 29. Disclosures given hereunder are restricted to the information available as per the Actuary's Report.

	Valuation as at	
	As at December 31, 2020	**As at December 31, 2019**
Discount rate	6.20%	6.86%
Expected yield on plan assets	8.05%	9.50%
Guaranteed interest rate	8.50%	8.65%

35.4 Employee restructuring cost

During the year ended December 31, 2020, the Company initiated a process of restructuring manpower in Kolkata and the Company has considered an estimated provision in this regard in Employee benefits expense.

36. Financial Instruments

(i) Capital management

The Company manages it's capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The Company is not subject to any externally imposed capital requirements. The Company's board of directors reviews the capital structure of the Company on a periodic basis. As part of this review, the Board of directors considers the cost of capital and the risks associated with capital. The Company's gearing ratio at the end of the reporting period was as follows:

Particulars	**As at December 31, 2020**	**As at December 31, 2019**
(a) Debt- Borrowings	-	3,513.65
(b) Cash and cash equivalents	(3,306.42)	(1,493.29)
(c) Net debt	(3,306.42)	2,020.36
(d) Equity (Refer note 1 below)	37,940.06	29,791.73
Net debt to equity ratio (Refer note 2 below)	**0.00%**	**6.78%**

Notes :
1. Equity includes all capital and reserves of the Company that are managed as capital.
2. The Company do not have borrowings as at December 31, 2020. Hence, the debt to equity ratio is zero.

(ii) Category wise details as to carrying value, fair value and the level of fair value measurement hierarchy of the Company's financial instruments are as follows:

	Level	**As at December 31, 2020**	**As at December 31, 2019**
Financial assets			
Measured at amortised cost			
(a) Trade receivables		18,189.12	20,076.01
(b) Cash and cash equivalents		3,306.42	1,493.29
(c) Bank balances other than Cash and cash equivalents		5,912.40	17.27
(d) Other financial assets		2,553.06	818.48
Measured at fair value through profit and loss			
(a) Other financial asset- fair value of derivative instrument	Level 2	-	0.12
Finance lease receivables (Refer to Note 37 (ii))		-	70.97

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

	Level	As at December 31, 2020	As at December 31, 2019
Financial liabilities			
Measured at amortised cost			
(a) Borrowings		-	3,513.65
(b) Trade payables:		11,188.73	11,078.86
(c) Other financial liabilities		1,418.62	1,394.40
(d) Lease liabilities		574.58	-
Measured at fair value through profit and loss			
(a) Other financial liability- fair value of derivative instrument	Level 2	2.19	-

Method/ assumption used to estimate the fair value:

(a) The carrying value of trade receivables, cash and cash equivalents, bank deposits, trade payables, other current financial assets and other current financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.

(b) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

(c) There were no transfers between Level 1, Level 2 and Level 3 of financial assets and liabilities.

(iii) Financial risk management objectives

The Company's management monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of currency risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(iv) 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 foreign currency receivables, deposits and borrowings.

The Company enters into a derivative financial instruments to manage its exposure to foreign currency risk, including forward foreign exchange contracts to hedge the exchange rate risk arising on the imports.

(v) Foreign Currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The Company uses a foreign exchange forward contracts to hedge its exposure in foreign currency risk. The Company generally enters into forward exchange contracts to cover specific foreign currency payments to reduce foreign exchange fluctuation risk.

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

The carrying amounts of the company's foreign currency denominated monetary assets (trade receivables) and monetary liabilities (trade payables) at the end of the reporting period are as follows:

Currency	Liabilities as at		Assets as at	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
USD	12.23	24.90	9.94	13.67
Equivalent amount in INR	893.53	1,774.45	726.58	974.14
EUR	0.62	0.68	-	0.36
Equivalent amount in INR	55.43	54.45	-	28.71
JPY	595.44	986.08	-	55.50
Equivalent amount in INR	421.89	646.48	-	36.39
AUD	0.12	-	-	-
Equivalent amount in INR	6.86	-	-	-

Of the above foreign currency denominated monetary assets and monetary liabilities, foreign currency exposures which have been hedged are as below:

Currency	Liabilities as at		Assets as at	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
USD	4.50	6.00	-	-
Equivalent amount in INR	331.38	427.61	-	-
JPY	25.00	-	-	-
Equivalent amount in INR	17.75	-	-	-

The Company has hedged it's trade payable for Import of raw material. Accordingly, the year end foreign currency exposure that have not been hedged by a derivative instrument or otherwise are given:

