$41^{st}$  Annual Report 2001 - 2002

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# ULTRAMARINE & PIGMENTS LIMITED FINANCIAL HIGHLIGHTS

			÷													(F	Rs. in I	_akhs)
Particulars	01-02	00-01	99-00	98-99	97-98	96-97	95-96	94-95	93-94	92-93	91-92	90-91	85-86	80-81	75-76	1971	1966	60-61
Share Capital	365	365	365	360	360	360	360	180	180	180	180	180	90	60	60	30	15	15
Reserves & Surplus	3271*	3532	3451	3075	2702	2365	2014	1695	1540	1298	1162	1079	315	169	70	61	27	0.02
Networth	3636*	3897	3816	3435	3062	2725	2374	1875	1720	1478	1342	1259	405	229	130	91	42	15.02
Fixed Assets (Net)	2639	2568	2660	2490	2600	2388	2045	828	685	690	729	722	170	144	151	37	33	6
Sales / Other Income	9109	10002	10864	9312	7462	6587	6152	3926	2577	2429	1887	1697	604	495	149	99	58	0.19
Gross Profit before Interest & Depreciation	1106	899	1178	1193	1046	937	817	535	716	487	384	403	131	114	27	37.08	27.33	0.12
Interest / Finance Charges	235	289	189	230	224	197	91	79	101	88	86	48	5	7	12	0.08	0.33	0.07
Depreciation	280	259	255	252	221	179	<b>1</b> 19	87	80	76	70	39	22	9	11	4	3	0.01
Taxation	141	137	184	160	99	73		100	190	108	74	75	39	51	_	20	12	0.02
Net Profit	419	201	523	553	486	490	606	245	333	208	155	245	65	47	4	13	12	0.02
Dividend (Incl. Dividend Tax)	183	120	243	180	158	139	108	90	90	72	72	72	19	12	5	5	2	JAMES NO.
Earnings per share (Rs.)	11.48	5.51	14.33	15.36	13.50	13.61	16.83	13.61	18.50	11.56	8.61	13.61	7.22	7.83	0.67	4.33	8.00	0.01

<sup>\*</sup> Rs. 498 lacs reduced and appears as Deferred Tax Liability

# Ultramarine & Pigments Ltd.

# NOTICE

NOTICE is hereby given that the FORTY FIRST ANNUAL GENERAL MEETING OF ULTRAMARINE AND PIGMENTS LIMITED will be held at THE MYSORE ASSOCIATION AUDITORIUM, Mysore Association, 393, Bhaudaji Road, Matunga-C.Rly, Mumbai- 400019 on Monday, August 26, 2002 at 4.00 p.m to transact the following business:

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## **ORDINARY BUSINESS**

- To receive, consider and adopt the Directors' Report and the Audited Profit and Loss Account for the year ended March 31, 2002 and the Balance Sheet as at that date and the Auditors' Report thereon.
- To appoint a Director in place of Mr.S.Sridhar, who retires by rotation and, being eligible, offers himself for reappointment.
- To appoint a Director in place of Ms. K.R. Javeri, who retires by rotation and, being eligible, offers herself for reappointment.

## SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

Resolved that pursuant to the provisions of Section 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Contractor, Nayak & Kishnadwala, Chartered Accountants be and are hereby appointed Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company,in place of M/s. R.B.Patel & Co., Chartered Accountants, the retiring Auditors of the Company at a remuneration as may be fixed by the Board of Directors in negotiation with the said M/s. Contractor, Nayak & Kishnadwala, Chartered Accountants.

#### ANNEXURE TO NOTICE

## **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION** 173(2) OF THE COMPANIES ACT 1956.

#### ITEM NO. 5.

M/s. R.B.Patel & Co, Chartered Accountants, the retiring Auditors of the Company have informed vide their letter dated  $30^{\rm th}$  May, 2002 that they do not offer themselves for re-appointment as Auditors for the ensuing year in view of their merger with three other firms due to which all professional services will be rendered by the new firm of M/s. Contractor, Nayak & Kishnadwala, Chartered Accountants. M/s. Contractor, Nayak and Kishnadwala, Chartered Accountants have vide their letter dated 30th May 2002 agreed to be appointed as the Auditors of the Company and confirmed that their appointment would be within the limits specified in Sub-Section (1B) of Section 224 of the Companies Act, 1956. Both the letters are open for inspection of the members.

