

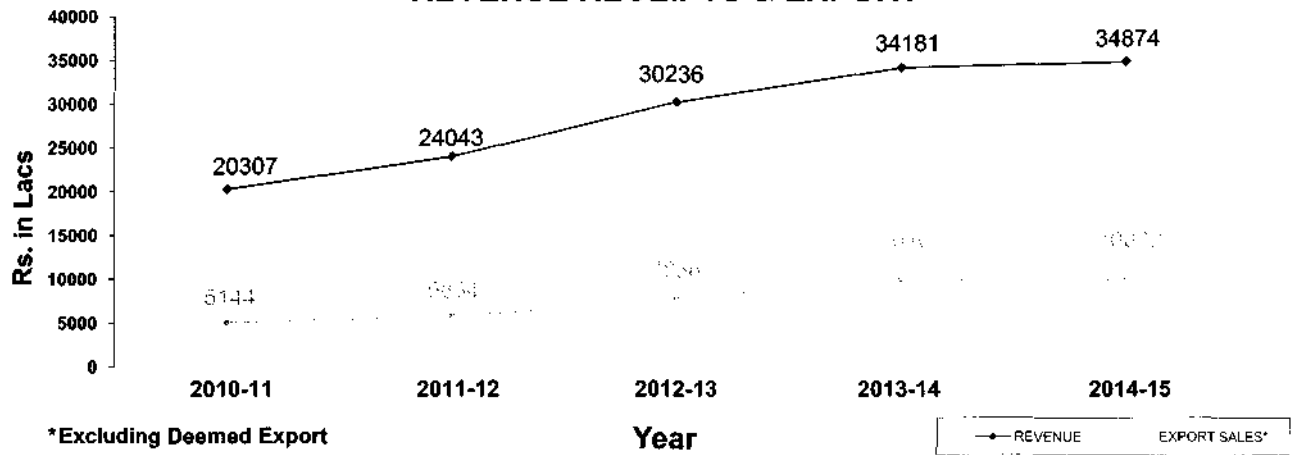


TAKING COLOUR TO THE WORLD

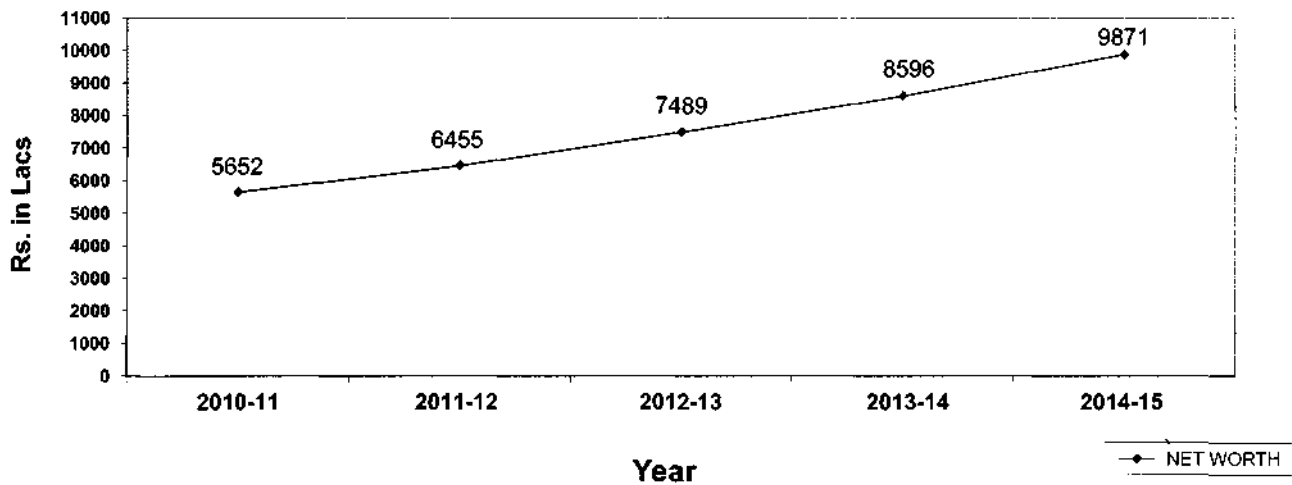
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PIGMENTS LTD.

Annual Report 2014 - 2015

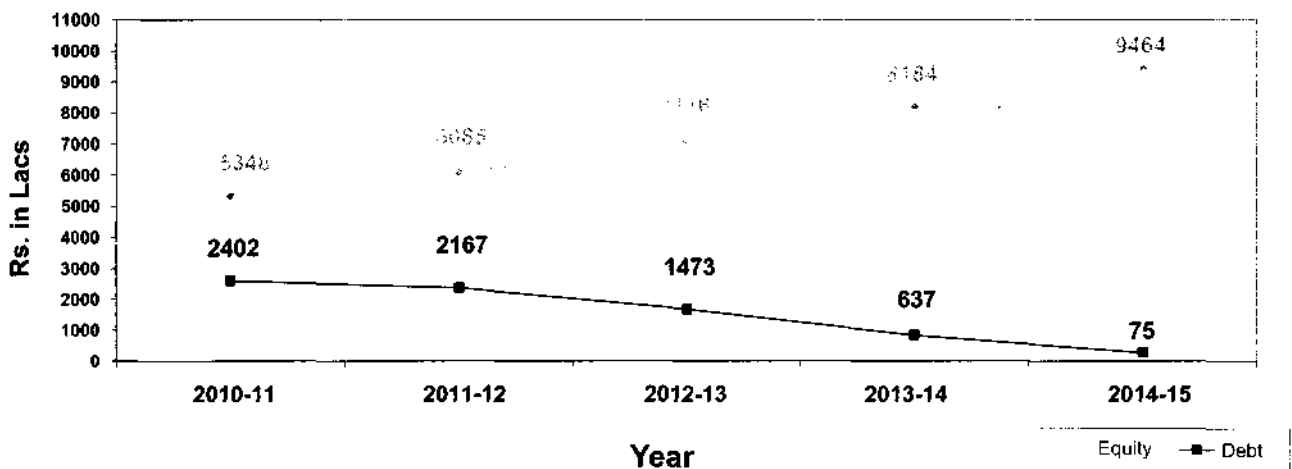
REVENUE RECEIPTS & EXPORT



NET WORTH



DEBT EQUITY





BOARD OF DIRECTORS

Shri Kishore Rungta

Smt. Mahima P. Agarwal

Shri M.K. Sonthalia

Shri N. Gopalaswamy

Shri R.K. Sureka, CEO

Shri S.S. Poddar, Managing Director & CFO

AUDITORS

M/s.K.N. Gutgutia & Company

Chartered Accountants

New Delhi

BANKERS

State Bank of India

Punjab National Bank

REGISTERED OFFICE & WORKS

E-10-11 & F-14 to 16, RIICO Industrial Area

Sitapura, Jaipur-302 022 (Rajasthan)

CIN: L24117RJ1991PLC006307

Telephone Number : 0141-2770202- 203

Fax Number: 0141-2771922

Email : jaipur@poddarpigments.com

Website : www.poddarpigments.com

CORPORATE OFFICE

No. 302, Nanak Chambers,

3rd Floor (Opp. Fun Republic),

New Link Road,

Andheri (W), Mumbai-400053



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NOTICE

NOTICE is hereby given that the **TWENTY FOURTH ANNUAL GENERAL MEETING** of the Members of the Company will be held at the Registered Office of the Company at **E-10,11 & F-14 TO 16, RIICO INDUSTRIAL AREA, SITAPURA, JAIPUR-302022 (RAJASTHAN) ON FRIDAY, THE 11TH SEPTEMBER, 2015 AT 12.30 P. M.** to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the year ended 31st March 2015 and the Balance Sheet as at that date and the Directors' and Auditors' Report thereon.
2. To declare a Dividend for the year 2014-15 on Equity Shares.
3. To appoint a Director in place of Smt. Mahima P. Agarwal (DIN: 03588809), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint the Auditors M/s. K. N. Gutgutia & Co., Chartered Accountants (Registration No. 304153E) the retiring Auditors, eligible for re-appointment to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS

5. To approve the remuneration of Cost Auditors for the Financial Year 2015-16 and in this regards, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution**:

"RESOLVED THAT, pursuant to the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditors) Rule, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration to M/S K. G. Goyal & Associates, Cost Accountants, Jaipur, as Cost Auditors appointed by the Board of Directors of the Company for the Financial Year 2015-16, fixed at Rs.50,000/- (Rupees fifty thousand only) plus Service Tax as applicable, be and is hereby approved."

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (The Act) and subject to statutory approvals, if any, consent be and is hereby accorded for payment of revised remuneration for remaining term of appointment i.e. from 01.04.2015 to 30.09.2015 and for re-appointment of Shri R. K. Sureka, as a Director & CEO of the Company for a period of 3 years from 1st October, 2015 to 30th September, 2018 on the following terms and conditions:-

The remuneration to the Director & CEO, on account of Basic Salary & perquisites and additional remuneration are mentioned below:-

1. (i) Basic Salary : Rs. 4,50,000/- Per Month
(ii) Perquisites In addition to the salary, the following perquisites will be allowed-

The perquisites are classified into three categories 'A', 'B' and 'C' as below:

CATEGORY-A

- (a) Rent Free Accommodation or House Rent Allowance upto a maximum of 60% of Basic Salary.
- (b) Expenditure incurred on gas, electricity and water shall be paid/ reimbursed by the company.
- (c) Medical Expenses incurred for self and family.
- (d) Leave Travel Concession for self & family once in a year to any destination in India or Abroad.
- (e) Fee of Clubs.
- (f) Premium for Personal Accident Insurance.
- (g) Premium for Personal Life Insurance .
- (h) Any other perquisites as per Company's Rules within the ceiling perquisites of Rs. 1,50,000/- Per Month.

Note: All the perquisites will be interchangeable i.e. any excess in a particular perquisite may be permissible by a corresponding reduction in one or more of the other perquisite(s) or the ceiling of perquisites may be reduced by corresponding increase in Basic Salary.

CATEGORY-B

The following perquisites shall also be paid to the Director & CEO and these will not be included in the computation of the ceiling on perquisites mentioned above:

- (a) Company's contribution to Provident Fund & Superannuation Fund to the extent these singly or put together are not taxable under the Income Tax Act, 1961.
- (b) Gratuity not exceeding half a month's salary for each completed year of service.
- (c) Encashment of leave in accordance with the Company's Rules.

CATEGORY-C

- (a) Provision of car with driver for use on Company's business (not considered as a perquisite). The use of car for private purpose shall be billed by the Company to the Director & CEO.
- (b) Provision of telephone at the residence of the Director & CEO at Company's cost (not considered as a perquisite). Personal long distance calls shall be billed by the Company to the Director & CEO.

2. Other Terms for additional remuneration:

In addition to the Salary and Perquisites, as specified above, the Director & CEO shall be entitled to receive additional remuneration as Special Allowance of Rs. 6,25,000/- Per quarter.

However, the total remuneration payable to him shall not exceed 5% of the Net Profits of the Company for the year and 10% of the Net Profits of the Company, computed in terms of the Companies Act, 2013, payable to all the Managerial Personnel taken together. The composition, mode and manner of payment of such additional remuneration shall be finalized in consultation with the Director & CEO.



Where in any financial year during the currency of term of Director & CEO, the Company has no profits or its profits are inadequate, the Company shall pay to Director & CEO, remuneration by way of Salary and Perquisites as specified above as minimum remuneration, subject however to the provisions of Schedule V to the Companies Act, 2013 and such approvals as may be required.

The Board of Directors of the Company be and is hereby authorized to alter, vary and modify the terms and conditions of appointment of Shri R. K. Sureka from time to time during the tenure of his appointment as Director & CEO of the Company including salary, perquisites and additional remuneration, provided however that the total remuneration payable to him shall not at any time exceed the

limit prescribed under Section 196, 197 and all other applicable provisions of the Companies Act, 2013.

The Board of Directors of the Company be and is hereby authorized to settle any questions, doubts or difficulties and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution without being required to seek further approval of the Members and the approval of the Members shall be deemed to have been given thereto expressly by the authority of this resolution.

In the event of any amendment in Schedule V of the Companies Act, 2013 the limit as specified in revised schedule shall be applicable."

Registered Office:

E-10, 11 & F-14 to 16
RIICO Industrial Area, Sitapura,
Jaipur- 302 022
Tel: 91 0141-2770202/203
Fax: 91 0141-2771922
E-mail: jaipur@poddarpigments.com
Website : www.poddarpigments.com
CIN : L24117RJ1991PLC006307

By order of the Board

NAVIN JAIN

Sr. GM (Legal) &
Company Secretary

DATE: 3rd August, 2015



NOTES:

1. Explanatory Statement as required under section 102 of the Companies Act, 2013 is annexed hereto.
 2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
 3. The Register of Members and Share Transfer Books of the Company shall remain closed from 05.09.2015 to 11.09.2015 (both days inclusive).
 4. Details of Smt. Mahima P. Agarwal, required to be provided pursuant to Clause 49 of Listing Agreement, are furnished in the Corporate Governance Report published elsewhere in the Annual Report.
 5. Members are requested:
 - a. to bring their copy of the Annual Report at the Meeting.
 - b. to notify any change in their address to M/s Link Intime India Private limited (R&T) / Company.
 6. If the Dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on or after 26.09.2015 as under:
 - a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as on the close of business hours on 04.09.2015;
 - b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 04.09.2015.
 7. In case of transfer of physical shares, the instrument of Share Transfer complete in all respect, should be sent so as to reach to the Registered Office of the Company or at the office of R & T Agent prior to the closure of the Register of Members as stated above.
 8. The copies of relevant documents can be inspected at the Registered Office of the company on any working day between 10.30 A.M. to 12.30 P.M., till the date of Twenty Fourth Annual General Meeting.
 9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.
 10. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August, 23, 2014 (date of last Annual General Meeting) on the website of the Company (www.poddarpigments.com), as also on the Ministry of Corporate Affairs website.
 11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Link Intime India Pvt. Ltd.
 12. **REMOTE E-VOTING**

The Company is pleased to offer Remote e-Voting facility for its Members to enable them to cast their votes electronically. The procedure and instructions for the same are as follows:

 - (i) The remote voting period begins on 08.09.2015 (9.00 a.m. IST) and ends on 10.09.2015 (5.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 04.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form
- PAN** Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
- DOB** Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
- Dividend Bank Details**
Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or



company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the

Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- a. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and clause 35B of the Listing Agreement, the company is pleased to provide to its members facility to exercise their right to vote on resolution proposed to be passed in the Meeting by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- b. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 04.09.2015 and not casting their vote through remote e-voting , may only cast their vote through Ballot or Polling paper at the Annual General Meeting.
- c. The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d. Sh. Babu Lal Patni, Practicing Company Secretary (Membership No. F2304), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and through Ballot or Polling paper, in a fair and transparent manner. He has communicated his willingness to be appointed and will be available for same purpose.
- e. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast through Ballot or Polling papers at the meeting, thereafter unblock the votes cast through remote e-voting within a period of not exceeding three days from the conclusion of voting at the Annual General Meeting in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the meeting.
- f. The voting rights of shareholders shall be in proportion to their shares of the paid up equity shares capital of the Company as on 04.09.2015.
- g. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.poddarpigments.com and on the website of CDSL within three days of the passing of the resolutions at the 24th Annual General Meeting of the Company on 11.09.2015 and simultaneously communicated to the BSE Ltd.
- h. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 11.09.2015.



ANNEXURE TO NOTICE

Explanatory Statement (Pursuant to section 102 of the Companies Act, 2013)

Item No. 5

On the basis of recommendation of the Audit Committee, the Board of Directors has re-appointed M/s. K. G. Goyal & Associates, Cost Accountants, Jaipur as Cost Auditors for 2015-16 on a remuneration of Rs. 50,000/- (Rupees fifty thousand only) plus Service Tax as applicable.

Certificate dated 01.04.15 issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during 10.30 A.M to 12.30 P.M on all working days and shall also be available at the meeting.

