



**ULTRAMARINE &  
PIGMENTS LTD.**

**MANUFACTURERS OF INORGANIC PIGMENTS**

556, Vanagaram Road,  
Ambattur, Chennai - 600 053. India.  
Phone : 0091-44- 66921195 - 66921199 (5 Lines)  
Fax : 0091-44- 26821201  
E-Mail : exports@uplamb.net  
Website : www.ultramarinepigments.net  
CIN : L24224MH1960PLC011856

4<sup>th</sup> July, 2016

The Manager – Listing Compliance  
Department of Corporate Services,  
BSE Limited,  
P.J.Towers, 25th floor,  
Dalal street, fort,  
Mumbai – 400 001

FAX NO. 2272 3121 / 2037 / 3719 / 2941

Dear Sirs,

Ref: Submission of Annual Report pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, we submit soft copy of Annual Report - 2016 of the Company for your records.

This is further to our submission of the annual report dated 29<sup>th</sup> June, 2016.

We request you to kindly ignore the earlier submission and take the attached report on record.

Thanking you  
For Ultramarine & Pigments Ltd.,

[Kishore Kumar Sahoo]  
Company Secretary

Certified towards QMS 9001 : 2008 / EMS 14001:2004 / OHSAS 18001 : 2007

Regd. Office : THIRUMALAI HOUSE  
Road No.29, Sion - East, Mumbai - 400 022.  
Phone : 022 - 24035137, 24017834 Fax : 022 - 2401 1699



**ULTRAMARINE & PIGMENTS LTD.**

**55th Annual Report 2015–2016**



### Board of Directors

Mrs. Indira Sundararajan	- Vice Chairperson & Managing Director
Ms. Tara Parthasarathy	- Joint Managing Director
Mr. R. Sampath	- Non-Executive Director
Mr. S. Sridhar	- Non-Executive Director
Mr. S. Santhanam	- Non-Executive Director

### Independent Directors

Dr. Gopakumar. G. Nair
Mr. Nimish Patel
Mr. T. R. Madhavan
Mr. Vinod G. Nehemiah
Mr. Navin M Ram
Mr. S. Ragothaman

### Audit Committee

Mr. T. R. Madhavan, Chairman
Dr. Gopakumar. G. Nair
Mr. Nimish Patel
Ms. Tara Parthasarathy

### Nomination and Remuneration Committee

Mr. Vinod G. Nehemiah, Chairman
Dr. Gopakumar. G. Nair
Mr. R. Sampath
Mr. Navin M Ram

### Corporate Social Responsibility Committee

Mr. T. R. Madhavan, Chairman
Mr. Vinod G. Nehemiah
Mr. R. Sampath

### Stake holders Relationship Committee

Dr. Gopakumar. G. Nair, Chairman
Mr. S. Sridhar
Mr. T. R. Madhavan

### 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. : +91-44-66921195/1196/ 1197  
Fax: +91-44-6692 1100

### Bankers

Bank of India

### 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 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

### 55<sup>th</sup> Annual General Meeting

#### Date & Time

8th August, 2016 at 3.30 p.m.

#### Venue

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

#### Interim Dividend declared and paid

175 % (₹ 3.50 per share)

#### Book closure

From 1st August, 2016 to 8th August, 2016  
(both days inclusive)

### 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. A route map to the venue of AGM is appended in Page no. 88**

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## NOTICE

NOTICE is hereby given that the **FIFTY FIFTH 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 Monday, the 8<sup>th</sup> day of August, 2016 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, 2016, the reports of the Board of Directors and Auditors thereon.
2. To confirm and approve the payment of interim dividend of Rs. 3.50 per equity share (175%) for the year ended 31<sup>st</sup> March, 2016, as final dividend.
3. To appoint a Director in place of Mr. S. Santhanam (DIN: 00092016), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution.