The Board of Directors recommend the resolution at item No.5 for your approval.

None of the Directors of the Company is concerned or interested in the

resolution. By the Order of the Board

Baldota Bhavan For ULTRAMARINE AND PIGMENTS LIMITED 117 Maharshi Karve Road.

Mumbai 400 020. K. SEKHAR

June 27, 2002

# NOTES:

Registered Office:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- 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.
- The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 13, 2002 to Monday, August

26, 2002 for the purpose of the Annual General Meeting and payment

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- The Dividend, if declared will be paid to all those shareholders whose name would appear in the Register of Members as on August 26, 2002 and in the list of beneficial owners registered with NSDL and CDSL as furnished by them as at the close of business hours on August 12, 2002.
- Members/ Proxies should bring the attendance slip sent herewith duly filled in for atterding the Meeting.
- Reappointment of Directors

Mr.3. Sridhar and Ms.K.R. Javeri, Directors of the Company, retire by Dtation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Mr.S.Sridhar, 51 years, has been a Director of the Company from 21st May 1998. He is a Science Graduate and a Chartered Accountant. He is well versed with commercial and Financial matters and recognized for business judgement. He is the Chairman and Managing Director of Thirumalai Chemicals Limited and also Director of Resins and Plastics Limited and TCL Industries (Malaysia) SDN BHD.

Ms.K.R.Javeri, is a practicing Advocate with immense knowledge and experience on various matters. Ms. Javeri, who was earlier the nominee of ICICI, had kindly consented to continue as Director after her nomination was withdrawn. Ms.Javeri's contribution has been immense and valued by all the Board members

Both Mr.S. Sridhar and Ms. Javeri are also members of the Company's Audit Committee and Share Transfer / Investor Grievance Committee.

- Members are requested to notify the Company/ their Depository Participant (DP) immediately change of address, if any, and also write to the Company/DP immediately about corrections, if any, in name, address and pincode.
- 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.
- All unclaimed Dividends upto the Interim Dividend for the Year ended March, 31, 1995 have been transferred to the General Revenue Account of the Central Government.
  - Persons who have not encashed their Dividend warrants (which have not been transferred to the Central Government account), are requested to approach the Company for obtaining the duplicate warrants before the balances in those respective accounts get transferred to the Investor Education and Protection Fund
- The Equity shares of the Company are mandated for trading in the j) compulsory demat mode. The ISIN No. allotted for the Company's shares is INE 405A01013.
- Member(s) wanting to nominate a person in whom the Shares will vest in the event of death of the holder(s) are requested to use the prescribed Form-2B and forward to the Company.
- For the future, the Company wishes to offer the facility of Electronic Credit of Dividend directly to the respective banks accounts of our shareholders. The facility, called ECS, is presently available at select locations like Mumbai, Bangalore, Chennai, Kolkatta, New Delhi, Hyderabad etc. shareholders in locations where ECS facility is available are requested to send the ECS mandate form appearing on the last page of this Report duly filled and signed and return to the Depository Participant [in case of Demat Shares]/the company at its Registered Office [in case of physical shares].

Registered Office :

June 27, 2002.

By the Order of the Board

Baldota Bhavan For ULTRAMARINE AND PIGMENTS LIMITED 117 Maharshi Karve Road,

Mumbai 400 020.

