



59th ANNUAL REPORT

2019–2020

Ultramarine & Pigments Ltd

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Board of Directors

Mr. R. Sampath	- Chairman
Mrs. Indira Sundararajan	- Vice Chairperson
Ms. Tara Parthasarathy	- Joint Managing Director
Mr. R. Senthil Kumar	- Whole-time Director
Mr. V. Bharathram	- Whole-time Director

Independent Directors

Mr. Nimish U. Patel	
Mr. T. R. Madhavan	(upto 29-07-2019)
Mr. Vinod G. Nehemiah	(upto 29-07-2019)
Mr. Navin M. Ram	
Mr. S. Ragothaman	(upto 13-02-2020)
Mr. Rajeev M. Pandia	
Mr. C.R. Chandra Bob	
Dr. P. Arunasree	
Mr. Harsh R. Gandhi	

Audit Committee

Mr. C.R. Chandra Bob, Chairman
Mr. Nimish U. Patel
Mrs. Indira Sundararajan
Mr. Navin M. Ram

Nomination and Remuneration Committee

Mr. Rajeev M. Pandia, Chairman
Mr. R. Sampath
Mr. Navin M. Ram

Corporate Social Responsibility Committee

Mr. C.R. Chandra Bob, Chairman
Mr. Navin M. Ram
Mrs. Indira Sundararajan

Stakeholders Relationship Committee

Mr. Navin M. Ram, Chairman
Mr. C.R. Chandra Bob
Mrs. Indira Sundararajan

Chief Financial Officer

Mr. S. Ramanan

Company Secretary

Mr. Kishore Kumar Sahoo

Auditors

Brahmayya & Co.,
Chartered Accountants
48, Masilamani Road,
Balaji Nagar, Royapettah, Chennai - 600014

Factory

Ambattur

556, Vanagaram Road
Ambattur, Chennai - 600 053
Tel. : +91-44-26136700 -704
Fax: +91-44-26821201

Bankers

Bank of India
The Hongkong and Shanghai Banking Corporation Limited (HSBC)

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@ultramarinepigments.net
Website: www.ultramarinepigments.net

Registrar & Share Transfer Agent

Cameo Corporate Services Limited
Subramanian Building, 1, Club House Road,
Anna Salai, Chennai - 600002,
Ph : +91-44-28460390
Fax : +91-44-28460129
E-mail: investor@cameoindia.com

General Information

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

59th Annual General Meeting

Date & Time

22nd July, 2020 at 3.00 p.m.

Venue

Through Video Conferencing

Interim Dividend declared

250% (₹ 5.00 per share)
Paid on 30.03.2020

Book closure

16th July, 2020 to 22nd July, 2020
(both days inclusive)

Ranipet

25-B, SIPCOT Industrial Complex ,
Ranipet - 632 403, Tamilnadu
Tel: +91-4172-278500-504
Fax: +91-4172-664400
E-mail: syndet@ultramarinepigments.net



Board of Directors



Mr. R. Sampath is the Chairman of Ultramarine & Pigments Limited. He is a Chemistry graduate from University of Bombay and has a Chemical Engineering degree from Washington State University, USA. He started his career in a Multinational Company and possesses more than 50 years of experience in operation, and managing businesses of the Company.



Mrs. Indira Sundararajan is the Vice Chairperson of Ultramarine & Pigments Limited. She is a Technologist with extensive experience of more than 3 decades in Business and Trade. She has a BSc-Tech degree from University Department of Chemical Technology (now Institute of Chemical Technology), Mumbai.



Ms. Tara Parthasarathy is the Joint Managing Director of Ultramarine & Pigments Limited. She serves as a Trustee of the Thirumalai Charity Trust. Prior to her work with UPL, she worked at the World Resources Institute and the Shakti Sustainable Energy Foundation on sustainable energy policy issues at the national and state levels, specifically on energy efficiency and renewable energy policy measures and industrial applications. She has a B.Tech in Industrial Biotechnology from Anna University and a Masters in Environmental Management from Yale University.



Mr. R. Senthil Kumar is the Whole-time Director of Ultramarine & Pigments Limited. He has been working in the Company since 1988. He is looking after the operation of plants at Ranipet and Ambattur. He has more than 28 years of experience in various areas viz, manufacturing, sales and marketing, Projects, Commercials and day to day plant operations. He is a Science graduate and Masters in Business Administration.



Mr. V. Bharathram is the Whole-time Director of Ultramarine & Pigments Limited. Mr. Bharathram is a graduate in Computer Science and holds Masters Degree in Business Administration.