“RESOLVED THAT appointment of M/s. Brahmayya & Co., Chartered Accountants (Registration No. 000511S) to hold office as Auditors of the Company, from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company be and is hereby ratified and that the remuneration to Auditors for the financial year ending 31<sup>st</sup> March, 2017 shall be fixed by the Board of Directors of the Company.”

### 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 Section 196, 197, 198, Schedule V and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the company be and is hereby accorded for the appointment of Mr. R. Senthil Kumar (holding DIN. 0007506927) as Whole-time Director of the Company for a period of 3 years with effect from 1<sup>st</sup> August, 2016 on the terms and conditions and on the remuneration set out below and he is liable to retire by rotation.

- i) A total remuneration not exceeding Rs. 60 lakhs per annum. The amount of Rs.60 lakhs is on a cost to the Company basis and is inclusive of:
  - a. Bonus and perquisites
  - b. Company’s contribution towards Provident Fund, Gratuity and Superannuation Fund at rates prevailing from time to time.
- ii) Of the total remuneration, maximum of 25% can be variable components and the rest will be structured based on the Company’s policy and the pay structure as applicable.
- iii) The quantum of variable pay would be linked to the achievement of specified parameters.
- iv) The annual increment would be 10% of the basic pay with provision to pay multiple annual increments (up to five) in any year. However the total cost to the Company shall not exceed Rs. 60 lakhs in any given year.

Termination clause:

Either party may terminate the service / employment by giving a three months notice or salary in lieu thereof. Mr. Senthil Kumar will cease to be a Director of the Company co-terminus with his ceasing to be Whole time Director.

**Minimum Remuneration**

RESOLVED FURTHER THAT notwithstanding anything herein stated above, in the event of absence or inadequacy of profits in any financial year, the Company do pay to Mr. R. Senthil Kumar up to such amount as remuneration as may be permissible under Section II, Part II of Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration."

**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 Section 197, 198 and all other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactment thereof, the consent of the Company be and is hereby accorded to the payment of commission to the Non- Executive Directors of the Company with effect from 1<sup>st</sup> April, 2016 as may be decided by the Board of Directors from time to time, provided that the total commission payable to the Non – Executive Directors per annum shall not exceed 1% of net profit of the Company as computed in the manner prescribed under Section 198 of the Companies Act, 2013, with authority to the Board to determine the manner and proportion in which the above mentioned commission be distributed to the Non – Executive Directors."

**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 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, 2017, 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 percent of the total share capital of the Company.
2. 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.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 1<sup>st</sup> August, 2016 to 8<sup>th</sup> August, 2016 (both days inclusive) for the purpose of Annual General Meeting of the Company.
4. 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.
5. 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.
6. 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 1995-1996 to 2007-2008 to the Investor Education and Protection Fund (The IEPF) established by the Central Government.

All persons are requested to note that 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 SEBI Listing Regulations 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 2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(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 2016 is being sent in the permitted mode.
9. Electronic copy of the Notice of the 55<sup>th</sup> 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 Participants(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 55<sup>th</sup> 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 55<sup>th</sup> Annual General Meeting and the Annual Report for 2015-16 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 shares 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, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote at the 55<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of AGM ("remote e -voting") will be provided by Central Depository Services of India Limited (CDSL):
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

#### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 5<sup>th</sup> August, 2016 at (9.00 a.m.) and ends on 7<sup>th</sup> August, 2016 at (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 of 1<sup>st</sup> August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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 first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. <b>The Sequence no. is printed on the address slip of the Annual report cover.</b>
Dividend Bank Details  <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login 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) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) 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](http://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](mailto: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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.