Currency	Liabilities as at		Assets as at	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
USD	7.73	18.90	9.94	13.67
Equivalent amount in INR	562.15	1,346.85	726.58	974.14
EUR	0.62	0.68	-	0.36
Equivalent amount in INR	55.43	54.45	-	28.71
JPY	570.44	986.08	-	47.22
Equivalent amount in INR	404.13	646.48	-	29.86
AUD	0.12	-	-	-
Equivalent amount in INR	6.86	-	-	-

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

(v)(a) Foreign Currency sensitivity analysis

The Company is mainly exposed to the fluctuation in the value of USD and JPY. The following table details the company sensitivity to a 10% increase and decrease in INR against the relevant foreign currency. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust there translation at the period end for a 10% change in foreign currency rate. A positive number below indicates an increase in profit or equity where the Rs. strengthens 10% against the relevant currency. For a 10% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit or equity.

	As at December 31, 2020	As at December 31, 2019
USD Impact		
Impact on profit or loss for the year (Gain/Loss)	16.44	(37.27)
Impact on total equity as at the end of the reporting period	16.44	(37.27)
JPY Impact		
Impact on profit or loss for the year (Gain/Loss)	(40.41)	(61.01)
Impact on total equity as at the end of the reporting period	(40.41)	(61.01)

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 10%.

(vi) Interest rate risk management

The Company is subject to variable interest rate on its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company's exposure to interest rates on financial liabilities are detailed in the liquidity risk management.

(vi)(a) Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for disclosing the sensitivity analysis.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's loss for the year ended December 31, 2020 would increase/decrease by Rs Nil (for the year ended December 31, 2019: increase/decrease by Rs 13.47 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings."

(vii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Trade Receivable and other financial assets

The company has adopted a policy of dealing with creditworthy counterparties and obtaining deposits, where appropriate, as a means of mitigating the risk of financial loss from defaults. Before accepting any new customer, the Company assess the potential customers credit quality and defines credit limit by customers. Limits attributed to customer are reviewed annually. Ongoing credit evaluation is performed on the financial condition of accounts receivable. Concentration of credit risk to any counterparty did not exceed 10% of total monetary assets at any time during the year.

Cash and cash equivalents and bank deposits

The Company maintains its cash and cash equivalents and bank deposits with reputed banks. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

(viii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments.

Particulars	December 31, 2020			December 31, 2019	
	Carrying amount	Due in 1st year	Due after 1st year	Carrying 1st year	Due in
Financial Liabilities					
(a) Borrowings	-	-	-	3,513.65	3,513.65
(b) Trade payables	11,188.73	11,188.73	-	11,078.86	11,078.86
(c) Other financial liabilities	1,418.62	1,418.62	-	1,394.40	1,394.40
(d) Lease liabilities	574.58	229.65	344.93	-	-

37. Lease arrangements

(i) Transition to Indas 116

The Company has adopted Ind AS 116 effective January 01, 2020, using the modified retrospective approach without restatement of the comparative period. Leases that were accounted for as operating leases in accordance with Ind AS 17 Leases, are recognised at the present value of the remaining lease payments starting January 01, 2020, and discounted using the lessee's incremental borrowing rate as at the date of initial application. Further, prepaid lease payments amounting to Rs. 1,881.90 Lakhs relating to leasehold land disclosed earlier in other non current assets have now been reclassed to right-of-use assets.

This has resulted in recognising a lease liabilities of Rs. 857.13 Lakhs and right-of-use assets of Rs. 2,739.03 Lakhs. The effect of implementing Standard in the statement of profit and loss for the year ended December 31, 2020 is as under:

Particular	As at December 31, 2020
Depreciation*	332.79
Interest expense	57.77
Lease rental	(335.94)
	54.62

* The depreciation charged does not include leasehold hand depreciation amounting to Rs. 22.86 lakhs.

The weighted average incremental borrowing rate applied to lease liabilities as at January 1, 2020 is 8.00%.

The following is the summary of practical expedients elected on initial application:

1. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
2. Excluded the leases whose lease cost was below Rs. 3.5 Lakhs on grounds of low value lease.