Mr. Bharathram possesses more than 25 years of experience and before joining Ultramarine & Pigments Limited, was the National Head for Consumer Durable lending of a reputed non-banking finance Company belonging to a large corporate group in India. He has extensively worked in large commercial hubs and possesses sound knowledge in marketing, broad basing of network, risk assessment of business enterprises etc.



Mr. Nimish U. Patel is the Managing Director of Shri Dinesh Mills Limited and Chairman & Managing Director of Dinesh Remedies Ltd. He has more than 28 years of experience in the field of Textile and more than 12 years in the field of Electro Plating and Pharma Industries.



Mr. T.R. Madhavan is the former Executive Chairman of Centrum Capital Limited. Prior to this, he was Managing Director of Dhanlaxmi Bank Limited. He has more than 30 years of rich experience in Banking and Finance. He was with Bank of India for more than 30 years and was General Manager – Credit before he took voluntary retirement to join Dhanlaxmi Bank Limited as its Managing Director. His tenure as an Independent Director of the Board of Ultramarine & Pigments Limited completed on 29.07.2019.



Mr. Vinod G. Nehemiah, is an entrepreneur, Director of Snap Natural & Alginate Products Private Limited. SNAP manufactures natural food additives such as Salts of Alginic Acid, Carrageenan. He has worked in Hindustan Unilever Limited in various positions: Production Manager, Research Scientist. His tenure as an Independent Director of the Board of Ultramarine & Pigments Limited completed on 29.07.2019.



Mr. Navin Muthu Ram is the Executive Director of Pipe Hangers and Supports Private Limited, a global market leader for supply of spring hangers and supports for thermal movement of hot pipelines (for refineries and power plants) to leading blue chip Companies. Prior to this, Mr. Navin M. Ram worked with Goldman Sachs in London as an Executive Director with their global products business. He is the Chairman of the Stakeholders Relationship Committee of the Board of Ultramarine & Pigments Limited.



Mr. S. Ragothaman served as Director of ICICI Bank Ltd and ICICI Prudential Asset Management Co Ltd. He has more than four decades of experience in Project Finance, Investment Banking, Leasing, Bill Discounting and Financial Restructuring. He is currently occupies the position of Independent Director as well as membership and Chairmanship of Audit Committees of The Bombay Dyeing and Manufacturing Company Ltd, Xpro India Ltd, Xpro Global Ltd, National Peroxide Ltd, Digjam Limited. He has been a guest faculty for LIBA - Chennai, IFMR - Chennai, and RBI Staff Training College – Chennai. His tenure as an Independent Director of the Board of Ultramarine & Pigments Limited completed on 13.02.2020.



Mr. Rajeev M. Pandia is a graduate in Chemical Engineering from Indian Institute of Technology (IIT), Bombay and holds the Master's degree in the same field from Stanford University, California. A Distinguished Alumnus of IIT Bombay and a Rotary International scholar; he is a fellow of Indian National Academy of Engineering and of Indian Institute of Chemical Engineers. He has more than 45 years of experience in strategic planning, project evaluation and management, technology transfer, international marketing, safety, health and environmental issues, Government policies and general management. He advises several Indian and international companies in the areas of Strategy, Project execution and operational excellence.

In 2009, Mr. Pandia received the ICC Lifetime Achievement Award from Indian Chemical Council for his contribution to the Indian chemical industry. He currently occupies the position of Independent Director as well as membership and chairmanship of Audit Committees and Stakeholders Relationship Committees of GRP Limited, Excel Industries Ltd, The Supreme Industries Ltd. He is the Chairman of the Nomination and Remuneration Committee of the Board of Ultramarine & Pigments Limited



Mr. C. R. Chandra Bob is a fellow member of Institute of Chartered Accountants of India. He has more than 30 years of experience in Audit, Assurance and Taxation. He has worked as Regional Finance Controller (Southern Region) and Plant Manager of Praxair India Pvt. Ltd, a well-known MNC, where he was heading the complete operations and business of the Unit as a Profit Centre. Since then he has set up a professional Auditing Firm with the base in South India performing Audit, Assurance, Taxation, Compliance and related matters. He has extensive experience in these areas and provides the services to well-known Companies. He is the Chairman of the Audit Committee and Corporate Social Responsibility Committee of the Board of Ultramarine & Pigments Limited.



Dr. P. Arunasree is a Doctorate in Organic Chemistry and Bachelor of Law. She has more than 16 years of experience in the field of Intellectual Property Rights. She is the Director of Gnanlex Hermenueticus Pvt. Ltd., a Knowledge & Technology based firm providing services in Intellectual Property, regulatory linkages, technology development, licensing & contracts of IP related areas within India and Globally.



