



AN EXCITING FUTURE.
**A NEW
CHEMISTRY.**

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The disclosures of forward-looking information contained in this annual report are made to enable investors to comprehend the prospects and make informed investment decisions. This report and other statements – written or oral – may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. Maximum effort has been made to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. However, the entire realisation of these forward-looking statements cannot be guaranteed, although the assumptions have been prudent enough to rely upon. The achievement of results is subject to risks, uncertainties and unforeseen events. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. The management does not undertake any obligation to publicly update any forward-looking statement, whether as a result of new information, future event or otherwise.

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The year 2014-15 was challenging for the global pigments industry.

Asahi Songwon reported profitable growth.

Most players struggled to maintain EBITDA margins.

Asahi Songwon successfully generated savings from within.

Most players focused on doing more of the same to remain liquid.

Asahi Songwon chose to enhance innovation to reinforce sustainability.

There were three realities in our demerged company that made this a reality.

Strong management ambition. Strategic planning.

Passion-driven implementation.

A NEW CHEMISTRY.



**ASAHI SONGWON.
INDIA'S LEADING
PHTHALOCYANINE
PIGMENT
MANUFACTURER.**

Corporate snapshot

The Company was promoted in 1990 by **Mrs. Paru M. Jaykrishna** to manufacture pigments.

The Company is the leading manufacturer of phthalocyanine pigments (blue) and derivatives in India and one of the fastest growing in the world.

Asahi Songwon is engaged in the manufacture of

phthalo pigments (one of the largest categories of pigments manufactured in India) comprising CPC blue crude and a range of beta blue pigments.

Products

Applications: About 40% of all phthalocyanine pigments are used in the manufacture of printing inks while the rest find application in paints and plastics.

Manufacturing capacities: The Company's principal manufacturing facilities are at Padra (Vadodara), manufacturing CPC blue crude and a range of beta blue pigments with an installed capacity of 11400 tonnes per annum.

Brand-enhancing clientele

The Company's clientele comprises global giants like DIC (Japan), Sun Chemicals (USA), Clariant Chemicals (India) Limited and BASF (Korea).

Awards and accolades

- The Company's Padra plant is certified with ISO 9001:2008 and ISO 14001:2004 accreditations, validating its stringent compliance with all applicable health, safety and environmental norms.
- Award for 'Outstanding export performance' for four consecutive years from GDMA.
- Award for 'Outstanding performance in the export of dye and dye intermediaries' from CHEMEXCIL for three years running.
- Award for 'Excellent export performance' in the 'Export House' category from FIEO in 2000-01.
- Award for 'Emerging SME' across all sectors in India as well as 'SMEs in the chemical and petrochemical sectors' by Dun and Bradstreet and Fullerton India in 2008.
- Award for 'International Trade' in the 'Chemicals' category by DHL-CNBC TV18 in 2009 and 2010-11.

CHAIRPERSON'S REVIEW



Dear Shareholders

It gives me pleasure to state that the Company performed well during the 2014-15 fiscal year which proved to be demanding for more reasons than one.

The year 2014-15 was the first year of operations following the demerger from the green pigments division. The Company's revenues from the previous year were affected on account of the demerger coupled with the fact that the first two quarters proved challenging on account of a demand slowdown. Crude realisations declined, and so did the prices of our products. In this challenging environment, I am pleased that Asahi Songwon successfully surpassed its blue pigment division turnover of the previous year due to enhanced team commitment and increased productivity.

The big message is that despite the demerger, we

were able to improve our profitability on the back of better capacity utilisation, proactive risk management, seamless material management, and the sweat and commitment of our employees. During the year, the Company took a couple of decisive initiatives to come up with new products and fine-tune existing ones, enhance capacity utilisation and optimise energy consumption.

Looking ahead

The prospects for the colourants industry in the next five years appear brightened on the back of rapid growth coming out of Asian countries like India, China and Japan, among others. In Western countries, industries like paints, dyes and varnishes are continuing to do good business, though end-user industries like inks have somewhat slowed. The

US is on a path of recovery and Japan is showing signs of picking up, both of which are our main markets.

Going ahead, the measures the Company has undertaken are expected to usher incremental growth. We believe that the glut in demand in Europe and China is temporary; things will soon take a turn for the better.


At Asahi Songwon, we are attractively placed to capitalise on account of our robust business model, rigorous environment compliance and longstanding customer relationships, which should translate into enhanced value for our stakeholders.