As per Section 148 of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment and remuneration, payable to the Cost Auditors is to be approved by the Shareholders. Hence, this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial personnel or relatives of them are interested in the above resolution.

The Board of Directors recommends the resolution for your approval.

Item No. 6

The present tenure of appointment of Shri R. K. Sureka, Director & CEO expires on 30.09.2015 and the Remuneration Committee of the Board, at its Meeting held on 26.07.2015 recommended for payment of revised remuneration for remaining term of appointment i.e. from 01.04.2015 to 30.09.2015 and for the re-appointment of Shri R. K. Sureka as Director & CEO for a further period of Three Years from 01.10.2015 to 30.09.2018.

Permission of the members is required under Schedule V of the Companies Act, 2013. The Directors, therefore, recommend this resolution for members' approval.

As required under Para (B) of Section-II of Part-11 of the amended Schedule V to the Companies Act, 2013, the relevant details to be sent along with the notice calling the General Meeting are as under:

I GENERAL INFORMATION

- Nature of Industry:** Masterbatch and Engineering Plastic Compounds.
- Date or expected date of commencement of commercial production:** The Company has already commenced commercial production from 1st March, 1995.
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not applicable
- Financial performance based on given indicators:**

Particulars for the financial year ended 31.03.2015	Rs. in lacs
Sales including other Income	34874
Operating Profit (before finance cost, Depreciation and Tax)	2537
Profit Before Tax	2193

5. Export Performance and net foreign exchange earnings and collaborations:

The earning in Foreign Exchange by Exports & others for the year ended 31.03.2015 was Rs. 8235.76 lacs.

6. Foreign investment of collaborators, if any:

Not applicable

II INFORMATION ABOUT THE DIRECTOR & CEO

1. Background, Recognition and Award details:

Shri R. K. Sureka, aged 58 years, is the Director & CEO of Company since 01.06.1999. He is a Fellow member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has vast managerial and Industrial experience of more than 36 years and has worked in very senior positions as a part of his professional career. He has been working with the company for 21 years, controlling the all key functions of the company. The Company has progressed substantially during his tenure.

2. Past Remuneration:

The last remuneration of Shri R. K. Sureka approved by the Members of the Company at their Annual General Meeting held on 25.09.2012 is as under:

A. Basic Salary	Rs. 2,50,000/- P.M.
B. Perquisites	Rs. 1,00,000/- P.M.
C. Special Allowance :	Rs. 1,12,500/- per Quarter

3. Job Profile and Suitability:

The Director & CEO shall carry-out such duties as may be entrusted to him by the Managing Director and/or the Board from time to time. The Director & CEO shall exercise such powers as may be assigned to him subject to superintendence, control and direction of the Managing Director and/or the Board in connection with and in the best interest of the business of the Company. He is already taking care of all key functions of the organization and has been at the helm of the company for about 21 years, reporting to the Managing Director and to the Board of Directors.

4. Remuneration Proposed:

The Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 26.07.2015 and 03.08.2015 approved the terms of remuneration for remaining period of present appointment i.e. 01.04.2015 to 30.09.2015 and the re-appointment for a 3 year tenure of Shri R. K. Sureka commencing from 1st October, 2015 as under:

A. Basic Salary	Rs. 450000/- P.M.
B. Perquisites	Rs. 150000/- P.M.
C. Special Allowance :	Rs. 625000/- per Quarter



5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The executives' remuneration in the industry had risen substantially over past few years. Appreciating this, the Central Government had raised the ceiling specified in Schedule V dealing with the remuneration of managerial person. The "Remuneration Committee" constituted by the Board in terms of the said Schedule perused the remuneration of managerial persons in the industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri R. K. Sureka before approving the remuneration as proposed herein above.

6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

Besides the remuneration proposed, Shri R. K. Sureka does not have any pecuniary relationship with the Company.

III OTHER INFORMATION

1. Reasons of loss or inadequate profits:

The Masterbatch Industry is high-tech in nature and requires continuous R&D, both on the existing product lines as well as on new product development to not just maintain, but also to expand its market share. Increased competition in the industry, coupled with the increase in cost of imported raw-materials and other inputs is creating pressure on margins. During the coming years, the Company may have inadequate profits in terms of Section 198 of the Companies Act, 2013.

2. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

With a view to improve overall profitability and the financial health of the company, major steps have been taken, which inter-alia include reduction in interest costs, major marketing re-structuring for exports, reduction in production cost through implementation of energy saving measures, sourcing of cheaper raw materials, increase in productivity

through better combination of product mix, increase in the product range to cater to the requirements of different segments and strengthening of the R&D division on continuous basis. The direct exports of the Company have increased over the previous year. The company expects increase in turnover & profits in the coming years.

The proposed remuneration of Shri R. K. Sureka has been approved by the Remuneration Committee in terms of Schedule V to the Companies Act at its meeting held on 26.07.2015. The Company has not made any default in payment of any of its debts specified or interest payable thereon for a continuous period of 30 days in the preceding financial year before the date of appointment of such managerial person. The Company has no deposit/ outstanding deposit. The specified information required to be given to the shareholders alongwith the Notice is given herewith in the preceding paragraphs. The Resolution is therefore recommended by the Board of Directors to the shareholders to be passed as a Special Resolution.

The Resolution and Explanatory Statement are to be treated as an abstract under the Companies Act, 2013.

None of the Directors, except Shri R. K. Sureka, being the Director & CEO, is concerned or interested in this resolution.

Registered Office:

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Website : www.poddarpigments.com
CIN : L24117RJ1991PLC006307

By order of the Board

NAVIN JAIN
Sr. GM (Legal) &
Company Secretary

DATE: 3rd August, 2015



DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

Your Directors are pleased to present the Twenty Fourth Annual Report and the Audited Financial Statements for the year ended 31st March, 2015.

FINANCIAL RESULTS (Summary of key data) [Rs. In Lacs]

Particulars	2014-2015	2013-2014
Revenue Receipts	34580	34007
Other Income	294	174
Total Revenue Receipts including other income	34874	34181
Operating Profit before Finance Cost, Depreciation & Tax	2537	2388
Loss on sale of Investments	-	(97)
Less: Finance Cost	59	121
Depreciation	285	260
Profit before tax	2193	1910
Less: - Current Tax	550	525
- Deferred Tax	12	38
Profit after tax	1631	1347
Balance brought forward from previous year	583	576
Profit available for appropriations	2214	1923
APPROPRIATIONS		
Adjusted for depreciation on assets where remaining life is Nil, recognized in retained earnings	32	
Proposed Dividend on Equity Shares	265	239
Tax on Dividend	54	40
General Reserve	1486	1061
Balance Carried to Balance Sheet	377	583

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The highlights of the Company's performance are as under:

- Revenue from operations increased by 1.68% to Rs. 34580 lacs as against Rs. 34007 lacs.
- Exports increased by 0.69% to Rs. 9717 lacs as against Rs. 9650 lacs.
- PBDIT increased by 10.74% to Rs. 2537 lacs as against Rs. 2291 lacs.
- Profit before Tax increased by 14.82% to Rs. 2193 lacs as against Rs. 1910 lacs.
- Earnings per share increased by 21.20% to Rs. 15.38 as against Rs 12.69.
- Cash Profit increased by Rs. 308 lacs to Rs. 2478 lacs as against Rs. 2170 lacs.
- Net Profit after tax increased by 21.08% to Rs.1631 lacs as against Rs. 1347 lacs.

REVIEW OF OPERATIONS

During the year under review, your Company performed well in all areas of its operations, with top line growth and consistent earnings, reflecting the effective corporate strategy of creating multiple drivers of growth. Your Company has maintained its leadership, due to continuous focus on Research, Development and Technology up-gradation of innovative products and is expected to further improve its performance in forthcoming years.

During the year, your Company has achieved a turnover of Rs. 34580 lacs as against Rs. 34007 lacs in the previous year, registering an increase of 1.68% over the previous year. The growth in sales volume, despite a subdued economical scenario, was made possible due to a focus on value added products and development of new products through R&D.

EXPORT

Your Company achieved a direct export turnover of Rs. 9717 lacs as against Rs. 9650 lacs in previous year, registering an increase of 0.69%. Despite stiff competition from other countries, international buyers show preference to your company's product mainly because of its quality. The international market is expected to grow further.

DIVIDEND

Based on the Company's performance, the Directors are pleased to recommend a dividend of Rs. 2.50 per share for the year 2014-15, subject to the members' approval. The dividend on the Equity Shares, if approved by the members, would involve a cash outflow of Rs. 319.25 lacs, including dividend distribution tax.

MARKETING

Through consistent efforts in maintaining and improving the international quality standards, your Company has created good demand for its products. This has helped in facing price competition in both domestic and international markets and also achieved increased volume. With sustained efforts, we expect further improvements in our performance in the current year. Your Company will continue to seek new markets while consolidating its hold over the existing customers.

RESEARCH AND DEVELOPMENT

Your Company considers R&D as an essential tool to maintain its technical advantage over competitors and to develop innovative products. R & D is central to achieving excellence in product quality with improved processes and optimization of available resources.

It makes continuous efforts to adopt and implement new technologies and to improve the product-mix/process, so as to create higher value items at lower costs, to widen its range of new generation master batches and to facilitate the production of customized products. It strives to leverage modern advances in science and technology and blend the same with classical concepts of product development.

Your Company has, over the years, invested significantly in its Research & Development (R&D) facility, as a key source of sustainable competitive advantage. The in-house R&D division of your Company, located at its plant, is recognized by the



Department of Science and Industrial Research (DSIR), Government of India. Details appended in Annexure II to this Report.

QUALITY INITIATIVES

Your Company has established various quality initiatives to meet or exceed the expectations of its customers. It has invested in various pilot plants and state-of-the-art testing equipments in order to carry out all relevant tests for masterbatches, which support the smooth running of its customers' production processes well.

Through close interaction with your Company's customers and independent laboratories; your company receives continuous feedback, which we take on board for the continued optimization of our products and processes.

STAR EXPORT HOUSE STATUS AND CRISIL RATING

Sustained growth in exports has enabled your Company to maintain its Star Export House Status under the Foreign Trade Policy 2009-2014 and is currently in the process of obtaining the Star Export House Status under the new Foreign Trade Policy 2015-2019, being eligible for the same.

The Company's Credit Rating is A/Stable/A1, assigned by CRISIL for its working capital borrowings, which signifies a strong degree of safety with regard to timely payments.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Ms. Mahima P. Agarwal retires by rotation at the ensuing Annual General and being eligible, has offered herself for re-appointment.

The Company has received declarations from all the Independent Directors of the company confirming that they meet the criteria of independence as prescribed under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual performance evaluation of the Board, its committees and individual directors is made. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the directors being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report section in this Annual Report. The Board approved the evaluation results as collated by the nomination and remuneration committee. None of the independent directors are due for re-appointment.

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a Remuneration policy for selection and *appointment of Directors, Senior Management and* their remuneration. The said policies are displayed on our company's website. The details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed and marked as Annexure VI to this Report.

MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, six Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the 'period prescribed under the Companies Act, 2013. For further details, please refer report on Corporate Governance of this Annual Report.

CORPORATE GOVERNANCE

Your Company has been actively practicing the principles of good corporate governance over the years. It is committed to maintaining the highest standards of corporate governance and adhering to the corporate governance requirements set out by SEBI. The Board of Directors supports the broad principles of corporate governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

The report on Corporate Governance (in accordance with Clause 49 of the Listing Agreements with the Stock Exchanges), the Auditors' certificate on compliance by the Company and the Management Discussion & Analysis, have been included in the Annual Report as a part of this Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangement/ transactions entered by the company during the financial year with related parties were in the ordinary course of business and on at arm's length basis. During the year, the company had not entered into *any* contract/arrangement/transaction with related parties. Your Directors draw attention of the members to Note no 35 to the financial statement, which sets out the details of related party transactions.

COMPLIANCE WITH THE CODE OF CONDUCT

The Director and Senior Management Personnel have reaffirmed their compliance with the code of conduct.

DEPOSITS

The company has neither accepted any deposits during the year under review, nor does it have any deposits outstanding at the year-end.

EMPLOYEES

The information required under Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) & 5 (3) of the Company's (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in the Annexure V hereto forming part of the Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s K. N. Gutgutia & Co, Chartered Accountants, the present Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have furnished a Certificate to the effect that the re-appointment, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013 and that they are not disqualified for re-appointment. They have confirmed their eligibility and willingness to accept office, if re-appointed.



The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

Complying with the provisions of Section 148 of the Companies Act, 2013 and the MCA General Circular No. 15/2011 dated April 11, 2011, (as amended vide General Circular No. 36/2012 dated 6th November, 2012) subject to the approval of the Central Government, the Audit Committee has recommended and the Board of Directors had appointed M/s. K. G. Goyal & Associates, Cost Accountants, Jaipur being eligible and having sought appointment, as Cost Auditors of the Company to carry out the Cost Audit of all the products manufactured by the Company for the year ended March, 2015. Your Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

Secretarial Auditor

The Board has appointed Shri B.L.Patni, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed and marked as Annexure IX to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

ENVIRONMENT, SAFETY, ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company accords high priority to health, safety and environment, particularly in and around its facilities. Safety awareness is inculcated through regular safety awareness programs, basic fire safety training, mock drills etc. As a part of safety management system, a comprehensive safety manual has been developed for use by the operating and safety personnel. There haven't been any accidents reported during the year under review.

In addition, energy conservation is a key priority for your Company and it continuously strives to achieve this through process improvements and through the enhancement of equipment capabilities.

Particulars relating to Energy Conservation (Refer Annexure I), Technology Absorption (Refer Annexure III) and Foreign Exchange Earnings and Outgo (Refer Annexure IV), as required under section 134 of the Companies Act, 2013, are enclosed as a part of this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at www.poddarpigments.com.

The Company has spent Rs. 16.91 Lacs. The balance could not be spent as we are still in the initial years of identifying the suitable beneficiaries.

The Company would also undertake other need-based initiatives in compliance with Schedule VII to the Act. The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been made and further details on CSR activities is annexed and marked as Annexure VII to this Report.

RISK MANAGEMENT

Your Directors have formulated and uploaded a Risk Management Policy on the company's website, identified the elements of risk and implementation thereof. This has also been covered in the Management Discussion and Analysis, forming part of this report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and in terms of the Listing Agreements, a Vigil Mechanism, which is a whistle blower policy for directors and employees to report genuine concerns has been established. The said policy has been uploaded on the website of the Company.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls. Scope of work of Internal Audit Department includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions are taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations. Our company has well tested ERP system with requisite internal control to ensure financial safety as well as timely preparation of reliable financial statements.

PARTICULARS OF LOAN, GUARANTEE AND INVESTMENT

During the year, the company has given inter-corporate deposit for short period and the same has been squared off within the same year. The details of the investments made by company are given in the note no. 11 & 14 to the financial statements.

EXTRACT OF THE ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is annexed as a part of this Annual Report as Annexure VIII.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Directors confirm:

- (a) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) that the directors have selected such accounting policies and applied them consistently and have 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 as of 31st March, 2015 and of the profit of the Company for the period ended on that date;
- (c) that the directors have taken proper and sufficient care to ensure the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) That the directors have prepared the Annual Accounts on a 'going concern' basis;



- (e) That 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;
- (f) That 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.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds that were required to be transferred to the Investor Education and Protection Fund (IEPF). Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 23rd August, 2014), on the website of the company - www.poddarpigments.com and also on website of the Ministry of Corporate Affairs.

GENERAL

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

1. The Company has not accepted any deposits from public.
2. No issue of equity shares with differential rights as to dividend, voting or otherwise.
3. There is no employees' Stock options Scheme (ESOS).
4. The Company does not have any Holding or Subsidiary or Associate company.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. The Company has not issued any sweat equity shares.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No material changes and commitments have occurred, after the close of the year till the date of this report, which affect the financial position of the Company.

ACKNOWLEDGEMENT

The Management is grateful to the various Government and Semi-Government Authorities, Bankers, Investors, Marketing Dealers, Suppliers, Vendors and Customers for their valued support and co-operation.

