



**ULTRAMARINE &
PIGMENTS LTD.**

53rd

**Annual Report
2013–2014**



Board of Directors

Mr. R. Sampath - Chairman & Managing Director
 Mr. S. Sridhar - Joint Managing Director
 Ms. Indira Sundararajan - Wholtime Executive Director
 Mr. S. Santhanam
 Dr. G. G. Nair
 Mr. Nimish Patel
 Mr. T. R. Madhavan
 Mr. Vinod G. Nehemiah

Company Secretary

Mr. Kishore Kumar Sahoo

Bankers

Bank of India
 HDFC Bank Limited
 State Bank of India

Auditors

CNK & Associates LLP
 Chartered Accountants
 501-502, 5th Floor, Narain Chambers
 M. G. Road, Vile Parle (East),
 Mumbai - 400 057

Registered Office

Thirumalai House, Road No.29
 Near Sion Hill Fort, Sion (E), Mumbai - 400 022
 Tel : +91-22-43686200, 6256
 Fax : +91-22-24011699/24014754
 E-mail: cs@uplamb.net
 Website: www.ultramarinepigments.net

Registrar & Share Transfer Agents

Link Intime India Private Limited
 C-13, Pannalal Silk Mills Compound
 L. B. S. Marg, Bhandup (West)
 Mumbai - 400 078
 Ph : +91-22-2594 6970
 Fax: +91-22-25946969
 E-mail: rent.helpdesk@linkintime.co.in
 Website: www.linkintime.com

Factory

Ambattur

556, Vanagaram Road
 Ambattur, Chennai - 600 053
 Tel. : +91-44-66921195/1196/ 1197
 Fax: +91-44-6692 1100

General Information

- (a) Company's Corporate Identification Number (CIN):
L24224MH1960PLC011856
- (b) Company's Shares Listed at Bombay Stock Exchange Ltd.
- (c) Company's Shares are mandated for trading in demat mode.
- (d) ISIN allotted to company's share is INE405A01021

53rd Annual General Meeting

Date & Time

7th August, 2014 at 3.30 p.m.

Venue

Mysore Association Auditorium, Bhaudaji Road
 Matunga, Mumbai - 400 019

Dividend declared

125 % (₹ 2.50 per share)

Dividend eligibility

For : Registered Member
 Physical Shares : As on 7th August, 2014
 Demat Shares : At the close of business hours on
 28th July, 2014 as per the list of
 beneficial ownership furnished by
 the Depository Participants.

Book closure

From 29th July, 2014 to 7th August, 2014
 (both days inclusive)

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Ranipet

25-B, SIPCOT Industrial Complex
 Ranipet - 632 403, Tamilnadu
 Tel: +91-4172-664401/402/403/404/405
 Fax: +91-4172-664400
 E-mail: syndet@ultramarinepigments.net

Members are requested to bring their copy of Annual Report with them to the Annual General Meeting



NOTICE

NOTICE is hereby given that the **FIFTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF ULTRAMARINE & PIGMENTS LIMITED** will be held at THE MYSORE ASSOCIATION AUDITORIUM, Mysore Association, 393 Bhaudaji Road, Matunga – C. Rly, Mumbai – 400019 on Thursday the 7th day of August, 2014 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors' thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. S. Sridhar (DIN: 00091424), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint M/s. CNK & Associates LLP, Chartered Accountants, retiring statutory auditors to hold office as joint auditors from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and M/s. Brahmayya & Co, Chartered Accountants as statutory auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of sixth Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting and to fix their remuneration for the financial year ending 31st March, 2015.

SPECIAL BUSINESS:

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Gopakumar G. Nair (DIN: 00092637), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to Annual General Meeting for the year 2019.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Vinod G. Nehemiah (DIN: 00379444), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to Annual General Meeting for the year 2019.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Nimish U. Patel (DIN: 00039549), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to Annual General Meeting for the year 2019.”



8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. T.R Madhavan (DIN: 00163992), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to Annual General Meeting for the year 2019.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting.

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

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten per cent of the total share capital of the Company.
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- The Register of Members and the Share Transfer Books of the Company will remain closed from 29th July, 2014 to 7th August, 2014 (both days inclusive) for determining the names of members eligible for dividend, if approved. In respect of shares held in electronic form, the dividend will be paid to those shareholders whose names appear at the close of business hours on 28th day of July, 2014 as beneficial owner as per the list furnished by the Depository Participants for the purpose.
- The Proxy form duly completed and signed should be deposited at the Registered office of the Company at least 48 hours before the commencement of the meeting.
- Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company/Registrars & Share Agent of the Company.
- Pursuant to the provisions of Section 205A(5) & 205(c) of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividend, if any, for the financial year 1995-96 to 2005-06 and 2006-07 (Interim Dividend) to the Investor Education and Protection Fund (The IEPF) established by the Central Government.