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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

15. 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 of 1st August, 2016.
16. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of AGM and holding shares as of the cut-off date i.e 1st August,2016, may obtain the login ID and password by sending a request at [evoting@cdslindia.com](mailto:evoting@cdslindia.com). However if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
17. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut –off date only shall be entitled to avail the facility of remote e –voting as well as voting at the AGM through ballot paper.
18. Ms. Ranjana Mimani, Company Secretary in practice (Membership No. F6271) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
19. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e –voting facility.
20. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e –voting in the presence of at least two witnesses not



in the employment of the Company and shall make, not later than three days of the conclusion of AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

21. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website [www.ultramarinepigments.net](http://www.ultramarinepigments.net) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
22. 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 Saturdays, 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**

Mr. R. Senthil Kumar, aged 50, is a Science graduate. He has been working in the Company from 1988. He is looking after the operations of Ranipet and Ambattur divisions. He has more than 25 years of experience in various areas viz, manufacturing, sales, marketing and day to day plant operations. He currently holds the position of General Manager - Operations.

Mr. Senthil Kumar was promoted as Business – Head of sulphonation division in the year 2013 and performance of this division has shown marked improvement under his leadership. The Company has obtained OHSAS 18001:2007 certifications. He has been instrumental in enhancing the capacity utilization, controlling working capital and building a good technical / marketing team.

The Nomination and Remuneration Committee at their meeting held on 25<sup>th</sup> May, 2016 has recommended to the Board his appointment as a Whole-time Director, subject to the approval of shareholders.

The Board recommends the Ordinary Resolution at item no. 5 of the notice for your approval.

Except Mr. R. Senthil Kumar, none of the Directors and Key Managerial personnel of the Company and their relatives are, concerned or interested, in the resolution set out at Item No.5 of the Notice.

### **Item No. 6**

The Company derives benefit from the expertise, advice and inputs provided by the Non-Executive Directors. The Directors devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time.

In view of the time devoted and services rendered by the Non- Executive Directors, the proposal of payment of Commission to them was recommended by the Nomination and Remuneration Committee at their meeting held on 25<sup>th</sup> May, 2016.

The Committee has recommended to the Board that the payment of commission to Non Executive Directors shall be subject to the approval of the members of the Company. Total commission payable shall not exceed 1% of the net profits of the Company as computed in the manner prescribed under Section 198 of the Companies Act, 2013 and payment of such commission will be in addition to the sitting fees for attending the Board / Committee meetings.

The Board recommends the Ordinary Resolution at item no. 6 of the notice for your approval.



Except, all Non – Executive / Independent Directors, none of the Directors and Key Managerial personnel of the Company and their relatives are, concerned or interested, in the resolution set out at Item No. 6 of the Notice.

### Item No.7

The Board, on the recommendation of Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of cost records of the Company and to issue cost audit report for the financial year ending March 31, 2017 as per the following details;

Name of the Cost Auditor	Audit fees (Rs.)
Mr. G. Sundaresan (Membership No. 11733)	50,000/-

The above fees are exclusive of travel and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2017.

None of the Directors and Key Managerial personnel of the Company and their relatives are, concerned or interested, in the resolution set out at Item No. 7 of the Notice.

By the Order of the Board  
For **ULTRAMARINE & PIGMENTS LIMITED**  
[Kishore Kumar Sahoo]  
Company Secretary

27th May, 2016.  
Mumbai



## II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER SEBI LISTING REGULATIONS:

### A.

Name of the Director	R. Senthil Kumar
DIN	0007506927
Date of Birth	26.05.1967
Qualification	Science Graduate
Expertise in specific functional areas	More than 25 years of experience in manufacturing, Sales and Marketing and plant operations.
Relationship with Director	None
Directorship in other Companies	None
Membership /Chairmanship in Committees	None
Shareholding in the Company	None

### B.

Name of the Director	S. Santhanam
DIN	00092016
Date of Birth	03.02.1939
Qualification	Printing Technologist
Expertise in specific functional areas	Customer relationship management, exports and import management and liasioning with Government departments.
Relationship with Director	Mr. S. Sridhar, Non Executive Director is Brother
Directorship in other Companies	Thirumalai Chemicals Limited Global Humanisation & Business Association Ltd
Membership /Chairmanship in Committees	None
Shareholding in the Company	17,41,711