The Directors also wish to place on record their appreciation for the dedication and excellent contribution of the employees in realizing and achieving the objectives of the Company. The enthusiasm of the executives, staff and workers has enabled the company to remain consistently on growth path.

For and on behalf of the Board of Directors

PLACE : JAIPUR

R. K. Sureka

S. S. Poddar

DATE : 03.08.2015

DIRECTOR & CEO

MANAGING DIRECTOR
& CFO



ANNEXURE TO THE DIRECTORS' REPORT

Annexure	Content
I.	Particulars of Energy Conservation
II.	Research and Development (R&D)
III.	Technology Absorption, Adaptation and Innovation
IV.	Foreign Exchange Earned and Outgo
V.	Information as per section 197 (12) read with Rules 5(2) and 5(3) of the Company's (Appointment and Remuneration of Managerial Personnel) Rules 2014 of the Companies Act, 2013 and forming part of the Directors' Report for the year ended 31st March, 2015
VI.	Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013
VII.	Annual Report on Corporate Social Responsibility
VIII.	Annual Return Extracts in MGT9
IX.	MR-3 Secretarial Audit Report

I PARTICULARS OF ENERGY CONSERVATION

- (i) The steps taken or impact on conservation of energy;
Energy conservation continues to be a priority attention at all levels. All efforts are made to conserve and optimize energy consumption with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.
- (ii) The steps taken by the company for utilising alternate sources of energy;
NIL
- (iii) The capital investment on energy conservation equipments;
NIL

The Company continues to accord high priority to the conservation of energy on an ongoing basis.

Particulars with respect to conservation of energy:

(A) Power & Fuel consumption	Current Year ended on 31.03.2015	Previous Year ended on 31.03.2014
------------------------------	----------------------------------	-----------------------------------

Electricity

(a) Purchased:		
Units (Nos.)	70,51,482	68,04,168
Total Amount (Rs.)	4,20,64,978	3,96,91,255
Rate/Unit(Rs.)	5.97	5.83
(b) Own generation:		
Through Diesel		
Units (Nos.)	82738	67,962
Units per Ltr. of Diesel	3.11	3.23
Cost/ Unit (Rs.)	16.97	14.55

(B) Consumption per unit of Production

The company manufactures various products and the consumption per unit of production is dependent on the product mix, which varies each year. It is therefore, not feasible to furnish the information with respect to per unit consumption of production.

II RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D was carried out by the Company.
 - i Development of various color and additive masterbatches for different end users as per the requirements of the fiber & plastic industries.

- ii Development of various functional masterbatches such as Flame Retardants, antimicrobial, bio-degradable, Process aid and Chain Extender masterbatches for PES fiber application and other functional properties to meet the fibre and plastics related end use requirements of the industry.
 - iii Development of Masterbatches to improve performance, productivity and economical to meet the customers changing requirements.
 - iv Development for product quality improvement, process optimization, safe environment and pollution control.
2. Benefits derived as a result of the above R&D.
 - i Development of new products have generated additional business and increasing the customer base.
 - ii Development of a new range of application masterbatches currently not manufactured in the country, thus saving foreign exchange.
 - iii Offering process flexibility and cost effective solutions.
 - iv Productivity enhancement, optimized cost, improved quality and reduction in environmental pollution by offering alternatives for dyed yarns & textiles.
 3. Future plan of action
 - i To continue, efforts towards the development of various colors and additive masterbatch and also new range of functional masterbatches, conforming to the customer requirements. Also, to develop versatile product range of masterbatches to meet newer market requirements.
 - ii To provide customer-valued solutions with the best products and services to make your company the first choice for masterbatches.
 - iii Continuous updating of technology, R & D and monitoring facilities reckoning with latest development in the field of masterbatches, compounding and other such related areas.
 4. Expenditure on R&D

(a) Capital	Rs. 102.94 lacs
(b) Recurring	Rs. 375.83 lacs
(c) Total	Rs. 478.77 lacs
(d) Total R&D expenditure as a percentage of revenue receipt	1.385%



III TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
 - (a) Improvement and benchmarking of existing products to match international standards.
 - (b) Adoption of state-of-the-art technology practices to meet the stringent industry requirements & quality norms.
 - (c) Indigenization of products hitherto being imported in the industry.
 - (d) New mixing & improved masterbatch preparation techniques to help improve environment, productivity & quality.
 - (e) Continuous efforts to update, optimize, review and adopt the latest technologies and process improvement techniques.
2. Benefits derived as a result of the above efforts.
 - (a) Achievement of superior quality & cost effective production resulting in improved realization of finished goods.
 - (b) Introduction of new functional products.
 - (c) Leadership position in the market.
 - (d) Technology upgradation.
3. Technology imported during last five years.
 - (i) Technology Imported for manufacture NIL
 - (ii) Year of Import N.A.
 - (iii) Has technology been fully absorbed. N.A.

IV FOREIGN EXCHANGE EARNED AND OUTGO

[Rs. In Lacs]

	2014-15	2013-14
1. Foreign Exchange Earned	8235.76	7711.32
2. Foreign Exchange Outgo	11740.61	12333.57

V INFORMATION AS PER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015

A. Employed throughout the Financial Year and in receipt of remuneration aggregating not less than Rs.60 lacs per annum.

Name	Designation	Remuneration	Qualification	Age (Years)	Experience (Years)	Date of joining	Previous Employment
Shri S. S. Poddar	Managing Director & CFO	101.19 lacs	B.Sc (Engg.)	66	43	1.7.1994	Whole Time Director in Rajasthan Petro Synthetics Ltd.

B. Employed for the part of the year under review and in receipt of remuneration aggregating not less than Rs. 60 lacs per annum:-

None.

VI DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the



financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Directors/KMP and Designation	Remuneration of Director/KMP for financial year 2014-15 (Rs.)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/to median remuneration of employees
1.	Shri S.S. Poddar, Managing Director & CFO	1,01,18,748	1.86%	37.93
2.	Shri R.K. Sureka, Director & CEO	48,75,000	0	18.27
3.	Shri Kishore Rungta Non-Executive Independent Director	20,000	700%	0.07
4.	Smt. Mahima P. Agarwal Non-Executive Director	20,000	166.67%	0.07
5.	Shri M.K.Sonthalia Non-Executive Independent Director	5,000	(33.33%)	0.02
6.	Shri N.Gopalaswamy Non-Executive Independent Director	10,000	100%	0.04
7.	Shri Navin Jain Sr. GM (Legal) & Company Secretary	24,17,100	7.94%	Not applicable

- (ii) The median remuneration of employees of the Company during the financial year was Rs 266784.
- (iii) In the financial year, there was an increase of 15.90% in the median remuneration of employees.
- (iv) There were 289 permanent employees on the rolls of Company as on March 31, 2015.
- (v) Relationship between average increase in remuneration and company performance:- The Profit after Tax for the financial year ended March 31, 2015 increased by 21.08% whereas the increase in median remuneration was 15.90 %. The average increase in median remuneration was in line with the performance of the Company.
- (vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The total remuneration of Key Managerial Personnel increased by 3.24% from Rs. 171.04 lacs in 2013-14 to Rs 176.58 lacs in 2014-15 whereas the Profit after Tax increased by 21.08% to Rs. 1631 lacs in 2014-15 (Rs. 1347 lacs in 2013-14).
- (vii) a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2015 was Rs. 13188.23 lacs (Rs. 4854.07 lacs as on March 31, 2014).
- b) Price Earnings ratio of the Company was Rs 8.08 as at March 31, 2015 and was Rs. 3.60 as at March 31, 2014.
- c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year 1994:-
The Company had come out with initial public offer (IPO) in 1994. An amount of Rs. 1,000 invested in the said IPO is worth Rs. 12430/- as on March 31, 2015 indicating a Compounded Annual Growth Rate of 13.43%. This is excluding the dividend accrued and distributed thereon.
- d) The closing Market price as on 31.03.15 was Rs. 124.30 and as on 31.03.14 was Rs. 45.75.
- (viii) Percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2014-15 was 15.17 % whereas the increase in the managerial remuneration for the same financial year was 3.24 %.
- (ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year- Not Applicable.
- (xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



VII ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

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 programs.

The Corporate Social Responsibility Committee and Board of Directors have approved the CSR Policy of the Company in their meeting held on 18.10.2014 as per Companies (Corporate Social Responsibility Policy) Rules 2014 under section 135 of the Companies Act, 2013. The Policy of the Company is available on the website of the company www.poddarpigments.com

2. The Composition of the CSR Committee.

- Shri Kishore Rungta Chairman
- Shri S.S. Poddar Member
- Shri R.K. Sureka Member

3. Average net profit (before tax) of the company for last three financial years:

Net Profit for the F. Y.	Profit before tax (PBT) Amount (Rs. in Lacs)	PBT as per Section 198 of Companies Act, 2013. Amount (Rs. in Lacs)
2011-12	1443	1738
2012-13	1753	1879
2013-14	1910	2138
Average net profit	1702	1918

4. Prescribed CSR Expenditure (two per cent, of the amount as in item 3 above)

2% of 1918 i.e. 38.36 lacs

5. Details of CSR expenditure during the financial year.

- i) Total amount to be spent for the financial year 2014-15 i.e. Rs 38.36 lacs
- ii) Amount unspent, if any; Rs 21.45 lacs
- iii) Manner in which the amount spent during the financial year is detailed below:

(Amount In Rs.)

1	2	3	4	5	6	7	8
Sr. 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	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Shri Krishna Temple	Protection of national heritage, art and culture	(1) Others Area (2) Mumbai, Maharashtra	41000/-	41000/-	41000/-	ISKCON
2	Chemotherapy for treatment of Cancer	Promoting health care	(1) Others Area (2) Gorakhpur, U.P.	50000/-	50000/-	91000/-	H.P.Cancer Hospital & Research Institute managed by H.P. Smarak Samiti



3	Spread of free Sanskrit education	Promoting education including special education	(1) Others Area (2) Pondicherry	100000/-	100000/-	191000/-	Vraja Trust, work for the spread of free Sanskrit education and have five branches in Pondicherry, Nepal, Hatharas and at Rahana and Nagla Oza villages in Hathras District of U.P. At present it is teaching 1700 students Sanskrit, totally free of charge
4	School Meals programme	Eradicating hunger, poverty and malnutrition,	(1) Local Area, (2) Jaipur, Rajasthan	1000000/-	1000000/-	1191000/-	Akshaya Patra Foundation is working nationwide to end hunger of underserved children and facilitate their education
5	Health care	Promoting health care	(1) Others Area, (2) Chennai, Tamilnadu	500000/-	500000/-	1691000/-	Ramnath Goenka Charitable Trust for health care
	TOTAL			1691000/-	1691000/-		

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

The Company has spent Rs. 16.91 lacs and balance could not be spent as it is still in the initial years of identifying the suitable avenues for the money to be spent in this regards.

7. 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 CSR Policy, is in compliance with CSR objectives and Policy of the company.

S.S.PODDAR
(MANAGING DIRECTOR & CFO)

KISHORE RUNGTA
(CHAIRMAN CSR COMMITTEE)



VIII EXTRACT OF ANNUAL RETURN

FORM NO. MGT.9

As on the financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS

- i) CIN:- L24117RJ1991PLC006307
- ii) Registration Date: 11-11-1991
- iii) Name of the Company : PODDAR PIGMENTS LIMITED
- iv) Category / Sub-Category of the Company Company Limited by Share-Indian Non-Government Company
- v) Address of the Registered office and contact details E-10- 11, F-14 TO 16, RIICO INDUSTRIAL AREA, SITAPURA, JAIPUR, RAJASTHAN- 302022
Phone No. : 0141-2770202
Fax No. : 0141-2771922
Email : jaipur@poddarpigments.com
- vi) Whether listed company Yes / No Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any M/S Link Intime India Private Ltd.
C-13 Pannalal Silk Mills Compound,
LBS Marg, Bhandup West,
Mumbai-400 078
Phone No. : 022-25946970
Fax No. : 022- 25946969
Email : mt.helpdesk@linkintime.co.in

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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the company
1	Colour & Additive Masterbatches	32061900	39.83% (12535.61/31469.61)
	Colour & Additive Masterbatches	32049000	58.41% (18382.89/31469.61)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES- N.A.

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
-	-	-	-	-	-



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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters :-									
(1) Indian									
a) Individual/ HUF	2094274	-	2094274	19.74	2118468	-	2118468	19.97	0.23
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4293292	-	4293292	40.46	4293292	-	4293292	40.46	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other.	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	6387566	-	6387566	60.20	6411760	-	6411760	60.43	0.23
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	6387566	-	6387566	60.20	6411760	-	6411760	60.43	0.23
B. Public Shareholding :-									
1. Institutions									
a) Mutual Funds	-	11600	11600	0.11	-	11600	11600	0.11	-
b) Banks/FI	-	25100	25100	0.24	500	25100	25600	0.24	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Fits	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	36700	36700	0.35	500	36700	37200	0.35	-



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	859587	41700	901287	8.49	701377	41700	743077	7.00	1.49
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1332647	1052411	2385058	22.48	1542610	1003911	2546521	24.00	1.52
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	873902	-	873902	8.24	828673	-	828673	7.81	0.43
c) Others (specify)									
Clearing Member	12782	-	12782	0.12	17757	-	17757	0.17	0.05
NRI	12505	200	12705	0.12	24812	200	25012	0.24	0.12
Sub-total (B)(2):-	3091423	1094311	4185734	39.45	3115229	1045811	4161040	39.22	0.23
Total Public Shareholding (B) = (B)(1) + (B)(2)	3091423	1131011	4222434	39.80	3115729	1082511	4198240	39.57	0.23
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	9478989	1131011	10610000	100.00	9527489	1082511	10610000	100.00	-

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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 of the company	% of Shares Pledged/ encumbered to total shares	
1	Kusum Poddar	884,766	8.3390	-	884,766	8.3390	-	-
2	Rochna Poddar	590,000	5.5608	-	590,000	5.5608	-	-
3	Mahima Poddar	555,000	5.2309	-	555,000	5.2309	-	-
4	Shiv Shankar Poddar	15,008	0.1415	-	38,702	0.3648	-	0.2233
5	Poddar S. S.	49,500	0.4665	-	50,000	0.4712	-	0.0047
6	Pluto Tradelinks Ltd.	2,054,300	19.3619	-	2,054,300	19.3619	-	-
7	G K S Holdings Ltd.	1,088,820	10.2622	-	1,088,820	10.2622	-	-
8	Trustline Capital Finance Pvt. Ltd.	978,500	9.2224	-	978,500	9.2224	-	-
9	GKS Logistics Private Limited	171,672	1.6180	-	171,672	1.6180	-	-
	Total	6,387,566	60.2033	-	6,411,760	60.4313	-	0.2280



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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/ Decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
	At the beginning of the year	6,387,566	60.2033					
1	Kusum Poddar	884,766	8.3390		No Movement		884,766	8.3390
2	Rochna Poddar	590,000	5.5608		No Movement		590,000	5.5608
3	Mahima Poddar	555,000	5.2309		No Movement		555,000	5.2309
4	Shiv Shankar Poddar	15,008	0.1415	11.04.14	8550	Purchase	23558	0.2211
				07.05.14	15144	Purchase	38702	0.3648
5	Poddar S. S.	49,500	0.4665	11.04.14	500	Purchase	50000	0.4713
6	Pluto Tradelinks Ltd.	2,054,300	19.3619		No Movement		2,054,300	19.3619
7	G K S Holdings Ltd.	1,088,820	10.2622		No Movement		1,088,820	10.2622
8	Trustline Capital Finance Pvt. Ltd.	978,500	9.2224		No Movement		978,500	9.2224
9	GKS Logistics Private Limited	171,672	1.6180		No Movement		171,672	1.6180

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase/ Decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
	At the beginning of the year	1204015	11.3479				
1	Mayuka Investment Limited	230292	2.1705	No Movement		230292	2.1705
2	Himshikhar Investment Limited	203655	1.9195	No Movement		203655	1.9195
3	Bang Purnima Mahesh	174644	1.6460	5691	Purchase	180335	1.6997
4	Pramila M Bang	146954	1.3851	146954	Transfer	-	-
5	JNJ Holdings Pvt. Ltd.	137000	1.2912	137000	Transfer	-	-
6	Pramila Mahesh Kumar Bang	81593	0.769	147327	Purchase	228920	2.1576
7	Maheshkumar Ghanshyam Bang	62110	0.5854	11937	Transfer	50173	0.4729
8	Manmeet Singh	58995	0.556	58995	Transfer	-	-
9	Mahesh G. Bang HUF	58772	0.5539	1750	Purchase	60522	0.5704
10	Dalmia Bharat Limited	50000	0.4713	No Movement		50000	0.4713
11	VC Corporate Advisors (P) Ltd.	-	-	45756	Purchase	45756	0.4313
12	Sunil Kumar Gupta	-	-	40000	Purchase	40000	0.3770



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Date	Increase/Decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
	At the beginning of the year	605107	5.70					
1	Mahima Poddar	555000	5.2309		No Movement		555000	5.2309
2	Shiv Shankar Poddar	15008	0.1415	11.04.14	8550	Purchase	23558	0.2211
				07.05.14	15144	Purchase	38702	0.3648
3	Ramesh Kumar Sureka	14200	0.1338	24.06.14	500	Transfer	13700	0.1291
				25.06.14	1000	Transfer	12700	0.1197
				04.07.14	500	Transfer	12200	0.1197
				25.07.14	2000	Transfer	10200	0.0961
				01.08.14	1000	Transfer	9200	0.0867

V. INDEBTEDNESS

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

(Rs. In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	637.23	-	-	637.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	637.23	-	-	637.23
Change in Indebtedness during the financial year				
Addition	60.20	277.52	-	337.72
Reduction	622.01	277.52	-	899.53
Net Change	-561.81	-	-	-561.81
Indebtedness at the end of the financial year				
i) Principal Amount	75.42	-	-	75.42
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	75.42	-	-	75.42



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount In Rs.)