The changes in the carrying value of ROU assets for the year ended December 31, 2020 are as follows:

	Category of ROU Asset				
Description of assets	**Building**	**Leasehold land**	**Vehicle**	**Plant & equipment**	**Total**
I. Cost					
Balance as at January 01, 2020	-	-	-	-	-
Reclassified on account of adoption of IND AS 116	786.55	1,881.90	29.36	41.22	2,739.02
Additions during the period	-	3.83	-	44.13	47.96
Deletions during the period	101.71	-	-	-	101.71
Balance as December 31, 2020	**684.85**	**1,885.73**	**29.36**	**85.35**	**2,685.28**

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

	Category of ROU Asset				
Description of assets	**Building**	**Leasehold land**	**Vehicle**	**Plant & equipment**	**Total**
II. Accumulated depreciation and impairment					
Balance as at January 01, 2020	-	-	-	-	-
Depreciation / amortisation expense	297.88	22.86	9.79	25.12	355.65
Eliminated on disposal of assets	53.07	-	-	-	53.04
Balance as December 31, 2020	**244.84**	**22.86**	**9.79**	**25.12**	**302.61**
Net block (I-II)					
Balance as December 31, 2020	440.04	1,862.87	19.57	60.23	2,382.67

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at December 31, 2020 is as follows:

Particular	**As at December 31, 2020**
Current Lease liability	229.65
Non current lease liability	344.93
	574.58

The movement in lease liabilities during the year ended December 31, 2020 is as follows:

Particular	**As at December 31, 2020**
Reclassification of lease liability on account of adoption of IND AS 116	857.13
Add: Addition (excluding leasehold land)	44.13
Add: Interest Expense	57.77
Less: Deletion (excluding leasehold land)	(50.22)
Less: payment of lease liability	(334.23)
	574.58

The details of the contractual maturities of lease liabilities as at December 31, 2020 on an undiscounted basis are as follows:

Particular	**As at December 31, 2020**
Less than one year	267.16
One to five years	371.78
	638.94

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases and low value lease was for the year ended December 31, 2020.

Particular	**As at December 31, 2020**
Short term lease	70.41
Low value lease	17.03
	87.44

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

(ii) Finance Lease arrangements

	Year ended December 31, 2020	Year ended December 31, 2019
(a) Reconciliation between the gross investment in the lease at the end of the reporting period, and the present value (P.V.) of minimum lease payments receivable at the end of the reporting period:		
Gross Investment	-	76.30
P.V. of Minimum Lease payments receivable at the end of the year	-	70.97
Unearned Finance Income	-	5.33
(b) The gross investment in the lease and the present value of minimum lease payments receivable at the end of the reporting period, for each of the following periods		
Not later than one year;		
- Gross Investment	-	43.60
- P.V. of Minimum Lease payments receivable	-	39.34
later than one year and not later than five years		
- Gross Investment	-	32.70
- P.V. of Minimum Lease payments receivable	-	31.63
(c) unearned finance income.	-	5.33
(d) Unguaranteed residual values accruing to the benefit of the lessor	-	-
(e) Accumulated allowance for uncollectible minimum lease payments receivable.	-	-
(f) Contingent rents recognised as income in the period	-	-
(g) Description of the lessor's material leasing arrangements	Lease agreement of dispenser for 3 years	

38. Expenditure on Research and Development

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Capital Expenditure includes on account of Research and Development	102.66	10.40
	102.66	**10.40**

39. Related Parties Disclosures

i) Related Parties :

Names of Related Parties	Relationship
(A) Where control exists	
DIC Corporation, Japan	Ultimate Holding Company
DIC Asia Pacific Pte Ltd., Singapore	Holding Company
(B) Others with whom transactions have taken place during the year	
Benda-Lutz Werke GmbH	Fellow Subsidiary
DIC (Malaysia) Sdn. Bhd.	Fellow Subsidiary
DIC (Shanghai) Co., Ltd.	Fellow Subsidiary
DIC Alkylphenol Singapore Pte., Ltd.	Fellow Subsidiary
DIC Australia Pty Ltd	Fellow Subsidiary

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

i) Related Parties (Cont'd) :