No claims shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of 7 years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

7. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
8. Electronic copy of the Annual Report for 2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014 is being sent in the permitted mode.
9. Electronic copy of the Notice of the 53rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 53rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Members may also note that the Notice of the 53rd Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website for download.
11. Members desiring any clarification on accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
12. The Equity shares of the Company are mandated for trading in the compulsory demat mode. The ISIN No. allotted for the Company's share is INE405A01021.
13. Members/Proxies are requested to bring attendance slip along with their copy of Annual Report to the Meeting.
14. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 53rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services of India Limited (CDSL):

The instructions for members for voting electronically are as under:-

- A. In case of members receiving e-mail:
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"
 - (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
 - (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below.



- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in 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)	
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.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the Default Value: **[MNPQL5678A]** in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the Default Value: **[MNPQL5678A]** in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant EVSN on which you choose to vote.
- (xi) 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.
- (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out a print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If the Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.



- B. In case of members receiving the physical copy:
Please follow all steps from Sl. No. (i) to Sl. No. (xvii) above to cast vote.
- C. The voting period begins on August 1, 2014 (9.00 a.m) and ends on August 3, 2014 (5.00 p.m). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date June 13, 2014 (end of the day), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- D. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- E. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of June 13, 2014.
- F. Mr. Manoj Mimani, Practising Company Secretary (Membership No. 17083) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- G. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- H. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ultramarinepigments.net and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges, where the shares are listed.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturday, up to and including the date of the Annual General Meeting of the Company.



I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No. 5

Dr. Gopakumar G. Nair has been a Director of the company since 25th May 1990. He is also the Chairman of Audit Committee of the Board of Directors. He is LLB from Mumbai University, M.Sc. (Organic Chem.), Sagar University, Ph. D. (Org. Chem.), National Chemical Laboratory, Pune University. Dr. Nair has immense knowledge and experience on various matters which was valued by the Board of Directors. He is also considered to be an authority on matters concerning Intellectual Property, particularly Patents.

Dr. Nair holds directorship and membership of the Committees of the Board of Directors of the below mentioned Companies in India:

Director in Sequent Scientific Limited, Glochem Industries Limited, Gnanlex Hermeneutics Private Limited (Chairman). Member of Audit Committee and Shareholder Grievance Committee of Sequent Scientific Limited.

Dr. Nair holds by himself 18,000 equity shares in the Company.

Dr. Nair retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Dr. Nair being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to Annual General Meeting for the year 2019.

In the opinion of the Board, Dr. Nair fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Dr. Nair as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Nair as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Dr. Nair as an Independent Director, for the approval by the shareholders of the Company.

Except Dr. Nair, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No. 6

Mr. Vinod G. Nehemiah was appointed as a Director of the Company in the year 2013. Mr. Nehemiah holds Masters in Chemical Engineering from Massachusetts Institute of Technology, Boston, USA and worked as Research Scientist in a Multinational Company and he is a first generation entrepreneur.

Mr. Nehemiah holds by himself 1,77,600 equity shares in the Company.

Mr. Nehemiah is also a Director in SNAP NATURAL AND ALGINATE PRODUCTS PRIVATE LTD.,

Mr. Nehemiah retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Nehemiah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to Annual General Meeting for the year 2019.



In the opinion of the Board, Mr. Nehemiah fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Nehemiah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Nehemiah as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Nehemiah as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Nehemiah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No. 7

Mr. Nimish U. Patel has been a Director of the Company since 28th October, 2003. He is also a member of Audit Committee of the Board of Directors of the Company. Mr. Patel is BBA, MBA (USA) and possesses more than two decades of experience in Textile and Chemical Sectors.

Mr. Patel holds directorship and membership of the Committees of the Board of Directors of the below mentioned Companies in India:

Director in Shri Dinesh Mills Limited, Dinesh Remedies Limited, Transpek Industry Limited, Pankakamlini Investments Pvt. Ltd. Member of Share Transfer Committee of Transpek Industry Ltd.

Mr. Nimish Patel holds by himself 52,589 equity shares in the Company.

Mr. Nimish Patel is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Patel being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to Annual General Meeting for the year 2019. A notice has been received from a member proposing Mr. Patel as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Patel fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Patel as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Patel as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Patel as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Patel, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.