Sl. No.	Particulars of Remuneration	CEO	Managing Director	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	34,50,000/-	65,00,000/-	99,50,000/-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	10,65,000/-	8,79,471/-	8,79,471/-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit others, specify	-	23,43,277/-	23,43,277/-
5.	Others, please specify	-	-	-
	Total (A)	45,15,000/-	97,22,748/-	1,31,72,748/-
	Ceiling as per the Companies Act			2,34,32,770/-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	1. Independent Directors	Sh. N. Gopalaswamy	Sh. M. K. Sonthalia	Sh. Kishore Rungta		
2.	Fee for attending board committee meetings	10,000	5,000	20,000		35,000
	Commission	-	-	-		
	Others, please specify	-	-	-		
	Total (1)	10,000	5,000	20,000		35,000
3.	2. Other Non-Executive Directors				Smt. Mahima P. Agarwal	
4.	• Fee for attending board committee meetings				20,000	
	• Commission				-	
	• Others, please specify					
	Total (2)				20,000	20,000
	Total (B) = (1 + 2)	10,000	5,000	20,000	20,000	55,000
	Total Managerial Remuneration					1,32,27,748
	Ceiling as per the Companies Act					2,34,32,770



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/CEO:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel Company Secretary
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	20,58,000/- 2,36,700/- -
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	-
5.	Others, please specify	-
	Total	22,94,700/-

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					
Punishment					
Compounding					
B.DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					



IX SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To,
The Members,
Poddar Pigments Limited
E-10-11, F-14-16, RIICO Industrial Area
Sitapura, Jaipur-302022

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Poddar Pigments Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Poddar Pigments Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Poddar Pigments Limited ("the company") for the financial year ended on 31st March, 2015 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period).
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period).

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreement entered into by the Company with BSE.

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

NIL



I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members views, if any, are captured and recorded as part of the minutes.

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

I further report that during the Audit period that there was no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

Place : Kolkata

BABULAL PATNI

Dated : 6th July, 2015

Secretary in Practice-FCS No : 2304, C.P.No: 1321

Note:

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,
Poddar Pigments Limited
E-10-11, F-14-16, RIICO Industrial Area
Sitapura, Jaipur-302022

My 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. My responsibility is to express on opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report 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.

Signature

Babu Lal Patni
Practising Company Secretary
Membership No- 2304
Certificate of Practice Number-1321

Date : 6th July, 2015
Place : Kolkata

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

The Company had framed a Code of Conduct for the Members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges to strengthen corporate governance practices in the Company. They have affirmed their compliance with the said code.

FOR PODDAR PIGMENTS LIMITED

Date : 03.08.2015

R. K. SUREKA
DIRECTOR & CEO



MANAGEMENT DISCUSSION AND ANALYSIS

Financial and Operational Performance

Your Company registered a sale of Rs.34579.72 Lacs for the year ended 31.03.15 against Rs. 34006.81 Lacs in the previous year. The plant operated smoothly and on schedule during the year, at near-full capacity. In addition, your Company achieved ISO 9001:2008 standards, reflecting its commitment towards quality and customer satisfaction.

Segment-wise/ Product-wise Performance

For the year ended 31.03.15, domestic sales contributed Rs. 24505.34 Lacs, as against Rs. 23995.98 Lacs in the previous year and export sales (excluding export benefits) contributed Rs. 9717.41 Lacs, as against Rs. 9650.65 Lacs in the previous year. Since direct export operations contributed more than 10% of the company's total revenue, we consider this geographic segment to be a primary segment.

Industry Structure and Developments

Plastics and textiles find their place in countless facets of the modern life. From health and well being, nutrition, shelter and transportation to safety and security, communication, leisure activities, etc., they are present everywhere. In some forms, these materials can even prove to be life-savers. In short, the versatility and adaptability of these materials make them an indispensable part of an increasingly complex world. Hence, it is rational to expect the demand for these products to only increase in the future, as they are amongst the largest manufacturing industries in the world.

Your Company manufactures color & additive Masterbatches for the dope dyeing of man-made fibres (MMF), various plastic applications and engineering plastics & compounds. These are essential products required for textile and plastic products. Masterbatch consumption in India is estimated to be 400 KT in 2016-17 as against 255 KT during the year 2012-13.

Polymer consumption in India is poised to grow multifold, with the help of new developments in packaging applications, infrastructure growth, modernization of agricultural sector, improved healthcare facilities, improved lifestyles and disposable incomes, automobiles demand and rural penetration. The key growth drivers for this sector are food and processed food items, FMCG and cosmetics. Polymer demand in India is likely to touch 16.5 MMT in 2016-17 from 11 MMT in 2012-13.

The Indian plastics industry is growing at close to 15% p.a. As the consumption of masterbatches is linked to the consumption of polymers and synthetic dope dyed fibers, the domestic market is also expected to grow at the rate of 15% p.a. for the next few years.

The global textile fiber industry is expected to grow from 81 MMT to 105 MMT by 2020. Of this, the growth of polyester will account for over 68%. India is poised to strengthen its global foothold, with its production rising from the current 8% to 10% of the global volume. Polyester fiber and yarn continue to be the major contributors to the growth of the fiber industry. Demand has largely been led by the Asian countries, with China contributing 9% growth. The Indian polyester industry will be in advantageous position with growth of consumer demand and strong manufacturing base enabling India to serve as regional polyester manufacturing hub.

India's domestic textile front is also in a very strong position. While the global per capita consumption of man-made fiber is around 12 kg per annum, it is merely 3.5 kg in India, hence providing significant scope for the increase in domestic consumption.

Overall polyester demand increased by 7% during the year, led by Fully Drawn Yarn (FDY) and PET. Overall growth was constrained by high volatility of prices and a strain on liquidity in the market. FDY witnessed healthy growth from warp knitting segments, while PET witnessed stable growth owing to delayed monsoons during the first half. Shipments during the second half were limited on account of the price volatility and lean season.

The outlook for the coming year is favorable for polyester, as declining cotton prices globally have discouraged cotton farming in major cotton growing countries, leading to a lower cotton acreage for the next season. This could lead to production falling below consumption for the first time in five years. Indian polyester demand is expected to reach a level of around 6 MMT, at a CAGR of around 8% by 2020.

India's polymer market growth is correlated with the country's GDP. In the last five years, the country's per capita plastic consumption has outpaced its GDP growth, making India among the world's fastest growing polymer markets with a five-year CAGR of 7.1 % (2009-2014). Despite strong growth over the last few decades, the domestic market remains under-penetrated compared to other Asian developing countries. In India, polymer demand continued to be healthy during FY 2014-15, also supported by lower absolute prices towards the end of the year. During FY 2014-15, India's polymer demand was higher by 6.7%.

India's per capita consumption of plastic is at 6.6kg, far behind that of the US (67.3Kg), China (36.7Kg) and Brazil (24.6Kg). However, the polymer industry is growing at 2.5 times India's GDP growth. Besides, the subcontinent's surging industrialization and increasingly powerful economy holds immense untapped growth potential.

Your company has made in-roads into some of the world's largest masterbatch markets. The growth from export sales is expected to be around 15% per annum for the next few years. Your company's thrust on the continuous development of new and innovative products will enable it to stay ahead of the competition. With the growing demand of masterbatches, it can optimistically be stated that in the coming years, your company is headed towards excellent growth and better all-round performance.

Opportunities and Threats

Key Opportunity:

Due to India's low per capita polymer and polyester consumption, this segment is likely to experience an increase in demand. Your Company is a pioneer in the manufacture of masterbatches for the synthetic fiber industry, based on Polyesters, Nylons and



Polypropylenes, for specialty and general purpose applications such as automotives, carpets, home-furnishings, apparels, non-woven fabrics, technical fibers, etc. It is expected that the demand for your Company's products will grow manifold with the increased requirements of the polyester fiber industry.

Key Threats & Risks:

Demand Risk: Recession in the user industries may affect demand for the products. Product changes, high fluctuation in the prices of raw materials, competition from domestic and global players and changes in the demand-supply environment may increase the pressure on margins. With continuous improvements and upgrades in technology, new product developments and cost effective measures, your company is confident that it will successfully meet these challenges.

Foreign Exchange Risk: Fluctuations in foreign currencies also play a major role in the profitability of the Company. Your Company suitably hedges the differential short-term exposure between export and import to appropriately manage the currency risk.

Competitor Risk: The market is highly competitive with no fiscal barriers and no barrier to entry for new players. To address this risk, your Company deploys multi-pronged plans for continuous improvements in the area of cost, quality, customer service and brand equity.

The major risks prevalent in this industry are the high fluctuation in the prices of raw materials, technology obsolescence, competition from global players and further aberration in the custom duties in the coming years under WTO obligations. These can create pressures on the margins and thereby affect the performance of your Company. Furthermore, low economic growth can affect sales and margins. Your company is taking due care against the prevailing risks in the industry by adopting new technologies, introducing innovative Masterbatches through its regular R&D, reduction in material costs, re-engineering business and manufacturing processes and much more. Foreseeable risks to the Company's assets are adequately covered by comprehensive insurance policies.

The Company has well designed strategies to identify and mitigate operational, financial, reporting and legal compliances.

Internal Control Systems and Their Adequacy

Your Company has internal control procedures commensurate with the Company's size and nature of business. Your Company has an in house team that carries out internal audits and ensures that all transactions are appropriately authorized, recorded and reported. Exercises for safeguarding assets and protection against unauthorized use are undertaken from time to time. There are well-established policies and procedures in place across your company. The objective of these procedures is to ensure the efficient use and protection of your Company's resources, accuracy in financial reporting and due compliance of statutes and Company procedures. The Internal Audit reports, the progress in implementation of recommendations and actions taken contained in such reports and the adequacy of internal control systems are reviewed by the Audit Committee of the Board in its periodical meetings. The same are also examined by the Statutory Auditors in course of their Audit procedures.

Human Resources

The talent base of your company during the year 2014-15 was approximately 415. The Board of Directors expresses its appreciation for the sincere efforts made by the employees of your Company at all levels during the year.

Your directors believe and affirm the importance of developing human resources, which is the most valuable asset of your Company and the key element in bringing all round improvements and achieving growth. The human resource philosophy and strategy of your Company has been designed to attract and retain the best talent. In practice, it creates and nurtures workplace challenges that keep employees engaged, motivated and innovative. Employee relations during the year under review were peaceful. The contribution and co-operation received from employees across all levels was excellent and the same has been appreciated & supported well by the management through its continuous & systematic training programmes.

Corporate Social Responsibility

The management of your company is of the opinion that the company's contribution to the society should be of its own volition and not out of compulsion. Hence, even before it was mandated by law, the company had initiated measures over the past several years, to help the poor and downtrodden sections of the society. The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been made and further details on CSR activities is annexed and marked as Annexure VII to the Directors Report.

Forward- looking Statements

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, products development, market position, expenditures and financial results, are forward looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. Your Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statement. Your Company assumes no responsibility to publicly modify or revise any such statements on the basis of subsequent developments, information or events.

For and on behalf of Management Team

PLACE : JAIPUR
DATE : 03.08.2015

S. S. Poddar
MANAGING DIRECTOR & CFO



REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the Listing Agreement)

The Board of Directors of the Company has consistently endeavored to maintain high standard of good Corporate Governance over the years. Given below is the report on Corporate Governance:

1. Company's Philosophy on Code of Governance:

The Company's philosophy on corporate governance was developed with intent to deliver fair and transparent governance even before it was mandated by the legislation. Transparency, integrity, professionalism, accountability and value based disclosures form the basis of the Company's philosophy for corporate governance. The Company believes that good corporate governance is a continuous process and strives to continually improve its practices to meet stakeholder's expectations. Your company has fulfilled all the existing guidelines under clause 49 of the listing agreement.

2. Board of Directors:

The composition of Board, with reference to number of Executive, Non-Executive and Independent Directors, meets the requirement of Code of Corporate Governance under Clause 49 of listing agreement.

The Board has adequate representation of Professionals, Qualified, Non-Executive and Independent Directors.

The present strength of Board is six (6) Directors. The Board comprises of two (2) executive and Four (4) non-executive Directors representing the optimum combination of professionalism, knowledge and business experience.

2.1 Composition of the Board:

In the Year 2014-15, Six Board meetings were held on 15.05.2014, 12.07.2014, 28.08.2014, 18.10.2014, 29.01.2015 and 21.03.2015.

Details of composition of the Board, category, attendance of Directors at Board Meetings and last Annual General Meeting, number of other directorship and committee membership are given below:

Sl. No.	Name of the Director	Category of Directorship @	No. of Board meeting attended out of 6 held	Attendance at last AGM held on 23.08.2014	No. of other Directorship as on 31.03.2015	No. of other committees in which Chairman/Member as on 31.03.2015	
						Member	Chairman
(i)	SH. S. S. PODDAR, MANAGING DIRECTOR & CFO	\$	6	NO	4	-	-
(ii)	SH. R. K. SUREKA, DIRECTOR & CEO	#	4	YES	2	-	-
(iii)	SH. N. GOPALASWAMY	&	2	NO	8	6	6
(iv)	SH. M.K. SONTALIA	&	1	NO	7	-	-
(v)	SMT. MAHIMA P. AGARWAL	*	4	NO	-	-	-
(vi)	SH. KISHORE RUNGTA	&	4	NO	5	-	-

@ Category of Directors:

\$ Executive Promoter Director

Executive Director

* Non Executive Director and daughter of Sh. S. S. Poddar, Managing Director & CFO

& Non Executive Independent Director

2.2 Composition of Nomination and Remuneration Committee:

The Nomination and remuneration committee consists of Shri Kishore Rungta, Shri N. Gopalaswamy and Shri M. K. Sonthalia.

2.3 Remuneration to Executive Directors:

The remuneration of Executive Directors are being determined by the "Nomination & Remuneration Committee" subject to the approval of the Board & the Company in General Meeting and such other authorities as may be necessary.