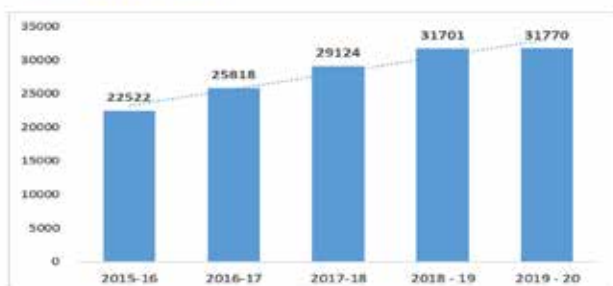
Mr. Harsh R Gandhi is a Science graduate from Purdue University, USA, completed Owner / President Management program with Harvard Business School, Boston, USA. He is the Joint Managing Director of GRP Limited. GRP Limited is a manufacturer of sustainable materials, focused on upgrading end of life tyre waste to make raw materials and products for use in automotive, electrical, transportation and defence sectors. Before joining GRP, he was an Associate of The Boston Consulting group, Mumbai and an analyst with Kotak Securities, New York.

Mr. Harsh Gandhi possesses 18 years of experience in various senior managerial positions in the key areas of market promotion, projects, operations, business development, strategic planning etc.

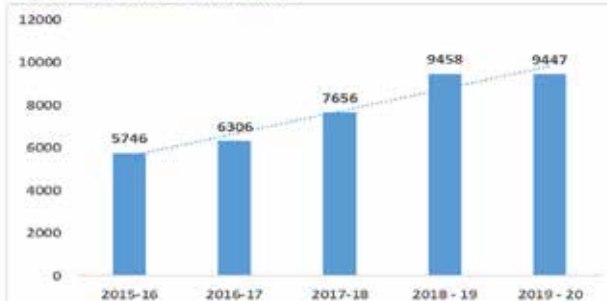


Financial Snapshot

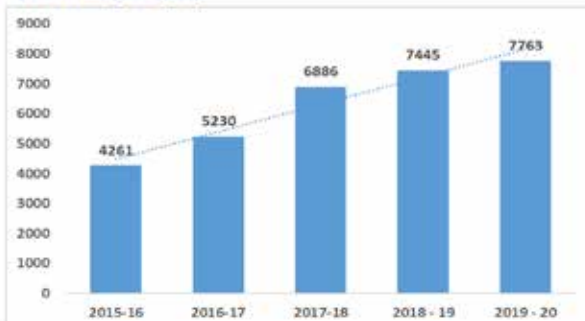
Revenue - Rs. In Lakhs



Export – Revenue – Rs. In Lakhs

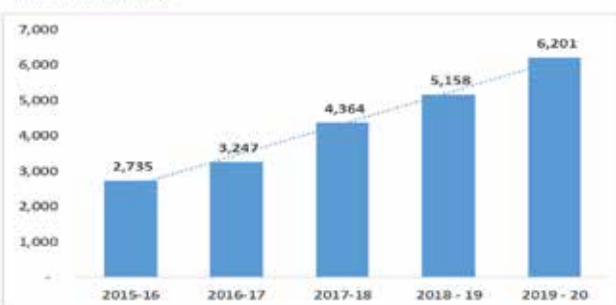


EBIDTA – Rs. in Lakhs



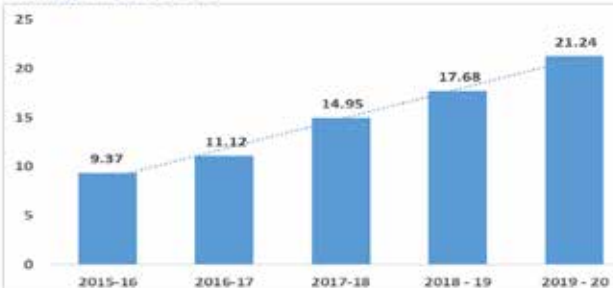
FY 18-19 EBITDA excludes exceptional item of Rs. 5.91 cr.

PAT – Rs. in lakhs



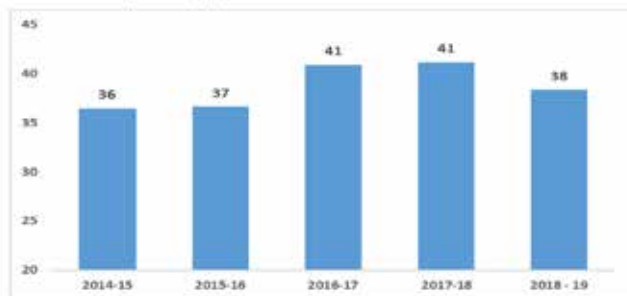
FY 18-19 PAT excludes exceptional item.