K. SEKHAR SECRETARY

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SECRETARY

# Ultramarine & Pigments Ltd.

## **BOARD OF DIRECTORS:**

Shri. R. Sampath

(Chairman & Managing Director)

Shri. S. Santhanam

(Vice Chairman & Managing Director)

Shri. R. Krishnaswamy

Shri. U. M. Patel

Shri. M. C. Choksi

Dr. G. G. Nair

Smt. K. R. Javeri

Shri. S. Sridhar

## **COMPANY SECRETARY:**

Shri K. Sekhar

# **BANKERS:**

Bank of India

Indian Bank

Indian Overseas Bank

State Bank of India

#### **AUDITORS:**

R. B. PATEL & CO.

**Chartered Accountants** 

Podar Chambers, Parsi Bazar Street,

Mumbai - 400 001.

## **REGISTERED OFFICE AND SHARE DEPARTMENT:**

Baldota Bhavan.

117, Maharshi Karve Road,

Mumbai - 400 020.

Tel. : 203 0445/208 7790

Fax : 205 1145

E-mail: ultrapl@vsnl.com

#### **ADMINISTRATIVE OFFICE:**

Thirumalai House, Road No.29,

Near Sion Hill Fort, Sion (E), Mumbai - 400 022.

Tel. : 401 7841, 78<mark>3</mark>4, 7853, 7861

Fax : 401 1699

E-mail: thirumalai@thiruchem.com

# **FACTORY:**

556, Vanagaram Road, Ambattur, Chennai - 600 053.

Tel. : 625 8251 / 625 7929 / 625 7964

Fax : 625 7611

E-mail: ultramarin.blue@vsnl.com

25-B, SIPCOT Industrial Complex, Ranipet - 632 403. Tamilnadu.

Tel.: 04172-44441/44442 Fax: 04172-44918 E-mail: upl.syndet@vsnl.net

Lapiz Digital Services (IT enabled Services Division)

Unit No. 0402, IV Floor, A-Block, Tidel Park,

No. 4, Canal Bank Road, Taramani,

Chennai - 600 113. India. Tel. : 254 0455-59

Fax: 254 0418 E-mail: info@lapizdigital.com

Members are requested to bring their copy of Annual Report with

them to the Annual General Meeting

# GENERAL INFORMATION

- (a) Company's Shares Listed at Mumbai Stock Exchange.
- (b) Company's Shares are mandated for trading in demat mode.
- (c) ISIN No. allotted to company's share is INE 405A01013

# 41<sup>ST</sup> ANNUAL GENERAL MEETING

#### DATE:

Monday, August 26, 2002 at 4.00 p.m.

# **VENUE:**

Mysore Association Auditorium,

Bhaudaji Road, Matunga,

Mumbai - 400 019.

# **DIVIDEND:**

50%

# **DIVIDEND ELIGIBILITY:**

For : Regd. Member

Physical Shares: As on August 26, 2002

Demat Shares : As on August 12, 2002 (Close

of Business Hours)

# **BOOK CLOSURE:**

August 13, 2002 to August 26,2002

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# **DIRECTOR'S REPORT**

To,

The Members

Ultramarine & Pigments Ltd.

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Your Directors have pleasure in presenting their FORTY FIRST ANNUAL REPORT AND AUDITED STATEMENT OF ACCOUNTS of the company for the year ended 31<sup>st</sup> March, 2002.

FINANCIAL RESULTS	Year Ended 31st March 2002 Rupees Rupees	31 Rupees	Year Ended st March 2001 Rupees
Gross Profit before Interest & Depreciation	110,564,220	<u> </u>	89,959,630
Interest & Finance Charges Depreciation Provision for taxation	23,532,721 28,004,902 17,486,431	28,966,457 25,902,703 13,700,000	
	69,024,054		68,569,160
Profit after tax Earlier years adjustment Balance in Profit & Loss a/c.	41,540,166 358,203 17,662,872	-	21,390,470 (1,260,264) 14,599,566
Profit available for appropriation	59,561,241	-	34,729,772
Appropriations: Dividend Tax on distributed profits Transfer to General Reserve Balance carried to Balance Sheet	18,250,000 15,000,000 26,311,241	-	10,950,000 1,116,900 5,000,000 17,662,872
	59,561,241		34,729,772

# PRODUCTION, SALES, EXPORTS AND PROFIT

The figures relating to production, sales, consumption and profit with that of previous year have been shown at appropriate places in the Accounts, Notes forming part of Accounts and Directors' Report.