The details of remuneration paid to Executive Directors during the year ended 31.03.15 are as follows:

Particulars	Sh. S.S. Poddar, Managing Director & CFO	Sh. R. K. Sureka, Director & CEO
Salary and Allowances	6500000	3450000
Contribution to Provident Fund	396000	360000
Other perquisites value as per Income Tax Rules	879471	1065000
Commission on Profit	2343277	-
Total (Rs.)	10118748	4875000

2.4 Terms of Contract:

Name of Director	Date of appointment	Expiry of contract	Severance fees	Notice Period
Shri S.S. Poddar	01.10.2013	30.09.2016	-	-
Shri R. K. Sureka	01.10.2012	30.09.2015	-	-

2.5 Remuneration to Non-Executive Directors:

No remuneration except sitting fee is paid to the Non-executive Directors. During the year, a sum of Rs. 55000/- was paid to the Non-Executive Directors for meetings attended by them.

2.6 Shareholding of the Non-Executive Directors in the Company as on 31.03.15:

None of the Non-Executive Directors holds any share in the Company other than Smt. Mahima P. Agarwal who has 555000 Shares.

2.7 Information placed before the Board of Directors:

The Company places before the Board all the information as required vide Annexure 1 to Clause 49 of the Listing Agreement.

2.8 Evaluation of Board Members

One of the key functions of the Board is to monitor and review the board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive/ non-executive/ independent directors excluding the director being evaluated. Each Board member has been requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the whole Board and its various committees.

Independent directors have three key roles- governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include:-

- Ability to contribute to and monitor our corporate governance practices.
- Active participation in long-term strategic planning
- Attendance and participations in the Meetings and timely inputs on the minutes of the meetings.
- Adherence to ethical standards & code of conduct of Company and disclosure of non - independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
- Objective evaluation of Board's performance, rendering independent, unbiased opinion.
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information.



3. Audit Committee:

During the year ended 31.03.15, meetings of the Audit Committee were held on 22.04.14, 11.07.14, 18.10.14 and 18.01.15. The details of the attendance of the members at Audit Committee and constituents of the Committee are as follows:-

Name of Members	Designation	No. of Meetings Attended
Sh. Kishore Rungta	Chairman- Non Executive & Independent Director	4
Sh. M. K. Sonthalia	Member - Non Executive & Independent Director	2
Sh. N. Gopalaswamy upto 15.05.14	Member - Non Executive & Independent Director	-
Sh. R. K. Sureka w.e.f. 15.05.14	Member - Director & CEO	2

The Heads of Finance Function and Internal Audit are permanent invitees to the Meeting. The Statutory Auditors are also invited to attend the meetings and the partner of the Statutory Auditors attends the meetings.

Minutes of each Audit Committee Meeting are placed before and are noted in the subsequent Board Meeting.

The terms of reference of the Committee are in line with the requirements of the code. The brief terms of reference of the Audit Committee include:

- Review of the Company's financial reporting process and financial statements.
- Review of accounting and financial policies and practices.
- Review of internal control and internal audit systems.
- Discussion with Internal Auditors on any significant findings and follow-up thereon.
- Reviewing the Company's financial and risk management policies.
- Reviewing the Quarterly and Annual Financial Statements before submission to the Board.
- Recommending the appointment and removal of Statutory Auditors, audit fee and payment for any other services.

4. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee' comprises of two Executive Director namely, Sh. S. S. Poddar, Sh. R. K. Sureka and three Non -Executive Directors namely Sh. Kishore Rungta, Sh. N. Gopalaswamy and Smt. Mahima P. Agarwal. Shri Kishore Rungta is the Chairman of the committee.

The Committee, in addition to considering share transfer matters, also oversees redressal of shareholders' and investors' complaints/grievances and recommends measures to improve the level of investor services, besides discharging such other related functions which may be referred to it by the Board from time to time. Your company is making all attempts to ensure that correspondences are expeditiously attended to the full satisfaction of the Shareholder.

Details of Pending Complaints:-

Complaint Received from	No. of Complaints Received	No. of Complaints pending
SEBI	1	1*
Stock Exchange	2	-
Investors	44	-
Govt. Authorities	-	-

No Share is pending for transfer for more than 15 days.

* Complaint regarding non receipt of dividend resolved on 06.04.2015.

Compliance Officer:

Sh. Navin Jain, Sr. GM (Legal) cum Company Secretary and Sh. Dharmendra Kumar, Sr. Manager (Legal & Secretarial)

5. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of two Executive Director namely, Sh. S. S. Poddar, Sh. R. K. Sureka and one Non -Executive Director Sh. Kishore Rungta is the Chairman of the committee.

6. Key Managerial Personnel and Senior Managerial Personnel Certification:

Necessary certificate, pursuant to clause 49 of the listing agreement has been obtained and placed before the Board.



7. General Body Meetings:

Annual General Meetings

Venue and time for last three Annual General Meetings:

Financial Year	Venue	Date	Time	Details of Special Resolution Passed
2011-2012	Regd. Office at RIICO Industrial Area, Sitapura, JAIPUR	25.09.2012	11.00 A.M.	For Revision of remuneration and Re-appointment of Director & CEO
2012-2013	Do	17.09.2013	11.30 A.M.	For Revision of remuneration and Re-appointment of Managing Director
2013-2014	Do	23.08.2014	11.00 A.M.	-

No Special Resolution was passed through Postal Ballot during the FY 2014-15. None of the businesses proposed to be transacted in the ensuing AGM require passing a special resolution through Postal Ballot.

8. Disclosures:

a) Disclosure regarding materially significant related party transactions:

Related-party transactions have been given in Note No. 35 to the Financial Statement of Notes on Accounts. Adequate care was taken to ensure that the potential conflict of interest did not harm the interest of the company at large.

b) Disclosure regarding certain non-compliance:

There was no instance of non-compliance or penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

9. Communication to Share Holders:

Effective communication of information is an essential component of Corporate Governance.

Half Yearly reports are not sent to shareholders. The Company sends out the Annual Report regularly.

The quarterly, half yearly and Annual results of the Company are published in a leading English National Newspaper namely, The Business Standard (all editions) and in Hindi Local Newspaper namely, Daily News (Jaipur edition). The Results are also sent to Stock Exchanges as per requirement of Listing Agreement.

The Company has its own Website i.e. www.poddarpigments.com. The Quarterly Financial Results of the Company are available on the Website of The Stock Exchange, Mumbai www.bseindia.com and also on the website of SEBI www.sebi.gov.in.

As per the requirements of Clause 52 of the Listing Agreement, all the data related to Quarterly, Annual Financial Results, Shareholding Pattern etc., are uploaded on www.corpfiling.co.in.

No presentation was made to the Institutional Investors or to the analysts during the year ended 31.03.15.

Management Discussions and Analysis Report form a part of this Annual Report.

10. General Shareholders Information:

10.1 AGM : Date, Time and Venue

11th September, 2015 at 12.30 P.M. at Regd. Office, E-10, 11, F-4 to 16, RIICO Industrial Area, Sitapura, Jaipur- 302022

10.2 Financial Calendar (Tentative)

Financial Year: 1st April, 2015 to 31st March, 2016

Results for the quarter ending:

June 30, 2015 - Second week of August, 2015
 September 30, 2015 - Second week of November, 2015
 December 31, 2015 - Second week of February, 2016
 March 31, 2016 - Fourth week of May, 2016

10.3 Date of Book Closure

05.09.2015 to 11.09.2015

10.4 Dividend Payment Date

26.09.2015



10.5 Listing on Stock Exchange and their Code

Name of Stock Exchange	Code
The Stock Exchange, Mumbai	524570

The listing fee for the F.Y. 2015-16 has already been paid to The Bombay Stock Exchange Ltd.

10.6 Market Price Data : High, Low during each month in Financial Year 2014-2015

Period	High (Rs.)	Low (Rs.)
April, 2014	53.90	44.20
May, 2014	70.00	47.55
June, 2014	97.00	60.50
July, 2014	121.00	81.00
August, 2014	137.95	111.00
September, 2014	181.90	129.10
October, 2014	154.75	114.05
November, 2014	150.00	122.00
December, 2014	132.85	105.05
January, 2015	143.50	114.50
February, 2015	148.90	128.10
March, 2015	142.95	115.10

10.7 Performance in comparison to Broad based indices such as BSE, Sensex, CRISIL Index etc.

Not linked to Sensex/Index

10.8 Registrar and Transfer Agents

M/S Link Intime India Private Ltd.
C-13 Pannalal Silk Mills Compound,
LBS Marg, Bhandup West, Mumbai-400 078
Phone No. : 022- 25946970
Fax No. : 022-25946969
Email : rnt.helpdesk@linkintime.co.in

10.9 Shares Transfer System

Share Transfer request(s) received in physical form are registered within 15 days from the date of receipt if the transfer documents are in order. The Share Transfer and Share holders'/ Investors' Grievance Committee considers & approves such transfer request(s).

All request for dematerialisation of shares, which are found to be in order, are generally processed within twenty one days.

10.10 Reconciliation of Share Capital Audit

As directed by Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital audit is being carried out at the specified period, by the practicing Company Secretary. The findings of the Reconciliation of Share Capital audit was entirely satisfactory.



10.11 Distribution of Shareholding as on 31.03.15:

No. of equity shares held	No. of shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	8557	91.10	1365491	12.87
501-1000	447	4.76	373191	3.52
1001-2000	163	1.73	252341	2.38
2001-3000	88	0.94	223245	2.10
3001-4000	28	0.30	99860	0.94
4001-5000	45	0.48	213844	2.02
5001-10000	27	0.29	204968	1.93
10001 & above	38	0.40	7877060	74.24
Grand Total	9393	100.00	10610000	100.00

Shareholding Pattern:

Particulars	No. of shareholders	% of Shareholders	No. of Shares	% of Shareholding
Domestic Companies (Promoters)	4	0.04	4293292	40.46
Resident Individuals (Promoters)	5	0.05	2118468	19.97
Resident Individuals (other than Promoters)	9162	97.54	3375194	31.82
Domestic Companies (other than Promoters)	133	1.42	743077	7.00
Non Resident Indians	49	0.52	25012	0.23
Mutual Funds/ FIs	4	0.04	37200	0.35
Others	36	0.39	17757	0.17
Total	9393	100.00	10610000	100.00

10.12 Nomination Facility

Shareholders holding physical shares may, if they so desire, send their nominations in prescribed Form SH-13 of the Companies (Share Capital and Debentures) Rules, 2014 to the Registrars & Transfer Agents of the Company. Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the nomination facility.

10.13 Unclaimed Dividend

The dividends for the following year, which remain unclaimed for seven years will be transferred to Investor Education and Protection Fund established by the Central Government under Section 124 of the Companies Act, 2013.

Shareholders, who have not claimed their dividend till date for the following period, may approach us or our registrar for issue of duplicate warrants / demand drafts in lieu of the dividend warrants.

Year	Type of dividend	Date of declaration	Amount outstanding as on 31st March, 2015	Due for transfer on
2010-11	Interim	10.11.2010	11,30,097	16.12.2017
2010-11	Final	27.08.2011	6,01,806	03.09.2018
2011-12	Final	25.09.2012	15,48,192	02.10.2019
2012-13	Final	17.09.2013	12,79,798	24.09.2020
2013-14	Final	23.08.2014	15,29,879	30.08.2021



10.14 Dematerialisation of Shares & liquidity

As on 31st March, 2015, 89.79% shares have been dematerialized.

10.15 Outstanding GDR/ADR/Warrants or any Convertible Instruments, Conversion date and likely impact on equity.

NIL

10.16 Brief Resume of Director being re-appointed

Smt. Mahima P. Agarwal, daughter of Sh. S. S. Poddar, Managing Director & CFO of the Company, has 14 years experience in the field of Administrative, Foreign Trade, Taxation & Accounting.

10.17 Plant Location and Address for Correspondence

E-10,11,F-14 to 16,
RIICO Industrial Area,
Sitapura, Jaipur- 302 022.

Telephone : (0141)2770202,2770203

Fax No. : (0141)2771922

Email : jaipur@poddarpigments.com
njain@poddarpigments.com

For and on behalf of the Board of Directors

PLACE : JAIPUR
DATED : 03.08.2015

R.K. Sureka
DIRECTOR & CEO

S.S. Poddar
MANAGING DIRECTOR & CFO



AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENTS WITH THE STOCKEXCHANGE

**To The Members of
PODDAR PIGMENTS LIMITED**

We have examined the Compliance of conditions of Corporate Governance by **Poddar Pigments Limited** ("the Company") for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations sought and replies given to us by the Company, its Directors and Officers. We certify that the Company has complied with the conditions of Corporate Governance mentioned in Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS**

**Place : New Delhi
Dated: 3rd August, 2015**

**(B.R. GOYAL)
PARTNER
Membership No. 12172
ICAI'S FRN NO. 304153E**



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PODDAR PIGMENTS LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of PODDAR PIGMENT LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
 - (ii) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
 - (iii) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2015 ("Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
8. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of those books;



- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are In agreement with the books of account;
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013;
- e. on the basis of written representations received from the directors as on 31st March 2015, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2015 from being appointed as director in terms of section 164 (2) of the Companies Act, 2013 and
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 29 & 29A to the financial statements;
 - ii. The Company did not have any foreseeable losses on long term contracts and had no derivative contracts outstanding as at 31st March 2015; and
 - iii. The Company did not have any dues on account of Investor Education and Protection Fund.

FOR K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
FRN 304153E

PLACE: JAIPUR (Camp)
DATE : 25th MAY, 2015

(B.R. GOYAL)
PARTNER
M.NO. 12172



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 7 of our report of even date to the members of Poddar Pigment Limited on the financial statements for the year ended 31st March, 2015)

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- ii) (a) The inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. In our opinion discrepancies noticed on physical verification of stocks were not material in relation to the operations of the Company.
- iii) According to the information and explanations given to us, the Company has, during the year, not granted any loans, secured or unsecured (except advances in the ordinary course of business) to companies, firms or other parties covered in the register maintained under section 189 of the companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v) The Company has not accepted public deposits during the year.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records of the Company under clause (d) of Sub Section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We are, however, not required to and have not carried out any detailed examination of such accounts and records with a view to determining whether they are accurate or complete.
- vii) (a) According to the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the records of the company, the details of dues in respect of income tax and service tax which have not been deposited on account of disputes and the forum where the dispute is pending are as under:



Sl. No.	Name of the Statute	Nature of the Dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act	Disallowance of Expenses	5.96	AY 2012-13	Commissioner of Income tax (Appeals)
2.	Service Tax Act	Disallowance of Cenvat credit on services in connection with transport/ insurance sales commission	35.43	FY 2013-14 & 2014-15	Asstt. Commissioner/ Commissioner (Appeal)/ Addl. Commissioner

Note: There was no dues in respect of Sales Tax, duty of customs, duty of excise, value added tax and Wealth Tax which were under disputes as at 31st March, 2015.

(c) The Company did not have any dues on account of Investor Education and Protection Fund.

viii) There are no accumulated losses of the Company as at 31st March, 2015. The Company has not incurred cash losses during the financial year covered by our audit, as well as in the immediately preceding financial year of the Company.

ix) Based on our audit procedures and the information given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank.

x) According to the information and explanations given to us, Company has not given any guarantee during the year for loans taken by others from banks or financial institution.

xi) According to the information and explanations given to us, no term loan has been taken by the Company during the year.

xii) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

FOR K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
FRN 304153E

PLACE: JAIPUR (Camp)
DATE : 25TH MAY, 2015

(B.R. GOYAL)
PARTNER
M.NO. 12172



BALANCE SHEET AS AT 31st MARCH, 2015

(Rs. In lacs)

	Note No.	As at 31 st March, 2015	As at 31 st March, 2014
EQUITY AND LIABILITIES			
1 SHAREHOLDER'S FUND			
(a) Share Capital	2	1,061.00	1,061.00
(b) Reserves & Surplus	3	8,402.81	7,122.77
		9,463.81	8,183.77
2 NON-CURRENT LIABILITIES			
(a) Deferred tax liabilities (Net)	4	406.76	411.74
(b) Other Long-Term liabilities	5	67.30	54.64
3 CURRENT LIABILITIES			
(a) Short-Term borrowings	6	75.42	637.23
(b) Trade payables	7	1,496.67	1,907.24
(c) Other Current liabilities	8	421.44	532.47
(d) Short-Term Provisions	9	390.26	343.44
TOTAL		12,321.66	12,070.53
ASSETS			
1 NON - CURRENT ASSETS			
(a) Fixed Assets - Tangible assets	10	2,619.17	2,815.16
(b) Non-current Investments	11	100.60	-
(c) Long-Term loans & advances	12	100.23	148.05
(d) Other non-current assets	13	21.44	30.91
2 CURRENT ASSETS			
(a) Current Investments	14	500.00	-
(b) Inventories	15	3,948.27	3,782.73
(c) Trade Receivables	16	3,386.85	4,245.73
(d) Cash & Bank Balances	17	784.96	490.22
(e) Short-Term loans & advances	18	860.14	557.73
TOTAL		12,321.66	12,070.53
Statement of significant accounting policies	1		

The accompanying notes (Note no. 1 to 39) are integral part of the financial statements.