By the Order of the Board  
For **ULTRAMARINE & PIGMENTS LIMITED**

**Kishore Kumar Sahoo**  
Company Secretary

27th May, 2016.  
Mumbai



## DIRECTORS' REPORT, MANAGEMENT'S DISCUSSION & ANALYSIS

To  
**Dear Members,**  
 Your Directors have the pleasure of presenting the 55th Annual Report and the audited financial statement of the Company for financial year ended March 31, 2016

### FINANCIAL RESULTS:

The financial performance of the Company for the year ended March 31, 2016 is summarized below:

Particulars	₹. In lacs	
	Year ending 2015-2016	Year ending 2014-2015
Gross Profit Before Finance Costs, Depreciation & Amortisation	4262	3116
Finance costs	(36)	(49)
Profit before Depreciation, Amortisation and Tax	4226	3067
Depreciation & Amortisation	(322)	(315)
Profit before Tax	3904	2752
Current Tax Expense	(965)	(754)
Profit after Current Tax	2939	1998
Provision for Deferred Tax	(212)	(123)
Excess provision for earlier years /MAT Credit	8	(1)
Profit after Tax	2735	1874
Balance in Profit & Loss Account	5259	4439
Profit available for appropriation	7994	6313
Appropriations:		
Dividend	(1022)	(876)
Tax on Dividends	(208)	(178)
Closing Balance	6764	5259

### DIVIDEND:

The interim dividend of Rs. 3.50/- per share of the nominal value of Rs.2/-each for the financial year ended March 31, 2016 was declared on 12<sup>th</sup> March, 2016 and paid to all the eligible shareholders on 29<sup>th</sup> March, 2016. The interim dividend paid is the final dividend on equity shares for the financial year ended 31st March, 2016.

## MANAGEMENT'S DISCUSSION AND ANALYSIS:

### OPERATIONS AND FINANCIAL PERFORMANCE:

Your Company has achieved an excellent result for this financial year, with the manufacturing division making a significant contribution. Revenues improved by 28% to Rs.220.23 crores, and the profit before tax by 42% to Rs.39.04 crores. This marks an all-time high in the history of the Company. These improvements are due to a continuous upgradation of our technical capabilities with a sizeable investment in plant & machinery at both manufacturing facilities. The manufacturing operations have also achieved better capacity utilization & have focused this year on an optimal product mix.

Detailed analysis of segment wise performance is given below.

**Pigment Division:**

The profitability of the company's Pigments business is dependent on our ability to formulate highly specialized products for our customers. This financial year, with a focus on improved R&D, and the continuous enhancement of our technical capabilities, we were able to bring value added products to the market, meeting our clients' needs at a faster pace.

As the export market for pigments remained subdued this year, there was additional focus on the domestic market. With improved sales to our industrial customers, we have compensated for the dip in export revenues.

The Pigments division achieved a net revenue of Rs.66.37crores (4747 MT) in this financial year (as compared to Rs.60.17 crores (4152 MT) in the previous financial year) showing a 14% increase in volumes, and a 10% increase in value.

**Surfactants Division:**

A sustained focus on working capital management and better capacity utilization have helped the Surfactants division increase its revenues by 49%; the division reports a net revenue of Rs 121.33 crores in this financial year, as opposed to Rs 81.19 crores in |FY 14-15. While crude prices remained volatile this year, we were able to achieve much faster turnaround on production cycles. This, along with our working capital management, helped curtail major inventory losses. We focused on driving sales through our own channels, and reduced our reliance on processing for third parties: this has impacted our profit margins positively

**Wind Mill Generation:**

The total revenue of the windmills is Rs.122 lacs, a reduction of 38% as compared to the previous year resulting in a decline of 49 % in profit. The reduction in Units generated is on account of low wind season & evacuation constraints faced by the Company due to State grid capacity.