Regards,

Mrs. Paru M. Jaykrishna
Chairperson & Managing Director

A NEW CHEMISTRY...
IS ABOUT GETTING
**MORE OUT
OF LESS**





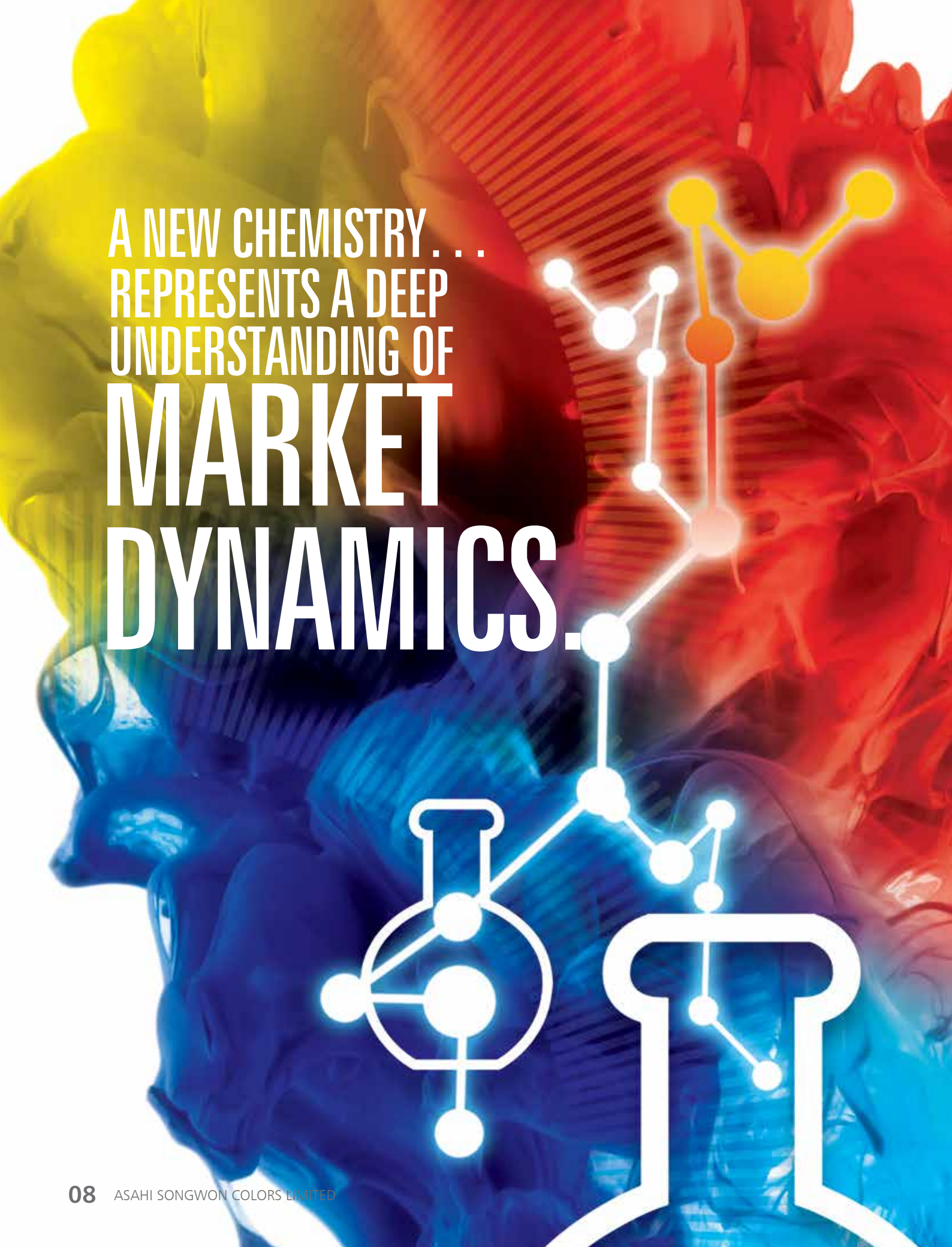
In the business of pigment manufacture, long-term sustainability is derived from a combination of robust topline growth and high profitability.

The Company intends to accelerate product launches to generate higher revenues.

The Company intends to reinforce its distinctive profitability focus as well. It will increasingly focus on products that are niche and value-added. Besides, it will select to manufacture incremental products from within existing facilities and without additional capital expenditure.

The result is that the Company expects to generate higher returns on employed capital, enhancing surpluses and reinforcing sustainability.

A NEW CHEMISTRY ...

The background features a vibrant, abstract composition of swirling smoke or liquid in shades of yellow, orange, red, and blue. Overlaid on this are several glowing molecular or network diagrams. These diagrams consist of interconnected nodes (circles) and lines, with some nodes appearing as bright white or yellow spheres. The overall effect is one of dynamic energy and scientific complexity.

A NEW CHEMISTRY...
REPRESENTS A DEEP
UNDERSTANDING OF
**MARKET
DYNAMICS.**