For and on behalf of the Board of Directors

As per our report of even date
For K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
ICAI'S FRN 304153E

B.R. GOYAL
PARTNER
Membership No. 12172

NAVIN JAIN
SR. GM (LEGAL) &
COMPANY SECRETARY

R.K. SUREKA
DIRECTOR & CEO

PLACE : JAIPUR (Camp)
DATED : 25th May, 2015

B.K. BOHRA
AVP (COMM. & LEGAL)

S.S. PODDAR
MANAGING DIRECTOR & CFO



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

			(Rs. In lacs)
	Note No.	Year ended 31 st March, 2015	Year ended 31 st March, 2014
INCOME			
Revenue from operations (Sales gross)	19	34,579.72	34,006.81
Less: Excise Duty		2,748.92	2,684.11
Revenue from operations (net)		31,830.80	31,322.70
Other Income	20	294.28	174.47
Total Revenue		32,125.08	31,497.17
EXPENSES			
Cost of materials consumed	21	25,457.82	25,150.46
Other Manufacturing Expenses	22	813.93	799.74
Changes in inventories of finished goods & work-in-process	23	(86.24)	96.51
Employee Benefits Expenses	24	1,499.45	1,268.28
Finance Cost	25	59.63	120.96
Depreciation	10	284.69	259.85
Other Expenses	26	1,902.74	1,794.18
Total		29,932.02	29,489.98
Profit before exceptional items and tax		2,193.06	2,007.19
Exceptional Items	27	-	96.86
Profit before Tax		2,193.06	1,910.33
Tax Expenses			
Current tax		550.00	525.00
Deferred Tax (Credit)		11.59	38.50
Profit for the year		1,631.47	1,346.83
Basic & Diluted Earnings Per Share	33	15.38	12.69
Statement of significant accounting policies	1		

The accompanying notes (Note no. 1 to 39) are integral part of the financial statements.

For and on behalf of the Board of Directors

As per our report of even date
For K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
ICAI'SFRN304153E

B.R. GOYAL
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S.S. PODDAR
MANAGING DIRECTOR & CFO



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2015

		(Rs. in lacs)	
DESCRIPTION		2014-15	2013-14
(A) CASH FLOW FROM OPERATING ACTIVITIES :			
Profit Before Tax		2,193.06	1,910.33
Adjustments for:			
- Depreciation	284.69		259.85
- Finance cost	59.63		120.96
- Excess Provision written back	(84.08)		(18.34)
- Loss on Sale of non current Investments	-		96.86
- Loss / (Profit) on sale of Fixed Assets- Net	(0.64)		(17.64)
- Unrealized (Gain) / Loss on Exchange - Net	15.79		6.63
- Interest Income (on loans)	(15.98)		(37.79)
- Income from current investments (non trade) Dividend	(1.00)	258.41	(1.00)
Operating Profit Before Working Capital Changes		2,451.47	2,319.86
Adjustments for-			
- (Increase) / Decrease in Trade and other Receivables	604.57		(600.62)
- (Increase) / Decrease in Inventories	(165.54)		(254.85)
- Increase / (Decrease) in Trade and other Payables	(384.97)	54.06	(391.91)
CASH FROM OPERATING ACTIVITIES (A)		2,505.53	1,927.95
Less : Direct tax paid		572.51	529.86
NET CASH FROM OPERATING ACTIVITIES (A)		1,933.02	1,398.08
(B) CASH FLOW FROM INVESTING ACTIVITIES :			
- Purchases /Additions in Fixed Assets (including CWIP)		(124.44)	(208.15)
- Sale of Fixed Assets		10.21	163.73
- Sale of non-current Investments		-	262.26
- Purchase of non-current Investments		(100.60)	-
- Purchase of current Investments		(500.00)	0.00
- Interest Received (on Loans)		16.24	36.00
- Dividend Received		1.00	1.00
- Movement in other cash balance		(14.87)	(12.54)
NET CASH USED IN INVESTING ACTIVITIES (B)		(712.46)	242.30
(C) CASH FLOW FROM FINANCING ACTIVITIES :			
- Proceeds from / (Repayment of) Short Term Borrowings		(561.81)	(835.56)
- Dividend & Dividend tax		(319.25)	(279.30)
- Interest paid		(59.63)	(123.66)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(940.69)	(1,238.52)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		279.87	401.86
CASH AND CASH EQUIVALENTS :			
- At the Beginning of the year	444.19		42.33
- At the End of the Year	724.06		444.19
	279.87		401.86
NOTES:			
BALANCE WITH SCHEDULED BANKS :			
- On Current Accounts	58.42		32.13
- On Fixed Deposit	200.00		-
- On EEFC Accounts	465.64		412.06
Total	724.06		444.19

(i) The above Cash Flow statement has been prepared under the 'Indirect Method' as set out In the Accounting Standrad-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

(ii) Previous year figures have been regrouped / rearranged to make them comparable, wherever considered necessary,with the current year figures.

As per our report of even date
For **K.N. GUTGUTIA & COMPANY**
CHARTERED ACCOUNTANTS
ICAI'S FRN 304153E

For and on behalf of the Board of Directors

B.R. GOYAL
PARTNER
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NAVIN JAIN
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COMPANY SECRETARY

R.K. SUREKA
DIRECTOR & CEO

PLACE : JAIPUR (Camp)
DATED : 25th May, 2015

B.K. BOHRA
AVP (COMM. & LEGAL)

S.S. PODDAR
MANAGING DIRECTOR & CFO



Notes to the Financial Statements for the year ended 31st March, 2015

Note No.1: - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Corporate Information

Poddar Pigments Limited (the Company) is a public limited company domiciled in India, incorporated under the provisions of Companies Act, 2013. Its shares are listed on Bombay Stock Exchange. The Company is a manufacturer of Color & Additive Master batches for dope dyeing of man-made fibers and various plastic applications.

A. Basis of preparation and presentation of financial statements

The financial statements are prepared on Historical Cost basis and on the principles of going concern. The accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles. All income and expenditure are being accounted for on accrual basis. The financial statements are presented in Indian rupees in lacs. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current /noncurrent classification of assets and liabilities.

B. Use of Estimates

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period in which the same is determined.

C. Tangible Fixed Assets

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and Cenvat benefit availed. All expenses relating to acquisition or installation of fixed assets and pre-operative expenses till the date of commencement of commercial production are capitalized.

Foreign fluctuation exchange loss/(gain) on long term borrowings in foreign currency utilised for acquiring fixed assets is capitalized pursuant to para 46 & 46A of Accounting Standard 11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates" notified by the Ministry of Corporate Affairs on 29th December 2011.

D. Depreciation

Depreciation on fixed assets is provided on straight-line method (on shift basis) in accordance with the rates specified in Schedule II to the Companies Act, 2013.

Depreciation on Capitalized Exchange Fluctuation is provided over the remaining life of the assets.

No amortization of lease hold land is done, in view of long tenure of lease & which is generally renewed after the lease period.

E. Valuation of Inventories

Inventories are valued as under:-

- | | |
|------------------|--|
| Raw Materials | - At Cost - net of cenvat credit (on weighted average basis). Custom duty on stocks lying in bonded warehouse at the year end is provided and considered for valuation of stocks. |
| Stores & Spares | - At Cost - net of cenvat credit (on weighted average basis) |
| Stock in Process | - At Cost (cost includes prime cost, appropriate portion of overheads etc.) |
| Finished Goods | - At lower of weighted average cost (cost includes prime cost, appropriate portion of overheads etc.) or net realisable value. Excise duty payable on goods lying at plant at the year end is provided and considered for valuation of stocks. |
| Waste | - At estimated realisable value |

F. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as Non Current investments. Current investments are carried at cost or fair value, whichever is lower. Non Current investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

G. Provision for Current Tax & Deferred Tax

Current Tax

Provision for current tax expense is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961 and judicial interpretations thereof as at the Balance Sheet date and takes into consideration various deductions and exemptions to which the Company is entitled to as well as the reliance placed by the Company on the legal advices received by it.

Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

H. Foreign Currency Conversions/Transactions

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transactions. Gains and losses arising out of subsequent fluctuations are accounted for on actual payments or realisations as the case may be. Current assets and liabilities denominated in foreign currency as on Balance Sheet date are converted at the exchange rates prevailing on that date and Exchange differences arising out of such conversion are recognised in the Statement of Profit and Loss. Exchange differences on forward contracts are recognized in the Statement of Profit and Loss over the length of the contract. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expense as the case may be in the statement of Profit and Loss.

I. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

J. Employee Benefits

Contribution to provident fund schemes and Employee State Insurance Scheme made to appropriate authorities which are defined contribution schemes, are charged to statement of profit & loss account on accrual basis. Gratuity and leave encashment which are defined benefit schemes, are funded with as per specified Fund Scheme administered by LIC or provided for on accrual basis based upon the actuarial valuation determined by LIC.

K. Revenue Recognition

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the products have been transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably. Sales are net of sales tax and sale returns but inclusive of excise duty.

Company continues to account for export benefits on accrual basis based upon the concept of accrual in the

year of utilisation of advance licences.

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits and loans is recognized on time proportionate method.

L. Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged as expenses in the year in which they are incurred. Borrowings cost incidental to arranging the loans is charged as and when incurred.

M. Segment Reporting

The accounting policies adopted for segment reporting are in line with accounting policies of the Company. The Revenues & results have been identified to segments on the basis of their relationship to operating activities of the segments and internal management information systems and the same is reviewed from time to time to realign the same to conform to the Business Units of the Company. The Revenues & results, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "Common Revenues/Results", as the case may be.

N. Earning Per Share

Basic Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

O. Impairment of Assets

The Company, in accordance with the Accounting Standard (AS) 28 "Impairment of Assets" issued by The Institute of Chartered Accountants of India, has adopted the practice of assessing at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, then the company provides for the loss for impairment of Assets after estimating the recoverable amount of the assets.

P. Research and Development

Research and Development expenditure is charged to revenue in the year in which it is incurred. Capital Expenditure on Research and Development is shown as an addition to Fixed Assets.

Q. Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Lease payment in respect of such leases are recognized as an expenses in the Profit & Loss on a straight line basis over the lease term or extended term.



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

(Rs. in lacs)

	As at 31 st March, 2015	As at 31 st March, 2014
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Note No. 2: SHARE CAPITAL

AUTHORISED

1,25,00,000 (Previous year 1,25,00,000) Equity Shares of Rs.10/- each	1,250.00	1,250.00
---	----------	----------

ISSUED, SUBSCRIBED AND PAID UP

1,06,10,000 (Previous year 1,06,10,000) Equity Shares of Rs.10/- each fully paid up	1,061.00	1,061.00
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Foot notes:

- 2.1. During the current year and in the previous year, there have been no movements in the number of equity share outstanding.
- 2.2. The Company has only one class of equity shares, having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount, in proportion to their shareholding.
- 2.3. The details of shareholders holding more than 5% as at 31st March, 2015 & 31st March, 14 is set out below:

Names of the shareholders	As at 31 st March, 2015		As at 31 st March, 2014	
	No. of shares held	% holding	No. of shares held	% holding
Pluto Trade Links Ltd.	2,054,300	19.36	2,054,300	19.36
G.K.S. Holdings Ltd.	1,088,820	10.26	1,088,820	10.26
Trustline Capital Finance Pvt Ltd.	978,500	9.22	978,500	9.22
Kusum Poddar	884,766	8.34	884,766	8.34
Rochna Poddar	590,000	5.56	590,000	5.56
Mahima Poddar	555,000	5.23	555,000	5.23



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 3 : RESERVES AND SURPLUS

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Capital Reserve		
Opening balance	15.00	15.00
Add : Addition during the year	-	-
Closing Balance	15.00	15.00
Capital Redemption Reserve		
Opening balance	159.00	159.00
Add : Addition during the year	-	-
Closing Balance	159.00	159.00
General Reserve		
Opening balance	6,366.00	5,305.00
Add : Amount transferred from surplus	1,485.40	1,061.00
Closing Balance	7,851.40	6,366.00
Surplus		
Opening balance	582.77	576.24
Add : Profit for the year	1,631.47	1,346.83
Less : Adjusted for depreciation (Refer foot note no 3.1)	32.18	-
Amount available for appropriations	2,182.06	1,923.07
Less: Appropriations		
- Proposed Dividend	265.25	238.73
- Tax on Dividend	54.00	40.57
- Transferred to General Reserve	1,485.40	1,061.00
Net surplus	377.41	582.77
Total Reserve & Surplus	8,402.81	7,122.77

Foot Note:

- 3.1 This pertains to Depreciation on assets in respect of which useful life is nil as at 01.04.2014 (Refer note no. 32)
- 3.2 The Board of Directors has recommended dividend on the equity shares @ Rs. 2.50 per share (Previous year Rs. 2.25 per share), totalling to Rs. 319.25 lacs (Previous year Rs. 279.30 lacs) including dividend distribution tax.



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 4 : DEFERRED TAX LIABILITIES (NET)

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Deferred Tax Liabilities on account of Accelerated Depreciation on		
- Fixed Assets	264.48	280.96
- Research & Development Equipments	146.08	135.06
Deferred tax assets on account of		
- Amount disallowed u/s 43B	(3.80)	(4.28)
Closing Balance	406.76	411.74

Note No. 5 : OTHER LONG-TERM LIABILITIES

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Security deposits	59.52	46.86
Employees benefits payable	7.78	7.78
	67.30	54.64

Note No. 6 : SHORT-TERM BORROWINGS

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Loans repayable on demand from Bank:		
Working Capital Borrowings (Secured)	75.42	637.23
	75.42	637.23

6.1 Nature of security

Working capital borrowings are secured by charge by way of hypothecation on entire current assets including stocks & receivables on first pari passu basis and charge on fixed assets of company located at Jaipur plant on first pari passu hypothecation charge basis.



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 7 : TRADE PAYABLES

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Acceptances	1,168.59	1,401.47
Trade Payables	328.08	505.77
	1,496.67	1,907.24

7.1 For MSME refer note no. 30

Note No. 8 : OTHER CURRENT LIABILITIES

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Unpaid Dividends (Refer foot note no. 8.1)	60.90	46.03
Trade Advances	24.70	52.47
Accrued salaries & benefits payable	23.49	20.83
Statutory dues	59.10	40.47
Other payables	253.25	372.67
	421.44	532.47

Foot note

8.1 There are no outstanding dues to be deposited into the investor Education and Protection Fund as the stipulated period is not yet over.