# DIVIDEND:

Your Directors are pleased to recommend payment of Dividend @ 50% resulting in payment of Rs. 182.50 Lakhs. The Dividend shall be taxable in the hands of the members and shall also be subject to deduction of tax at source wherever applicable.

# MANAGEMENT'S DISCUSSIONS AND ANALYSIS:

# BUSINESS OVERVIEW - THE YEAR IN RETROSPECT:

Slowing of market growths across the FMCG categories and high intensification of competition have resulted in the general markets even declining in value and the past year has been a difficult one. Your company puts all its efforts to maintain the stability of the FMCG Divisions by means of developing new strategies and also takes effective steps to secure the future of the non-FMCG business with the ultimate goal of ensuring shareholder value. Satisfactory progress was made in implementing all these thrusts as borne out by better results in the Financial Year 2001 – 2002 achieved inspite of difficult market conditions in the face of intense competition.

## PERFORMANCE OF THE COMPANY

### **RESULTS:**

Your company's performance during 2001 – 2002 is summarised under the head Financial Results. Earnings per Share (EPS) has increased from Rs. 5.52 (2000 – 2001) to Rs. 11.48 (2001 – 2002). Post Tax Profit has increased from Rs. 213.90 Lakhs (2000 – 2001) to Rs. 415.40 Lakhs (2001 – 2002) and your company is able to declare dividend at 50% as against 30% in the previous year.

The production and sales in respect of Detergent Division have declined due to shrinking market conditions and your company is developing new strategies with alternate products to overcome this temporary setback.

The I.T. Enabled Services Division of your company seems to have a promising future. Income from this Division for the Financial Year 2001 – 2002 amounts to **Rs.561.90 Lakhs** compared to the previous year's income of **Rs.131.32 Lakhs**. The company is looking forward to more customers in different countries.

# **EXPORT:**

Inspite of the general economic slowdown and continuous falling prices, your company was able to export its products for the

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# DIRECTOR'S REPORT

Financial Year 2001 – 2002 to the tune of **Rs.4.59 Crores** as against **Rs.4.79 Crores** in the previous year calculated on F.O.B. basis.

# **NEW PRODUCT**

The Detergent Division of your company has successfully commissioned the Alpha Olefin Sulphonate (AOS) Project and launched the product in the market. The company feels proud of that product since it is one among few who are producing 70% concentrate of the product. AOS is one of the active matters used in Detergents, Soaps, Shampoos, etc. It is 100% biodegradable and the product is finding more and more applications and wider usage.

## **NEW PIGMENTS**

Your company is actively taking steps to develop and launch two high value added speciality pigments in the market.

#### **AUTOMATION**

Dry Mix Detergents Plant of 50,000 MT / Annum capacity is mechanised and automated to produce quality products. This has reduced wastage, many quality problems and the man-power requirement.

## **CURRENT YEAR**

Your company has to face stiff competition, challenging environment and other problems in the coming months. Meanwhile, the management of your company develops new strategies to overcome them and improve the profitability of your company.

Increase of power and fuel cost will hit the industries and your company is not exempted from the rising cost of oil. However, we are making all efforts to reduce energy consumption in manufacturing.

Levy of Entry Tax by the Government of Tamil Nadu adversely affects the Detergent Division for which some raw materials are procured from States outside of Tamil Nadu. This is a matter of concern and your company believes unless and until this levy is removed or made vattable it may have seious repurcussions to business in Tamil Nadu.

During the first quarter of the Current year all the plants are working satisfactorily. The relationship of the Management with the labour remains cordial. The company is continuously taking active steps to make aware of safety and environmental protection at all levels. To effectively counter the changing business dynamics, the Company has taken pragmatic steps for strengthening organisational competence through involvement and development of people, as well as installing effective systems for improving productivity, quality and accountability at functional levels.