**Review of IT Division:**

During the year under review, this division reported an income of Rs. 31.31 crores, an increase of 8% over last year. The profitability has improved considerably (18%) on account of change in pricing strategy, increased revenue in certain segments, improved margins from operations and reduction in overhead cost.

**Exports:**

There has been a 3% increase in our export earnings, contributed both by our manufacturing and ITES divisions. There is an increased acceptance of our

premier grades and higher value added services in the exports market. Our efforts towards widening distributor - network and effectively acting on customer feedbacks have yielded a positive result.

**Earnings per Share (EPS):**

Earnings Per Share (EPS) is at Rs.9.37 (Previous Year Rs.6.42) and Cash Earnings Per Share (CEPS) is Rs.10.47 (Previous Year Rs.7.50) on the paid up value of Rs 2/-per share Earnings per Share (EPS):

**INTERNAL FINANCIAL CONTROL:**

The company has an established internal control system on the financial reporting and this is adequate for the size and nature of our business. The company's Internal Control System is supported by well laid out systems, procedures and policies for each of the functions and these are being followed in the normal course of operations of the Company.

The adherence to the established procedures / policies is being audited by firm of Auditors as part of the internal audit. Appropriate actions to correct deviations if any are taken up immediately by the management.

The Audit Committee of the Company provides reassurance to the Board on the existence of an effective internal control system in the operations of the Company.

The company has established a system of periodic review of the established internal control system and its effectiveness and takes actions for upgrading the same to meet the changing requirements.

**PERSONNEL**

Industrial Relations were quite harmonious throughout the year under review. The directors earnestly appreciate the contributions and initiatives taken by the employees at all levels for the company's improved performance year after year

**OPPORTUNITIES AND THREATS:****Gujarat Project:**

There has been a change in the demand - supply scenario for the products planned to be manufactured in the proposed plant at Dahej, Gujarat (Western India). In light of this, we are re-evaluating our strategy of investment in this green field project with respect to the product mix.

**RISKS AND CONCERNS:**

1. The domestic market for pigments continued to pose challenge both in the form of competition from unorganised sector & shrinking demand for laundry and white washing applications.



2. Availability of Alpha Olefin, a key imported raw-material of Sulphonation division continues to be erratic & volatility in crude price may result in inventory loss; these are beyond our control. Any increase in sales volume through traders impacts the collection cycle & debtors outstanding.
  3. We have consolidated all retail operations in both detergents and pigments, and are revamping the sales teams and structures. However, overheads for retail sales promotions and distributions remain prohibitively high, and are currently limiting revenues from our retail sales.
- Mr. R. Sampath ceased to be Managing Director with effect from 14.03.2016 and is continuing as Non-executive Director.
  - The Nomination and Remuneration Committee and the Board have recommended appointment of Mr. R. Senthil kumar, General Manager - Operations of the Company as Whole-time Director for a period of 3 years with effect from 01.08.2016, subject to the approval of the shareholders. The details regarding the appointment of Mr. R. Senthil Kumar are given in the explanatory statement to the Notice of AGM.

### PROSPECTS & OUTLOOK:

Both our manufacturing facilities are continuously improved and modernized, in order to boost productivity and capacity utilization. With focus on improving overall realization, the company is committed to specialization and value addition in both Pigments and Surfactants. As the company grows in its ability to customize its products, it will also be able to widen the customer base.

In the case of ITES division, we have a renewed focus on improving operational efficiency, increasing footprint in newer areas, broadening customer base and enhancing the revenues of the domestic division.

### CAUTIONARY STATEMENT:

The statements made in the report describes the company's objectives, projections, estimates, expectations and predictions which may be "forward looking statements" within the meaning of the applicable securities laws and regulations. The annual results can differ materially from those expressed or implied, depending on the economic conditions, Government Policies and other incidental factors and developments.