Note No. 9 : SHORT-TERM PROVISIONS

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Wealth Tax	0.37	0.32
Dividend & dividend distribution tax	319.25	279.30
Excise Duty on Stocks	70.64	63.82
	390.26	343.44

Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 10: FIXED ASSETS

(Rs. In lacs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	Balance as at 1st April, 2014	Additions	Disposals/ Deletions	Balance as at 31st March, 2015	Balance as at 1st April, 2014	For the year	Adjusted in retained earnings as per new Companies Act 2013 (refer Note No-32)	Deductions	Balance as at 31st March, 2015	Balance as at 31st March, 2015	Balance as at 31st March, 2014
Tangible Assets											
Land (Leasehold)	44.24	-	-	44.24	-	-	-	-	-	44.24	44.24
Buildings	1,245.27	-	-	1,245.27	243.89	26.37	6.24	-	276.50	968.77	1,001.38
Plant & Machineries	5,085.18	117.14	-	5,202.32	3,534.84	212.36	15.82	-	3,763.02	1,439.30	1,550.34
Furniture & Fixtures	136.86	0.66	-	137.52	63.88	10.30	9.37	-	83.55	53.97	72.98
Vehicles	106.03	24.60	18.31	112.32	23.65	14.14	-	8.74	29.05	83.27	82.38
Office Equipments	142.53	4.62	-	147.15	78.69	21.52	17.32	-	117.53	29.62	63.84
TOTAL	6,760.11	147.02	18.31	6,888.82	3,944.95	284.69	48.75	8.74	4,269.65	2,619.17	2,815.16
Previous year total	6,742.44	188.29	170.62	6,760.11	3,709.63	259.85	-	24.53	3,944.95	2,815.16	

Note 10.1. Plant & Machinery and Office Equipment includes Rs. 1176.26 lacs being R & D Equipments out of which Rs. 102.94 lacs were purchased during the year.





Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 11 : NON-CURRENT INVESTMENTS

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Non-Trade Investment (at cost)		
Investment in equity instruments (Quoted)		
500000 Nos (Previous year nil) Equity Shares of Rs.10/- each of NHPC Limited	100.60	-
	100.60	-
Aggregate market value of Quoted investment	99.00	-
Aggregate amount of Quoted investment (at cost)	100.60	-

Note No. 12 : LONG-TERM LOANS & ADVANCES

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Unsecured Considered good:		
Capital Advances	2.43	25.01
Security deposits	85.31	108.20
Advance to suppliers	0.84	1.84
Advance to employees	4.44	4.75
Others	7.21	8.25
	100.23	148.05

Note No. 13 : OTHER NON-CURRENT ASSETS

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Unsecured considered good		
Insurance claims receivables (Refer Note No.31)	21.44	30.91
	21.44	30.91

Note No. 14 : CURRENT INVESTMENTS

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Non Trade Investment (Valued at cost or NAV whichever is lower)		
Investments in Mutual Fund (Unquoted)		
1378827. 374 Units (Previous year Nil Units) Mutual Funds of HDFC-Cash Management Fund Savings Plan (G)	400.00	-
4540.742 Units (Previous year Nil Units) Mutual Funds of Reliance-Liquid Fund Cash Plan (G)	100.00	-
	500.00	-
Aggregate NAV of Unquoted investment	503.46	-
Aggregate amount of Unquoted investment (at cost)	500.00	-



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 15 : INVENTORIES

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Raw Materials	2,742.14	2,718.91
Stock-in-Process	192.38	161.72
Finished Goods	635.73	580.15
Consumable Stores	378.02	321.95
	3,948.27	3,782.73

For mode of valuation refer note no 1 (E) of significant accounting policies

	(Rs. In lacs)	
Additional disclosures regarding inventories	As at 31 st March, 2015	As at 31 st March, 2014
Note No. 15.1. Details of Raw Materials		
- Polymer resins	366.32	553.83
- Pigments	2,043.37	1,790.08
- Waxes	182.72	190.85
- Others	149.73	184.15
	2,742.14	2,718.91
Note No. 15.2. Details of stock-in-process		
- Semi finished master batches	182.91	153.07
- Others	9.47	8.65
	192.38	161.72
Note No. 15.3. Details of finished goods		
- Specialty Masterbatches	635.72	580.10
- Others	0.01	0.05
	635.73	580.15

Note No. 16 : TRADE RECEIVABLES

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Outstanding for a period exceeding six months from the date when they are due for payment		
- Unsecured considered good	42.39	41.22
Other receivable		
- Secured considered good	837.13	1,531.63
- Unsecured considered good	2,507.33	2,672.88
	3,386.85	4,245.73



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 17 : CASH AND BANK BALANCES

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
Cash and cash equivalents		
Balance with bank		
- Current Accounts	58.42	32.13
- EEFC Accounts	465.64	412.06
- FDR with Bank	200.00	-
Other bank balances		
- Unpaid Dividend Accounts	60.90	46.03
Total	784.96	490.22

Note No. 18 : SHORT-TERM LOANS & ADVANCES

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
(Unsecured-Considered good)		
Advances recoverable in cash or kind or for value to be received	163.33	150.09
Balances with Government Authorities	651.10	384.44
Income Tax refundable	7.42	7.42
Advance payment of Income Tax (Including TDS) (net)	38.29	15.78
	860.14	557.73

Note No. 19 : REVENUE FROM OPERATIONS

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Revenue from Operations		
Sale of products	34,218.53	33,642.83
Others Operating revenue		
Export Benefits	356.97	360.18
Others	4.22	3.80
	361.19	363.98
Revenue from Operations (Gross)	34,579.72	34,006.81
Less: Excise duty	2,748.92	2,684.11
Revenue from operations (net)	31,830.80	31,322.70
Note No. 19.1. Detail of sale of products (Gross):		
Specialty Masterbatches	34,215.39	33,629.87
Others	3.14	12.96
	34,218.53	33,642.83



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 20 : OTHER INCOME

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Interest Income on short term loan & others	15.98	37.79
Dividend Income from Non Trade Investment	1.00	1.00
Foreign exchange fluctuation gain	151.07	56.94
Surplus on sale of fixed assets (net)	0.64	17.64
Liabilities / provisions no longer required written back	84.08	18.34
Insurance Claims	3.83	1.10
Other non-operating income	37.68	41.66
	294.28	174.47

Note No. 21 : COST OF MATERIAL CONSUMED

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Raw Material consumed	25,457.82	25,150.46

Note No. 21.1: Details of Raw material consumed:

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Polymer resins	7,541.10	7,836.11
Pigments	16,660.24	15,778.50
Waxes	1,040.23	1,041.36
Others	216.25	494.49
	25,457.82	25,150.46

	(Rs. In lacs)			
	For the year ended 31 st March, 2015		For the year ended 31 st March, 2014	
	Amount	%	Amount	%
Note No. 21.2: Details of Imported & indigenous Raw Material consumed:				
Imported	12,514.91	49.16	12,359.84	49.14
Indigenous	12,942.91	50.84	12,790.62	50.86
Total	25,457.82	100.00	25,150.46	100.00



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 22 : OTHER MANUFACTURING EXPENSES

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Power and fuel	438.36	410.18
Water Charges	6.61	5.71
Consumption of stores and spares	130.98	181.38
Packing material consumed	175.45	170.01
Repairs and maintenance - Machinery	27.19	23.74
Repairs and maintenance - Buildings	27.98	16.65
Excise duty *	6.82	(12.46)
Others	0.54	4.53
	813.93	799.74

*Excise duty under manufacturing expenses denotes provision on closing stock differential

Note No. 22.1 Details of imported, indigenous store & spares Consumed:

	(Rs. In lacs)			
	For the year ended 31 st March, 2015		For the year ended 31 st March, 2014	
	Amount	%	Amount	%
Imported Consumables	38.50	29.39	88.65	48.87
Indigenous Consumables	92.48	70.61	92.73	51.13
	130.98	100.00	181.38	100.00

Note No. 23 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-PROCESS

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Inventories at the beginning of the year:		
Finished goods	580.15	693.45
Stock-in-process	161.72	144.93
Inventories at the end of the year:		
Finished goods	635.73	580.15
Stock-in-process	192.38	161.72
Net (Increase) / Decrease in stock	(86.24)	96.51

Note No. 24 : EMPLOYEES BENEFITS EXPENSE

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Salaries, wages, bonus etc. (including contract labour)	1,343.41	1,144.73
Contribution to provident and other funds	76.52	66.51
Staff welfare expenses	79.52	57.04
	1,499.45	1,268.28



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 25 : FINANCE COST

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Interest		
On Banks borrowings	27.47	71.62
Others borrowing cost to Others (Including buyers credit)	9.88	23.47
Bank Charges on borrowings	22.28	25.87
	59.63	120.96

Note No. 26 : OTHER EXPENSES

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Rent (including lease rentals)	19.38	18.60
Rates and taxes	9.27	13.55
Insurance	32.01	44.38
Advertisement & publicity	3.16	2.64
Travelling & conveyance	201.54	194.45
Printing & stationary	13.86	14.42
Communication expenses	34.02	29.84
Repair & maintenance others	29.50	29.49
Vehicle running & maintenance	14.91	17.19
Payments to auditors :		
- as Audit fees	2.00	1.60
- for Tax Audit fees	0.50	0.35
- for certification	0.50	0.30
- for others	0.05	0.05
- for out of pocket expenses	0.75	0.46
Legal & Professional & Technical consultancy charges	104.02	122.94
Donations	16.91	20.41
Sales Promotion Expenses	15.45	16.21
Discount & Commission on sales	419.82	321.46
Freight and forwarding	391.25	351.08
Bank Charges	50.07	50.09
R & D Expenses (refer note no. 26.1)	375.83	362.15
Miscellaneous expenses	167.94	182.52
	1,902.74	1,794.18
Note No. 26.1 Research & Development Expenses :		
- Material Consumed	73.98	78.82
- Salary, Wages, Bonus etc.	208.23	206.90
- Power & Fuel Expenses	35.95	32.33
- Others (net of sales realisation)	57.67	44.10
	375.83	362.15

Note No. 26.2 For details of CSR expenditure refer to Directors' report



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 27 : EXCEPTIONAL ITEMS

	(Rs. In lacs)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Loss on Sale of Long Term Non Trade Investments (net)	-	96.86
	-	96.86

Note No. 28 : COMMITMENTS

(A) Capital commitment

Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 6.75 lacs (2013-14 Rs. 40.12 lacs), and advance given Rs. 2.43 lacs (previous year Rs. 25.01 lacs)

(B) Other Commitment - NIL

Note No. 29 : CONTINGENT LIABILITIES TO THE EXTENT NOT PROVIDED FOR IN RESPECT OF

	(Rs. In lacs)	
	As at 31 st March, 2015	As at 31 st March, 2014
(A) Claim against company not acknowledged as Debts:-		
(i) Income Tax matters in appeals	22.32	16.36
(ii) Sales Tax demands not admitted by the company and for which appeals have been filed with appropriate authorities.	0.23	5.88
(iii) Service Tax demand not admitted by the company and for which appeals have been filed with appropriate authorities.	35.43	4.17
(iv) Excise duty demand not admitted by the company and for which appeals have been filed with appropriate authorities.	2.21	-
(B) Guarantees:-		
(i) Letter of Credit against purchase of raw materials	1,056.80	1,237.91
(ii) Bonds Executed with Customs & Excise Authorities	30.00	30.00
(C) Other Contingent Liabilities :-		
Bill discounting with banks	-	4.07

Note No.29 A: Show Cause Notice in respect of refund of Excise duty on exports:-

The Company has been served certain Show Cause Notices from the taxation authorities in respect of claim for refund of duties paid on exports which are being contested and the company is confident that the said show Cause Notices shall be withdrawn as the basis on which such notices have been issued are not tenable in the eyes of the law based upon the rejection of the appeals vide its order dt. 21/17-04-2015 by the Commissioner (Appeals), Jaipur in the similar matter and nature filed by the Department against the Company and various circulars/case laws issued/ decided from time to time (Rs. 286.95 Lacs).

Note No. 30: Details of Suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006, and which have furnished the information regarding filing of necessary memorandum with appointed authority is as under:-

- (a) Amount outstanding at the year end -Rs. NIL (Previous Year Rs. NIL)
- (b) Interest payable on delayed payments -Rs. NIL (Previous Year Rs. NIL)

Note No. 31: In Respect of Claim Receivable:

The Company had lodged claim with Insurance Company / IOC/ RIICO on account of damages /loss caused due to fire in IOC Depot adjacent to Sitapura factory at Jaipur in October, 2009. Till date claim filed with Insurance Company has been settled & received. However, claim with RIICO is under legal process, as the appeal of the company is lying in the court of law. Claim filed with IOC is at advance stage of settlement and the company is hopeful of full recovery of the claim.



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 32 : Pursuant to Companies Act, 2013 ("the Act"), being effective from 1st April, 2014, the Company has revised depreciation rates on fixed assets as per the useful life specified in part "C" of Schedule II of the Act. As a result of the change, the depreciation charge is higher by Rs. 38.70 Lacs for the year ended 31st March, 2015. Further, an amount of Rs. 32.18 lacs (net of deferred tax of Rs. 16.57 Lacs) has been recognized in the opening balance of the retained earnings by adjusting in retained earning for the assets where remaining useful life as per schedule II of the said act has become nil as on 01.04.2014.

Note No. 33 : EARNINGS PER SHARE CALCULATION

	As at 31 st March, 2015	As at 31 st March, 2014
Net Profit after Tax adjustments for prior years - used as numerator in calculating Basic and Diluted Earnings per share (Rs. in lacs)	1,631.47	1,346.83
Weighted average number of Equity Shares Outstanding (Nos.)	10,610,000	10,610,000
Earnings per share (Basic and Diluted) (Rs.)	15.38	12.69

Note No. 34 : SEGMENT REPORTING

A. Geographical Segment (Primary Segment)

Since the Export operations contribute more than 10 % of the company's total revenue, the Geographical Segment has been considered as primary segment and for that disclosure has been divided into sales within India (Sales to customers located within India) and sales outside India (sales to customers located out side India) as per accounting standard 17. The relevant information is as under:-

(Rs. In lacs)

	2014-15			2013-14		
	Within India	Outside India	Total	Within India	Outside India	Total
(I) Segment Revenue						
Sales (including export benefits)	24,507.59	10,072.13	34,579.72	23,997.08	10,009.73	34,006.81
Less: Excise Duty	2,748.92	-	2,748.92	2,684.11	-	2,684.11
Net Sales (including export benefits)	21,758.67	10,072.13	31,830.80	21,312.97	10,009.73	31,322.70
Other Income (unallocable) (net of interest income)	-	-	140.96	-	-	79.74
Total Revenue (net of excise duty)	21,758.67	10,072.13	31,971.76	21,312.97	10,009.73	31,402.44
(II) Segment Results						
Profit before Interest, Tax & Unallocable Exp.	1,795.88	660.76	2,456.64	1,804.98	621.92	2,426.90
Less: Interest (net) (unallocable)	-	-	59.63	-	-	83.17
Other Unallocable Expenses (Net of unallocable income)	-	-	203.95	-	-	336.54
Profit before tax and Exceptional Items	-	-	2,193.06	-	-	2,007.19
Less-Exceptional Items	-	-	-	-	-	96.86
Profit before tax	-	-	2,193.06	-	-	1,910.33
Provision for taxation (net)	-	-	561.59	-	-	563.50
Profit after tax	-	-	1,631.47	-	-	1,346.83

(III) Capital Employed

Assets used in the Company's business are not capable of being specifically identified with any of the segments and it is not practicable to provide segmental disclosures in relation to total assets and liabilities with any reasonable degree of accuracy.

B. Business Segment (Secondary Segment)

The Company is in the business of manufacture of Masterbatches and Engineering Plastic Compounds. Since the operations of Engineering Plastic Compounds contributes less than 10 % of the company's total revenue/profits, the operations of Masterbatches is treated as one reportable business segment.