# **RESEARCH & DEVELOPMENT**

The company continuously works on its research programme to formulate and upgrade the Industrial Grades of Ultramarine Blue for all applications. It is due to continuous efforts in R&D process your company has geared up to produce and launch Violet Ultramarine which modifies the colour centre keeping in

tact the basic structure and characteristics and Bismuth Vanadate which is an environment friendly Yellow Pigment of inorganic origin having a high commercial value and truly a pigment of the future.

#### **DIRECTORS**

Mr. S. Sridhar and Ms.K.R.Javeri, Directors retire at the ensuing AGM and are eligible for reappointment.

During the year under review, Mr.G.U.Mehta has resigned from the Board. Your Board places on record its appreciation of the services rendered by Mr.G.U.Mehta during his tenure as Director of your company.

## DIRECTORS' RESPONSIBILITY STATEMENT

On the basis of compliance certificates received from the Executives of the Company, subject to disclosures in the Annual accounts and also on the basis of the discussion with the Statutory Auditors of the Company from time to time we state as under:

- 1. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safequarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the Directors have prepared the annual accounts on a going concern basis.

# **FINANCE**

Cash generation during the year under review is quite satisfactory. Your company follows a conservative investment policy based on safety, liquidity and return. Your company manages an efficient collection system with proper Budgetary control system.

The total amount of fixed deposits as on 31.03.2002 is Rs.1.10 Lakhs as against Rs.1.60 Lakhs in the previous year ending. No unclaimed deposits nor overdue deposits remain outstanding as on date. Your company is prompt in respect of payment of interest and principal for loans obtained from the Financial Institutions and Fixed Deposits accepted and payment of interest to banks for the loans. Your company retains P1+ Rating by CRISIL for its Commercial Paper Programme.

# STATEMENT PURSUANT TO LISTING AGREEMENTS

The Company's shares are listed with Mumbai Stock Exchange and the listing fee has been paid upto date.

# REPORT ON CORPORATE GOVERNANCE

A Report on Corporate Governance is annexed herewith. An Auditor's Report on the same is also annexed.

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# DIRECTOR'S REPORT

#### ISO CERTIFICATES

Your company continues to hold ISO 9002 and ISO 14001 Certificates from BVQI and strictly adheres to the norms laid down to keep them alive.

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# ENVIRONMENT AND POLLUTION CONTROL AND INSURANCE

Your company is in compliance with the present environmental legislation. Suitable devices, instruments, precipitators and filters have been installed at various stages of operation.

Adequate Insurance cover has been taken for properties of the Company including Buildings, Plant and Machineries, Stores, stocks and other assets.

#### **DEPOSITORY SYSTEM**

In view of the numerous advantages offered by the Depository System, members are requested to avail of the facility of dematerialisation of the Company's shares on either of the Depositories, i.e, NSDL and CDSL.

# **COST AUDIT**

In pursuance of the directives issued by the Government of India, the Board of Directors of the Company has re-appointed Mr.V.Kalyanaraman & Co., Cost Accountants as the Cost Auditors to audit the Cost Accounts relating to "DETERGENTS" for the year ending 31st March 2002 and approval has been accorded by the Government of India for the appointment.

#### **AUDITORS**

Members are requested to appoint Auditors for the current year and fix their remuneration.

#### PARTICULARS OF EMPLOYEES

No employee of the Company was in receipt of remuneration in excess of the limits under Section 217 [2A] of the Companies Act. 1956.

# CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The particulars required to be included in terms of section 217(1)(e) of the Companies Act, 1956 with regard to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo are given in Annexure.

## **ACKNOWLEDGEMENT**

The Board acknowledges the support given by employees at all levels, Shareholders, Bankers and Financial Institutions and look forward for their continued support.

By Order of the Board for **ULTRAMARINE & PIGMENTS LTD.**,

MUMBAI Date: 27/6/2002 R. SAMPATH CHAIRMAN & MANAGING DIRECTOR





# ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217 (1)(e) read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report.

