

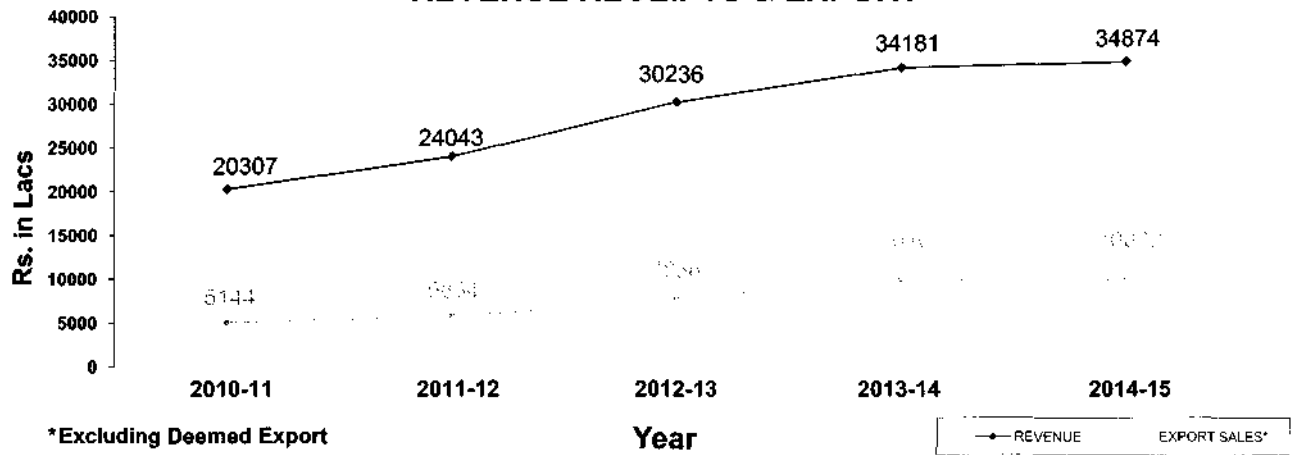


TAKING COLOUR TO THE WORLD

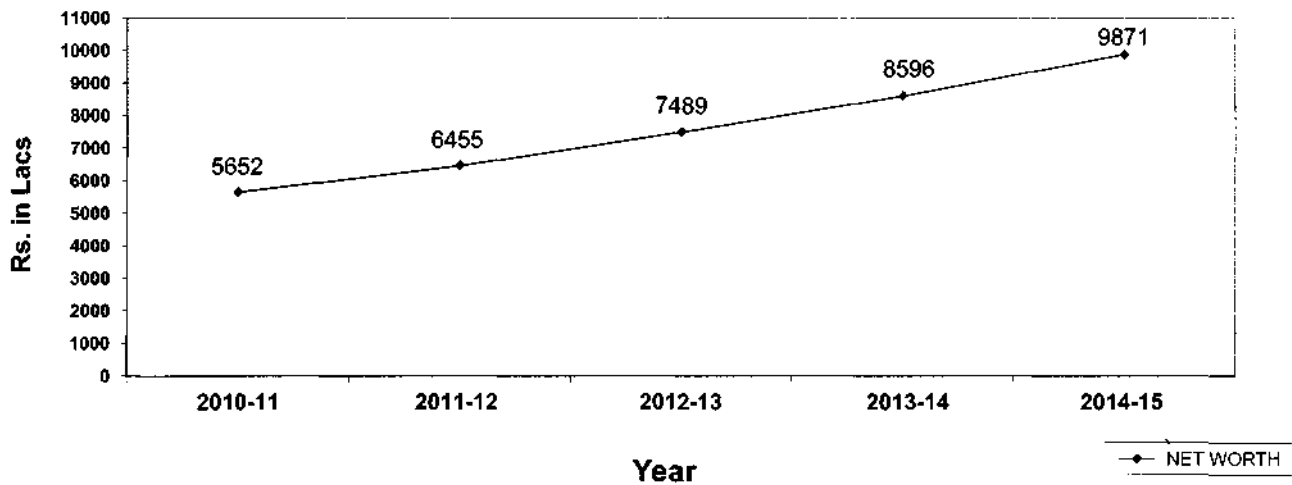
PODDAR
PIGMENTS LTD.

Annual Report 2014 - 2015

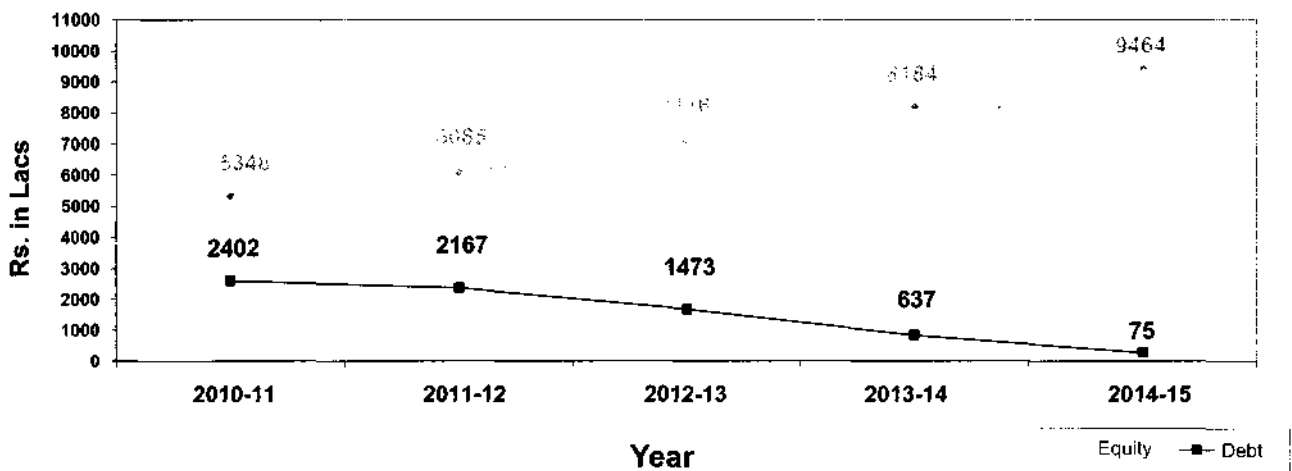
REVENUE RECEIPTS & EXPORT



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

- 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.
- To declare a Dividend for the year 2014-15 on Equity Shares.
- 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.
- 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

- 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."

- 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:-

- Basic Salary : Rs. 4,50,000/- Per Month
 - 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

- Rent Free Accommodation or House Rent Allowance upto a maximum of 60% of Basic Salary.
- Expenditure incurred on gas, electricity and water shall be paid/ reimbursed by the company.
- Medical Expenses incurred for self and family.
- Leave Travel Concession for self & family once in a year to any destination in India or Abroad.
- Fee of Clubs.
- Premium for Personal Accident Insurance.
- Premium for Personal Life Insurance .
- 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:

- 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.
- Gratuity not exceeding half a month's salary for each completed year of service.
- Encashment of leave in accordance with the Company's Rules.

CATEGORY-C

- 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.
- 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.

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.

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

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By order of the Board

NAVIN JAIN
Sr. GM (Legal) &
Company Secretary

DATE: 3rd August, 2015