Names of Related Parties	Relationship
(B) Others with whom transactions have taken place during the year	
DIC Compounds (Malaysia) Sdn. Bhd.	Fellow Subsidiary
DIC Europe GmbH	Fellow Subsidiary
DIC Fine Chemicals Private Limited	Fellow Subsidiary
DIC Graphics (Guangzhou) Co. Ltd.	Fellow Subsidiary
DIC South Asia Private Limited	Fellow Subsidiary
DIC Graphics Corporation	Fellow Subsidiary
DIC Graphics (Thailand) Co. Ltd.	Fellow Subsidiary
DIC Performance Resins GmbH	Fellow Subsidiary
"DIC (Vietnam) Co., Ltd."	Fellow Subsidiary
DIC Lanka (Private) Ltd.	Fellow Subsidiary
DIC New Zealand Ltd	Fellow Subsidiary
Hartmann Druckfarben GmbH	Fellow Subsidiary
Nantong DIC Color Co., Ltd.	Fellow Subsidiary
PT. DIC Graphics	Fellow Subsidiary
Siam Chemical Industry Co., Ltd.	Fellow Subsidiary
Sun Chemical AG	Fellow Subsidiary
Sun Chemical B.V.	Fellow Subsidiary
Sun Chemical Canada	Fellow Subsidiary
Sun Chemical Group S.p.A.	Fellow Subsidiary
Sun Chemical N.V./S.A.	Fellow Subsidiary
Sun Chemical (South Africa) (Pty.) Ltd.	Fellow Subsidiary
Sun Chemical S.A.U	Fellow Subsidiary
Sun Chemical Limited	Fellow Subsidiary
Sun Chemical S.A.S	Fellow Subsidiary
Sun Chemical Group GmbH	Fellow Subsidiary
Sun Chemical Mexico	Fellow Subsidiary
Ideal Chemi Plast Pvt. Ltd.	Fellow Subsidiary
DIC Pakistan Ltd	Fellow Subsidiary
PT. Pardic Jaya Chemicals	Fellow Subsidiary
Sun Chemical Corporation	Fellow Subsidiary
Sun Chemical UK	Fellow Subsidiary
Sun Chemical (Chile) S.A.	Fellow Subsidiary
Sun Chemical matbaa Murekkepleri Ve Gerecleri Sanayii Ve Ticaret A.S.	Fellow Subsidiary
Sun Chemical S.A.	Fellow Subsidiary
DIC COLOR DESIGN, Inc.	Fellow Subsidiary
DIC Graphics Chia Lung Corp.	Fellow Subsidiary
Sun Chemical Trading (Shanghai) Co.	Fellow Subsidiary
DIC South Asia Private Limited	Fellow Subsidiary
Sun Chemical Turkey	Fellow Subsidiary
Mr. Manish Bhatia	Key Management Personnel
Mr. Taishi Nojima (From 26th April, 2019)	Key Management Personnel

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

(ii) Disclosure of transactions with related parties during the year and outstanding balances :

	Year ended December 31, 2020	Year ended December 31, 2019
A. Transactions during the year		
(i) Revenue from sale of goods		
Ultimate Holding Company	-	4.83
Fellow Subsidiary		
DIC Pakistan Ltd	-	476.07
DIC Australia Pty Ltd	1,246.88	1,413.00
Others	497.82	501.61
(ii) Commission income		
Ultimate Holding Company	-	71.52
Fellow Subsidiary		
Sun Chemical N.V./S.A.	0.86	10.56
(iii) Management/ service fees income		
Ultimate Holding Company	144.21	143.95
Holding Company	99.30	10.91
Fellow Subsidiary		
DIC South Asia Private Limited	44.52	27.70
Other	7.93	-
(iv) Purchases of goods		
Ultimate Holding Company	732.47	1,475.32
Holding Company	2,475.93	2,413.81
Fellow Subsidiary		
DIC Fine Chemicals Private Limited	1,425.57	942.84
DIC Compounds (Malaysia) Sdn. Bhd.	17.49	702.36
Nantong DIC Color Co., Ltd.	412.69	732.70
Other	767.84	852.69
(v) Salaries and wages, Travelling expense and miscellaneous expenses		
Ultimate Holding Company	152.57	155.17
Holding Company	401.17	546.35
Fellow Subsidiary		
Others	36.83	-
(vi) Royalty expense		
Ultimate Holding Company	761.71	919.56
(vii) Remuneration expenses		
Key managerial personel		
Short term benefits	388.98	348.23
Post-Employment Benefits	10.91	9.51
Other long-term employee benefits	3.16	3.65
Sitting Fees	22.10	20.05
Director's Commission	17.35	15.70

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

(ii) Disclosure of transactions with related parties during the year and outstanding balances (Cont'd)

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
(viii) Reimbursement of Expenses		
Ultimate Holding Company		
Communication expenses	-	1.25
Salaries and wages	247.51	443.83
Travelling expenses	9.34	138.09
Miscellaneous expenses	5.84	14.74
Holding Company		
Communication expenses	-	87.77
Salaries and wages	61.85	251.58
Travelling expenses	5.75	42.04
Miscellaneous expenses	148.31	-
Fellow Subsidiary		
Salaries and wages	83.00	21.43
Travelling expenses	5.56	4.85
Miscellaneous expenses	39.17	4.25