## I. CONSERVATION OF ENERGY

- (a) Energy saving systems are incorporated wherever necessary. Energy savings are attempted continuously.
- (b) Existing energy saving systems are properly utilized and further devices are added when necessary.

## **FUEL CONSUMPTION (POWER & FUEL)**

1.	ELECTRICITY	UNITS	YEAR ENDING 31.03.2002	YEAR ENDING 31.03.2001
	(a) From EB-TN			
	Purchased unit	KWHR	36,56,324	38,10,440
	Total Amount paid	Rupees	1,58,44,847	1,70,31,313
	Rate / Unit	Rupees	4.33	4.47
	(b) Own Generation			
	Through DG	KWHR	2,07,068	3,27,274
	Unit / Litre of	KWHR	2.90	2.86
	Diesel Oil			
	Cost Per Unit	Rupees	5.74	5.29
2.	COAL AND COKE			
	Coal & Coke	Rupees	99,64,462	1,05,17,292
	Coal & Coke	Tons	2,005	2,217
	Average Rate Per Tonne	Rupees	4,970	4,743
3.	FURNACE OIL / DIESEL ETC.			
	Furnace Oil/Diesel etc.	KL	692	747
	Total Amount	Rupees	86,76,925	94,87,176
	Average Rate	(RS / KL)	12,539	12,700
RE	SEARCH AND DEVELOPMENT	YEAR ENDING		YEAR ENDING
		31.03.2002		31.03.2001
		Rs.		Rs.
EX	PENDITURE ON R&D			
i.	Capital	8,61,586		6,20,847
ii.	Recurring	2,82,909		1,97,900
iii.	Total	11,44,495		8,18,747
iv.	Total R&D Expenditure as			
	a percentage of total turnover	0.14%		0.08%
TE	CHNOLOGY ABSORPTION, ADAPTATION	I. INNOVATION		

# II. TECHNOLOGY ABSORPTION, ADAPTATION, INNOVATION

The new product Alpha Olefin Sulphonate (AOS) has been successfully launched (70% Concentrate) and this will be a value added product to the Detergent Division. Active steps are taken to develop and launch two high value added speciality pigments.

# III. FOREIGN EXCHANGE EARNINGS & OUTGO:

The company conducts a steady market survey to boost up the export of its products and increase its revenue from its IT Enabled Services Divison.

Earnings in Foreign Exchange from Export and Services are given in Notes forming part of Accounts.

By Order of the Board for **ULTRAMARINE & PIGMENTS LTD.**,

MUMBAI Date: 27/6/2002 R. SAMPATH CHAIRMAN & MANAGING DIRECTOR

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# CORPORATE GOVERNANCE REPORT

(Forms Part of the Director's Report)

Ultramarine and Pigments Ltd. focuses on good corporate governance for a sustainable corporate growth and long term value creation for its shareholders. The company takes all positive steps to maintain high standards of corporate conduct towards its employees, consumers and society.

The company takes utmost care to make corporate governance to balance individual interest with corporate goals by operating within accepted norms of propriety, equity, fair play and a sense of justice and continues to remain committed to fairness, transparency, accountability and responsibility.

Board Structure and Functions:

#### (a) Composition:

- The Board of Directors of your Company comprise of an Executive Chairman & Managing Director, Vice-Chairman & Managing Director and another Managing Director with Five Non-Executive Directors.
- 2. All Non-Executive Directors except Mr.S.Sridhar are independent Directors.

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#### (b) Board Committees:

i. Audit Committee: -

Dr.G.G. Nair (Chairman)

Ms. Javeri (Member)

Mr.Sridhar (Member)

The First meeting of the Audit Committee was held on 14th March, 2002 when all the members along with the Company representatives and the concerned partner of the Statutory Auditors attended.

ii. Share Transfer / Investors Grievance Committee

The Share Transfer / Investors Grievance Committee constitutes of the following members :

- 1. S.Sridhar
- 2. Ms.K.R.Javeri
- 3. Dr.G.G.Nair

Mr.K.Sekhar, Company Secretary is the Compliance Officer. The committee will meet as often as is necessary depending on the share transfer applications received. All complaints whenever received from any investor were timely attended for redressal.