Earning Per Share – Rs.



FY 18-19 EPS calculated without exceptional item.

Return On Capital Employed - %





FINANCIAL HIGHLIGHTS for 10 YEARS

₹ in Lakhs

Sl. No.	Particulars	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
		IndAS				IGAAP					
1	Share capital	584	584	584	584	584	584	584	584	584	584
2	Other Equity / Reserves & surplus	29664	37905	50,524	30,771	10,869	9,364	8,633	8,048	7,604	7,253
3	Net Worth	30248	38489	51,108	31,355	11,453	9,948	9,217	8,632	8,188	7,837
4	Fixed Assets (Net)	12673	8110	7,082	6,054	5,454	3,969	4,215	4,296	4,526	4,072
5	Sales/ Other Income*	31770	31701	28,607	25,818	22,522	17,389	15,328	14,394	13,825	12,372
6	Profit before Tax **	7,763	8,037	6,342	4,818	3,904	2,752	2,159	1,737	1,827	2,412
7	Tax Expenses	1,562	(2,389)	(1,978)	(1,571)	(1,169)	(877)	(719)	(524)	(457)	(711)
8	Net Profit after Tax	6,201	5,648	4,364	3,247	2,735	1,875	1,440	1,213	1,370	1,701
9	Dividend (incl. Dividend Tax)	1760***	1582	1,494	1,406	1,230	1,054	854	769	1,018	1,021
10	Dividend (%)	250	225	212.50	200.00	175.00	150.00	125.00	112.50	150.00	150.00
11	Earnings Per share (₹)	21.24	19.34	14.95	11.12	9.37	6.42	4.93	4.15	4.69	5.83

* Sales and other income upto financial year 2017-18 includes excise duty.

** For FY 18-19. Figures of EBIDT, PAT & EPS are inclusive of exceptional income.

*** Interim dividend for FY 2019-20



NOTICE

NOTICE is hereby given that the FIFTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ULTRAMARINE & PIGMENTS LIMITED will be held on Wednesday, the 22nd day of July 2020 at 3.00 p.m. IST through video conferencing ("VC") / Other Audio Visual Mechanism ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a. the audited standalone financial statements of the Company for the financial year ended March 31, 2020, together with the reports of the Board of Directors and the Auditors' thereon; and
 - b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2020, together with the report of the Auditors' thereon
2. To confirm the payment of interim dividend as the final dividend for the financial year 2019 -2020.
3. To appoint a Director in place of Mr. R. Senthil Kumar (DIN: 07506927), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. 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 188 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014, 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), the approval of the Members be and is hereby accorded to the payment of revised remuneration to Ms. Vidya Sampath, Vice President - Corporate Social Responsibility (CSR) (a relative of Mr. R. Sampath, Director) with effect from 01.08.2020 on the following terms and conditions:

A.	Salary	Basic salary in the scale of ₹ 2,00,000 – 20,000 per month with a provision to pay multiple increments within the scale.
B.	Allowances / Perquisites / Variable pay	a) Allowances like Leave Travel Allowance, Special Allowance, or any other allowance; b) Perquisites such as furnished / unfurnished accommodation to be provided by the Company or House Rent Allowance in lieu thereof, reimbursement of medical expenses incurred for self and family, club fees, provision of car and any other perquisites, benefits or amenities. - The allowance and perquisites not exceeding 100% of the Salary; and c) Variable pay: as may be approved by the Nomination and Remuneration Committee subject to : - Variable pay (at 100% level) not exceeding twelve times of the monthly Basic Salary.
C.	Retirement benefits	- Contributions to Provident Fund, Superannuation Fund and Gratuity as per the Rules of the Fund / Scheme in force from time to time - Encashment of leave as per rules of the Company in force from time to time.



RESOLVED FURTHER THAT any Whole-time Director or Company Secretary of the Company be and are hereby severally authorized to take all steps as may be deemed necessary, proper or expedient to give effect to this resolution."

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 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 Auditors 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, 2021, 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."

Regd. Office:

Thirumalai House, Plot No. 101 -102,
Road No. 29, SION – East, Mumbai – 400022
Email: cs@ultramarinepigments.net,
Website: www.ultramarinepigments.net
Date: 1st June, 2020

By the Order of the Board

For **Ultramarine & Pigments Limited**,

[Kishore Kumar Sahoo]

Company Secretary

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to rmimani@csrma.in/mmimani@csrma.in with a copy marked to evoting@cdslindia.com.