B Outstanding as at year end:

	As at December 31, 2020	As at December 31, 2019
(i) Trade payable		
Ultimate Holding Company	455.59	721.23
Holding Company	451.74	932.10
Fellow Subsidiary		
DIC Fine Chemicals Private Limited	472.79	160.31
Others	116.11	329.83
(ii) Employee related liabilities		
Key Management Personnel		
Post-Employment Benefits	5.21	2.19
Short Term Benefits	6.81	3.65
Leave Travel Allowance	-	10.16
Director Commision	17.35	15.70
(iii) Trade receivables		
Fellow Subsidiary		
DIC Australia Pty Ltd.	286.12	316.86
DIC Lanka (Pvt) Ltd.	44.13	-
DIC South Asia Private Limited	85.11	222.37
Others	82.35	61.03

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

B Outstanding as at year end:

Particulars	As at December 31, 2020	As at December 31, 2019
(iv) Other current financial assets		
Ultimate Holding Company	151.18	233.13
Holding Company	59.26	47.83
Fellow Subsidiary		
DIC South Asia Private Limited	17.95	31.37
Others	28.96	4.11

40. Segment Information

Information reported to the Chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on two segments i) Printing Inks and ii) Adhesives. The segment wise revenue, assets and liabilities, in accordance with the Indian Accounting Standard on Segment Reporting (AS-108) is as under:

	Printing Inks		Adhesives		Total	
	2020	2019	2020	2019	2020	2019
REVENUE						
External sales	55,110.83	73,039.31	5,714.65	6,073.97	60,825.48	79,113.28
Total revenue	**55,110.83**	**73,039.31**	**5,714.65**	**6,073.97**	**60,825.48**	**79,113.28**
RESULTS						
Segment results	1,158.61	1,744.29	822.14	741.56	1,980.75	2,485.85
Unallocable exceptional item					9,762.53	-
Unallocable expenses					(1,200.25)	(1,492.35)
Unallocable income					734.71	1,218.76
Interest expenses (including other borrowing cost)					(189.97)	(465.69)
Tax (expense) / credit					(2,497.73)	98.10
Profit / (loss) for the year	**1,158.61**	**1,744.29**	**822.14**	**741.56**	**8,590.04**	**1,844.67**
OTHER INFORMATION						
Segment assets	33,825.66	32,033.53	3,445.41	2,185.59	37,271.07	34,219.12
Unallocable assets					15,635.99	12,666.08
Total assets	**33,825.66**	**32,033.53**	**3,445.41**	**2,185.59**	**52,907.06**	**46,885.20**
Segment liabilities	8,438.69	9,563.26	600.42	526.94	9,039.11	10,090.20
Unallocable liabilities					5,927.89	7,003.27
Total liabilities	**8,438.69**	**9,563.26**	**600.42**	**526.94**	**14,967.00**	**17,093.47**
Depreciation and amortisation	1,277.02	1,034.72	7.70	6.42	1,284.72	1,041.14
Unallocable depreciation					187.62	75.46
Total depreciation	**1,277.02**	**1,034.72**	**7.70**	**6.42**	**1,472.34**	**1,116.60**
Capital expenditure including Capital work-in-progress	718.85	1,252.85	5.35	106.52	724.20	1,359.37
Non-cash expenditure other than depreciation and amortisation & impairment	224.66	682.07	-	-	224.66	682.07

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

Notes :

1 The Company has considered business segment as the segment for disclosure on the basis that the risks and returns of the Company is primarily determined by the nature of products. The reporting segments are Printing Inks (including allied products) and Adhesives.

2 The Segment wise revenue, results, assets and liabilities relate to the respective amounts identifiable to each of the segments. Unallocable income/ expenses refer to income/ expenses which relate to the Company as a whole and are not allocable to segments on a reasonable basis. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

3 The Company operates predominantly within the geographical limits of India and accordingly this segment have not been considered.

4 Administrative and corporate expenses, interest expense, unallocated other income and provision for tax have not been allocated to reportable segments. Consequently, segment wise net profit has not been disclosed.

5 Unallocated other income has not been measured and reported segment wise as these components are not realistically allocable and identifiable.

6 Unallocated corporate expenses include expenses such as depreciation, employee remuneration and benefits, administrative and other expenses which are not directly related to the specific segments.