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 35 : RELATED PARTY DISCLOSURES :- Pursuant to AS-18, following related parties have been identified

A. Names of the Related parties "Holding Significant Influence" and "Key Management Personnel" under the Accounting Standard (AS-18) are as under:-

i. Parties holding significant influence

(I) M/s. Trustline Capital Finance Pvt. Ltd. (II) Pluto Trade links Ltd. (III) GKS Logistics Pvt. Ltd. (IV) G.K.S. Holdings Ltd.

ii. **Key Management Personnel**

Shri S. S. Poddar - Managing Director & CFO

Shri R. K. Sureka - Director & CEO

iii. **Relatives of the Key Management Personnel**

Smt. Sushma Sureka - Wife of Director & CEO

Smt. Mahima P. Agarwal - Director of the Company and daughter of Managing Director & CFO

Ms. Rochna Poddar - Daughter of Managing Director & CFO

Shri Abhinav Sureka - Son of Director & CEO

B. The following transactions were carried out with the related parties during the year :-

(Rs. In lacs)

	2014-15	2013-14
(i) Related Parties / Parties Holding Significant Influence		
a) Rent Paid (net of recovery of Rs. 5.22 lacs Previous year Rs. 5.22 lacs) to Smt. Sushma Sureka	10.50	10.50
b) Rent received from M/s G.K.S. Holding Limited	0.18	0.06
c) Rent received from M/s Trustline Capital Finance Pvt. Limited	0.12	-
d) Rent received from M/s GKS Logistics Pvt. Ltd.	0.12	-
e) Remuneration paid to Shri Abhinav Sureka as Manager (Operations and Business Development)	2.00	5.40
f) Consultancy charges paid to M/s Brand New Day, Prop. Ms. Rochna Poddar	5.39	5.39

(ii) **Key Management Personnel**

(To Managing Director & Whole time Director)

There is no transaction other than managerial remuneration paid as per terms of appointment duly approved by the shareholders. Following are the details of such managerial remuneration:

(Rs. In lacs)

	2014-15		2013-14	
Particulars	Sh. S.S. Poddar, Managing Director & CFO	Sh.R.K. Sureka, Director & CEO	Sh. S.S. Poddar, Managing Director	Sh.R.K. Sureka, Director & CEO
Salaries & Allowances	65.00	34.50	65.00	34.50
Contribution to Provident Fund	3.96	3.60	3.96	3.60
Others- perquisites value	8.80	10.65	9.00	10.65
Commission on Profit to the Managing Director & CFO	23.43	-	21.38	-
Total (Rs. In lacs)	101.19	48.75	99.34	48.75

The above does not include Gratuity Provision as the same is on overall company basis.



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 36 : EMPLOYEE BENEFITS

The Company has calculated the various benefits provided to employees as under:-

A) Defined Contribution Plans

Provident Fund

During the year the Company has recognised the following amounts in the statement of Profit and Loss Account:

	As at 31 st March, 2015	As at 31 st March, 2015
Employers Contribution to Provident Fund	58.58	47.09
B) State Plans		
a) Employee State Insurance		
b) Employee's Pension Scheme 1995		
Employers Contribution to Employee State Insurance	7.58	6.65
Employers Contribution to Pension Scheme	21.82	14.60

C) Defined Benefit Plans

a) Gratuity

b) Leave Encashment

The discount rate assumed is 8 % which is determined by reference to market yield at the Balance Sheet date on Government bonds. The estimates of future salary increase considered in actuarial valuation, taking account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	As at 31 st March, 2015		As at 31 st March, 2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present Value of obligation as at period closing 31st March, 2014	258.21	60.69	212.53	65.48
Current service cost	21.37	3.96	18.74	5.59
Interest cost	21.79	4.77	16.51	5.11
Actuarial (gain) / loss	(2.07)	26.21	12.78	(14.48)
Benefit paid	(4.30)	(1.16)	(2.35)	(1.01)
Present value of obligation as at period ended 31st March, 2015	295.00	94.47	258.21	60.69

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of obligation as at period ended 31st March, 2015	295.00	94.47	258.21	60.69
Fair value of plan assets at period end	322.47	108.86	276.52	75.47
Funded status excess of Actual over estimated.	(18.00)	(8.36)	-	(8.81)
Assets / (Liabilities) recognized in the Balance Sheet	(9.47)	(6.03)	(18.31)	(5.97)

Cost recognized for the period (included under Salaries, Wages, Allowances, Bonus and Gratuity)

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	21.37	3.96	18.74	5.59
Interest cost	21.79	4.77	16.51	5.11
Expected return on plan assets	(9.47)	(6.03)	(18.31)	(5.97)
Actuarial (gain) / loss	(2.07)	26.21	12.78	(14.48)
Net cost recognised for the period	31.62	28.91	29.72	(9.75)



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 37 : FINANCIAL AND DERIVATIVE INSTRUMENTS

- (a) The year/ period end foreign currency exposures that were not hedged by a derivative instrument or otherwise are given below:

(Figure In lacs)

	Currency	As at 31 st March, 2015		As at 31 st March, 2014	
		F/C	(Rs.)	F/C	(Rs.)
(i) Amount receivable in foreign currency on account of the following:					
Export of Goods	USD	19.85	1240.74	28.63	1,715.09
	Euro	2.71	181.79	4.42	363.42
(ii) Amount payable in foreign currency on account of the following:					
Import of goods	USD	18.30	1,144.00	19.76	1,183.78
	Euro	0.88	59.34	2.89	237.39

- (b) Derivative instruments

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy, approved by the board of directors, which provides principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

As at 31 st March, 2015				As at 31 st March, 2014		
Currency	No. of contracts	F/C	Amount	No. of contracts	F/C	Amount
USD	-	-	-	-	-	-
Euro	-	-	-	2.00	1.40	117.69



Notes to the Financial Statements for the year ended 31st March, 2015 (contd.)

Note No. 38 : ADDITIONAL INFORMATION PURSUANT TO PART II OF SCHEDULE III to THE COMPANIES ACT, 2013

(Rs. In lacs)

	2014-15	2013-14
A Imports (CIF Value)		
Raw Materials	11,363.19	11,839.31
Stores & Spares	55.06	86.02
Capital Goods	27.73	46.23
B Expenditure in Foreign Currency		
Travelling Expenses	50.63	46.17
Technical Consultancy	30.61	66.53
Commission (on remittance basis)	196.30	224.44
Interest on Buyers credit	1.05	5.16
Others	16.04	16.71
C Earnings in Foreign Currency		
From Export of Goods (on FOB) - Including Rs. 1551.51 lacs (2013-14 Rs. 2019.02 Lacs) received in INR through special rupee Vostro Account.	9,592.59	9,552.72
Others	194.68	177.62

Note No. 39 : Previous year figures have been regrouped/rearranged wherever considered necessary to conform current year classification.

As per our report of even date
For **K.N. GUTGUTIA & COMPANY**
CHARTERED ACCOUNTANTS
ICAI'SFRN304153E

For and on behalf of the Board of Directors

B.R. GOYAL
PARTNER
Membership No. 12172

NAVIN JAIN
SR. GM (LEGAL) &
COMPANY SECRETARY

R.K. SUREKA
DIRECTOR & CEO

PLACE : JAIPUR (Camp)
DATED : 25th May, 2015

B.K. BOHRA
AVP (COMM. & LEGAL)

S.S. PODDAR
MANAGING DIRECTOR & CFO



**Form No. MGT-11
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the
Companies (Management and Administration) Rules, 2014]

CIN : L24117RJ1991PLC006307
Name of the company : **PODDAR PIGMENTS LIMITED**
Registered office : E-10,11 & F-14 To 16, RIICO Industrial Area, Sitapura,
Jaipur-302 022 (Rajasthan)

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id No. : DP ID No. :

I/We, being the member (s) of..... shares of the above named company, hereby appoint

1. Name:E-mail Id:

Address:

..... Signature:.....

or Failing him

2. Name:E-mail Id:

Address:

..... Signature:.....

or Failing him

3. Name:E-mail Id:

Address:

..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Twenty Four Annual General Meeting of the Company, to be held on Friday the 11th day of September, 2015 At 12.30 P.M. at Jaipur and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	For	Against
1	To consider and adopt the Audited Financial Statement for the year ended 31st March 2015 and the Balance Sheet as at that date and the Directors' and Auditors' Report thereon.		
2	To declare a Dividend for the year 2014-15 on Equity Shares.		
3	To appoint a Director in place of Smt. Mahima P. Agarwal, who retires by rotation and being eligible, offers herself for re-appointment		
4	To Re-appoint of Auditors and fixing their remuneration		
5	To Approval of the remuneration of Cost Auditor		
6	To Approval of revision in remuneration and re-appointment of Sh. R. K. Sureka, Director & CEO		

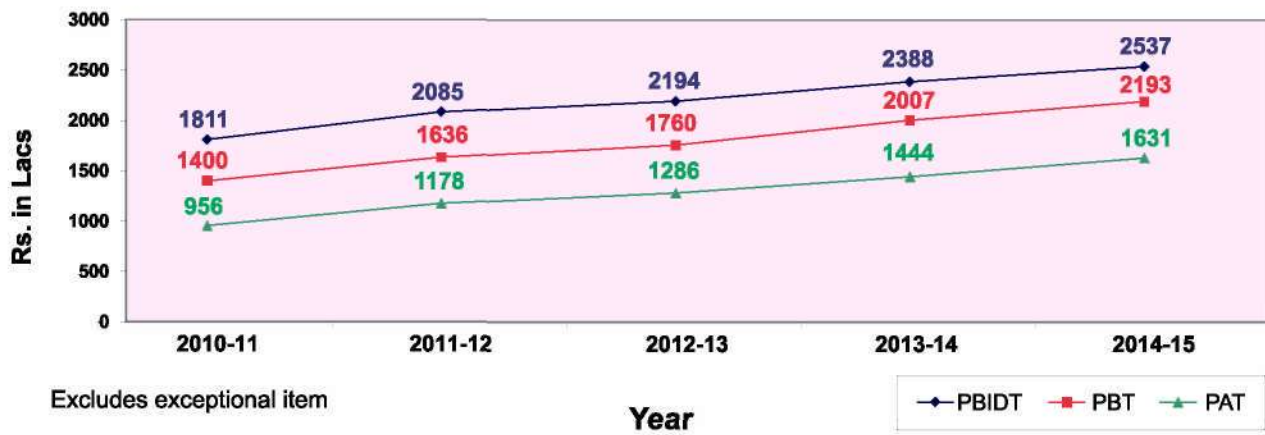
Signed this.....day of2015

Signature of shareholderSignature of Proxy holder(s).....

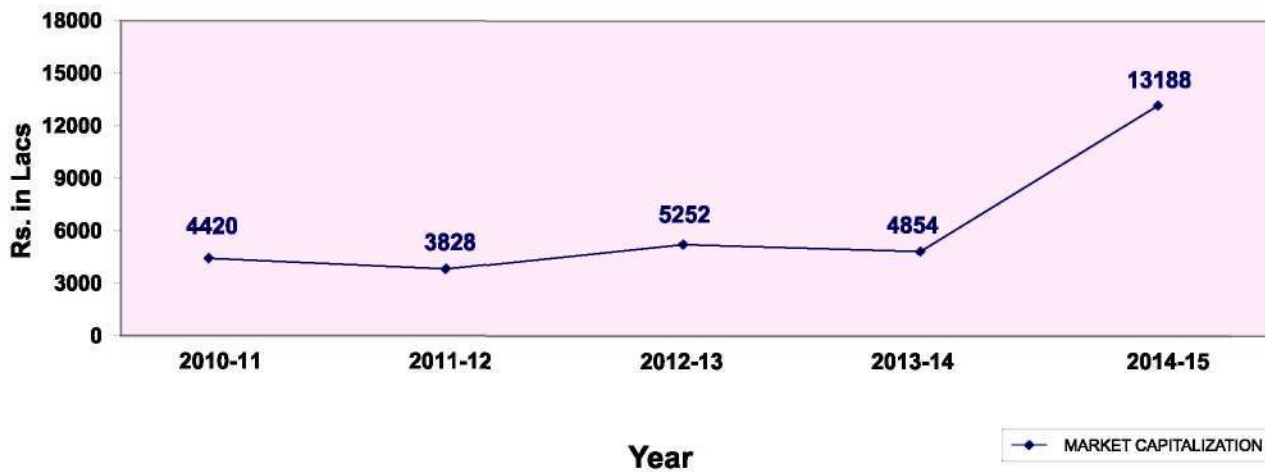
Revenue
Stamp of
Rs. 1/-

Note: The form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

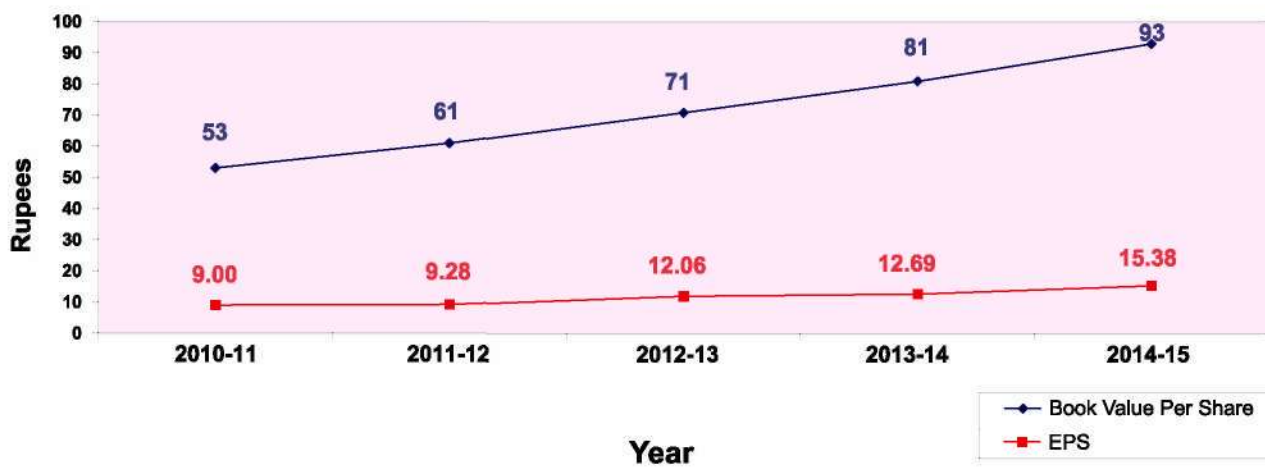
PBIDT, PBT & PAT



MARKET CAPITALIZATION



Book Value per Share & EPS



BOOK POST

If undelivered, please return to:

Regd. Office & Works

PODDAR PIGMENTS LTD.

E-10, 11 & F-14 to 16,
RIICO Industrial Area, Sitapura
Jaipur 302 022 (Raj.)



AN ISO 9001 : 2008 COMPANY

Corporate Office :

302, Nanak Chambers, 3rd Floor, (Opp. Fun Republic) New Link Road
Andheri (W), Mumbai 400 053

Tel : (91) 22 - 26740582, 26735471 -Telefax : (91) 22 - 26732905

E-mail : headoffice@poddarpigments.com

Regional Office:

CHENNAI

Rosy Tower, 3rd Floor, 8 M.G. Road, Chennai 600 034

Tel : (91) 44-28269247, 28260929, Telefax : (91)44-28253316

KOLKATA

Mangalam-B, 2nd Floor, 26, Hemanta Basu Sarani, Kolkata 700 001

Tel : (91) 33 -22318147/48, Telefax : (91) 33-22318290

NEW DELHI

A-283, Ground Floor, Okhla Industrial Area, Phase - I




New Delhi 110 020

Tel : (91) 11 -26816368, Telefax : (91) 11 -26816370

25th May, 2015

FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

1	Name of the Company	Poddar Pigments Ltd.
2	Annual financial statement for the year ended	31 st March, 2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation	N.A.
5	To be signed by –	
	<ul style="list-style-type: none"> Shri R. K. Sureka Director & CEO 	
	<ul style="list-style-type: none"> Shri S. S. Poddar Managing Director & CFO 	
	<ul style="list-style-type: none"> Shri B. R. Goyal (Partner) K. N. Gutgutia & Co. Chartered Accountants, (Auditor of the Company) 	<p>For K.N. GUTGUTIA & COMPANY CHARTERED ACCOUNTANTS ERN 304153E</p> 
	<ul style="list-style-type: none"> Shri Kishore Rungta Director (Audit Committee Chairman) 	<p>(B.R. GOYAL) PARTNER M.NO. 12172</p> 