## (c) Board Meetings:

5 Board Meetings were held during the year 2001 - 2002. Meeting of the Board of Directors were held on the following dates 25/6/2001, 26/7/2001, 24/9/2001, 31/10/2001 and 28/1/2002.

The Board of Ultramarine & Pigments Ltd. is routinely presented with all informations under the heads "Operations" and "Statutory Requirement" wherever applicable and materially significant. These are submitted as part of the agenda papers well in advance of the Board Meetings and the Company Secretary, in consultation with the Chairman & Managing Director, draft the agenda of the meetings.

# (d) Directors attendance record and directorships held:

Name of Directors	ATTEND	ANCE	No. of	No.of
	At Board Meetings	At Last AGM	Directorships of other Public Companies	memberships of Board sub committees
Shri. R. Sampath	5	Yes	1	_
Shri .S. Santhanam	5	Yes	2	2
Shri. R. Krishnaswamy	3	Yes		_
Shri. U. M. Patel	1	Yes	4	1
Shri. M. C. Choksi	4	Yes	2	4
Dr. G. G. Nair	4	Yes	3	3
Smt.K. R. Javeri	5	Yes		2
Shri.S. Srìdhar	5	Yes	3	3

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# Ultramarine & Pigments Ltd.

#### (e) Remuneration of Directors

Remuneration paid or payable to Directors during the year ended 31.03.2002.

						(/	Amount in R	upees)
	me of ector	Position	Relationship with other Directors	Commission on profits	Salary	PF	Others	Total
1.	Mr. R. Sampath	CMD	Related to Directors in (2) & (3)	5,35,129	6,00,000	72,000	1,52,068	13,59,197
2.	Mr.S.Santhanam	VC&MD	Related to Directors in (1) & (3)	5,35,129	6,00,000	72,000	94,149	13,01,278
3.	Mr. R. Krishnaswamy	M.D.	Related to Directors in (1) & (2)	5,35,129	6,00,000	72,000	1,13,133	13,20,262

Notes: Managerial Remuneration is within the ceiling as per the resolution approved by the shareholders. Sitting fee is payable to eligible Directors. The caption "others" on the above table includes LTA, Medical and Superannuation.

All the above Directors are also related to Mr. S. Sridhar, Director.

# (f) Brief details of General Body Meetings:

The Forty First Annual General Meeting of the company for the financial year 2001 – 2002 would be held on Monday, 26<sup>th</sup> August, 2002 at 4.00 p.m. at Mysore Association Auditorium, 393, Bhaudaji Road, Matunga-C.Rly, Mumbai 400019.

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2000 – 2001	24.09.2001	4.00 P.M.	Mysore Association Auditorium, Bhaudaji Road, Matunga, Mumbai – 400 019.
1999 – 2000	18.09.2000	4.00 P.M.	Mysore Association Auditorium, Bhaudaji Road, Matunga, Mumbai – 400 019.
1998 – 1999	26.07.1999	3.00 P.M. Indian Merchan	Walchand Hirachand Hall, t Chamber, Churchgate, Mumbai – 400 020.

# Disclosures :

# (i) Internal Audit Functions and Statutory Compliance :

Internal Audit functions of the company have been carried out by a firm of Chatered Accountants. The Reports of the Internal Auditors on the operations and financial transactions and the action taken thereon by the management in the form of report are duly submitted to the Audit Committee and the Board of Directors. The Statutory Auditors are provided with the reports of the internal auditors for their due consideration and report.

For every quarter, Company Secretary makes report of Statutory compliances which are placed before the Audit Committee and the Board Meeting.

# (ii) Directors with materially significant related party transactions, pecuniary or business relationship with the company:

There were no material significant transactions with the Directors or the management or their subsidiaries or relatives that have any potential conflict with the interest of the Company.

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