7 Unallocated assets includes Property, plant and equipment, Capital work in progress, Intangible assets, cash & bank balances, deferred tax assets and other assets which are not directly related to the specific segments.

8 Unallocated liabilities include provision for staff benefits and other current liabilities.

9 No single customers contributes 10% or more to the Company's revenue.

41. Computation of Earnings per Equity Share (Basic and Diluted)

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Profit for the year attributable to owners of the Company used in calculating basic and diluted earnings per share	8,590.04	1,844.67
Weighted average number of equity shares	917.90	917.90
Basic and diluted earning per share (Rs)	93.58	20.10
Face value per equity share (Rs)	10.00	10.00

42. Reconciliation of liabilities arising from financing activities.

The table below details change in the Company's liabilities arising from financing activities, including both cash and non cash changes. Liabilities arising from financing activities are those for which cash flows where, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

Particulars	Opening balance as at January 1, 2020	Financing cash flows	Non- cash changes	Closing balance as at December 31, 2020
Borrowings	3,513.65	(3,513.65)	-	-

Particulars	Opening balance as at January 1, 2019	Financing cash flows	Non- cash changes	Closing balance as at December 31, 2019
Borrowings	5,070.64	(1,556.99)	-	3,513.65

The cash flows arising from bank loans make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

Notes forming part of the financial statements
All amounts in Rupees in Lakhs, unless otherwise stated

43. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

44. Estimation uncertainty relating to the global health pandemic on COVID-19

The Company's operations for the year ended December 31, 2020 have been impacted by the outbreak of COVID-19. The Company's performance for the year ended December 31, 2020 are, therefore, not comparable with those for the previous year. The Company has considered possible effects that may result from pandemic relating to COVID 19 on the carrying amount of property, plant and equipment, inventories, and receivables. In developing the assumptions relating to the possible future uncertainties in the economic conditions due to pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. Based on current estimates, the Company expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

45. Events after the reporting period

There are no events which have occurred after the reporting period except the below.

The board of directors in their meeting dated February 3, 2021, have proposed a dividend of Rs. 550.74 Lakhs (Rs 6.00 per equity share) for the year 2020. The equity dividend is subject to approval by the shareholders at the ensuring annual general meeting and therefore it has not been included as a liability as at balance sheet date in accordance with IND AS- 10 on 'Events after the Reporting Period'.

46. Approval of financial statement

The financial statements for the year ended December 31, 2020 were approved and authorised for issue by the board of directors on February 3, 2021.

For and on behalf of the Board of Directors

Manish Bhatia
Managing Director & CEO
DIN: 08310936

Partha Mitra
Director
DIN: 00335205

Raghav Shukla
Company Secretary
M. No. F5252

Sandip Chatterjee
Chief Finance Officer
PAN : ABVPC5782H

Place : Noida
Date : February 03, 2021

Place : Kolkatta
Date : February 03, 2021

MEMBERS UPDATION FORM

Date:
CB Management Services Private Limited
Unit: DIC india Limited
P-22, Bondel Road, Kolkata 700 019

Dear Sirs,

I/We furnish hereunder the following details for necessary updation in the register of members of the Company in respect of the shares of your company registered in my. our name under registered **Folio No.** _____**:-**

PARTICULARS	**1ST/ SOLE HOLDER**	**1ST JOINT HOLDER**	**2ND JOINT HOLDER**
NAME			
FATHER'S/MOTHER'S/ SPOUSE NAME			
PAN			
(self attested photocopy/ies enclosed)			
UIN (Aadhaar Card) (self attested photocopy/ies enclosed)			
OCCUPATION			
MOBILE NO.			
EMAIL ID (only 1st Holder)			
BANK ACCOUNT DETAILS(*) (only 1st Holder) (*) Please enclose a cancelled cheque or photocopy thereof	Account No. : Account Type : Name of the Bank : Branch Name : Address : MICR Code : IFS Code :	Savings/Current/NRO/NRE (please tick appropriate)	

(Signature of 1st Holder) **(Signature of 2nd Holder)** **(Signature of 3rd Holder)**

ATTESTATION PARTICULARS: Signature(s) of the above named persons, holders of S.B./C.A. Account No. _____ maintained with us, verified as per our records.

Name of the Bank	:	
Full address of the Bank (with Branch Name)	:	
Phone No./Email ID	:	
Signature of the Attesting Officer under Official Seal with Name and Employee Code	:	

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CIN: L24223WB1947PLC015202

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