### SHARE CAPITAL:

The paid up equity share capital as on 31st March, 2016 was Rs. 5.84 crores. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### DIRECTORS:

- As per the provisions of Companies Act, 2013, Mr. S. Santhanam, retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment.
- Mr. S. Sridhar ceased to be Joint Managing Director with effect from 31.10.2015 and is continuing as Non-Executive Director.

### Declaration by Independent Directors

All the Independent Directors had furnished to the Company a declaration under section 149 (7) of the Companies Act, 2013 stating that they meet criteria of independence as provided under section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations.

### MEETINGS

During the year, six Board meetings and four Audit Committee meetings were convened and held. The details are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under Companies Act, 2013.

### BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013, the performance evaluation of Chairman and Non Independent Directors was carried out by the Independent Directors. The Independent Directors evaluated the parameters viz., level of engagement, duties, responsibilities, performance, obligations and governance.

### POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The policy of the Company on director's appointment and remuneration, including criteria for determining qualification, positive attributes, independence of a director and other matters provided under sub – section (3) of Section 178 of the Companies Act, 2013 was framed on the recommendation of the Nomination and Remuneration Committee and approved by the Board. The key objective of this policy is selection, appointment and remuneration of Key Managerial Personnel, Directors and Senior Management Personnel. The said policy is given as Annexure – 1 to the Director's Report.



## RISK MANAGEMENT POLICY

A Risk Management Policy was framed and approved by the Board. The objective of this policy is to minimize the adverse impact of various risks to business goals and objectives and to enhance the value of stakeholders.

## VIGIL MECHANISM (Whistle Blower Policy)

The vigil mechanism of the Company incorporates a Whistle Blower Policy in terms of Listing Agreement (now SEBI Listing Regulations) with Stock Exchange. It aims to provide an avenue for employees through this policy to raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of any financial statements and reports.

## Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16.

No. of complaints received: Nil

No. of complaints disposed off: NA

## Listing Agreement

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective 1<sup>st</sup> December, 2015. All listed entities were required to enter into a fresh Listing Agreement within six months from the effective date. The Company entered into a fresh Listing Agreement with BSE Limited during February, 2016.

## Policies

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. In compliance with the same, the Company has formulated the policies. The corporate governance policies viz. Policy on Related

Party Transactions, Corporate Social Responsibility Policy, Policy on Board Diversity, Policy on Disclosure of Material Event / Information, Code of fair disclosure under SEBI (Prohibition of Insider Trading) Regulations, 2015, Whistle Blower Policy etc. are available on our Company's website: [www.ultramarinepigments.net](http://www.ultramarinepigments.net).

## DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sec. 134 (5) of the Companies Act, 2013, the Directors confirm that.

- i] in the preparation of the annual accounts for the year ended March 31, 2016 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii] appropriate accounting policies have been selected and applied and such judgment and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit of the company for the year ended that date.
- iii] proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv] the annual accounts have been prepared on a "going concern "basis.
- v] that proper internal financial controls are laid down and are adequate and operating effectively.
- vi] that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and operating effectively.

## PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Particulars of loans and investments are provided in the financial statements (Please refer Note 3.9, 3.10 and 3.15 to the financial statement).

## RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions entered in to by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.





Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and repetitive in nature. The transactions for which omnibus approval granted are placed before the Audit Committee and Board for their review and approval.

A policy on the Related Party Transactions was framed, approved by the Board and posted on the Company's website, [www.ultramarinepigments.net](http://www.ultramarinepigments.net).

The disclosure of Related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC - 2 is not applicable.

#### **FINANCE:**

All taxes and statutory dues are being paid on time. The Company has been regular in making timely repayment of the loans and interest to Banks.

The surpluses in business are deployed in a prudent manner, considering the risk, reward and safety.

#### **STATEMENT PURSUANT TO LISTING AGREEMENT**

The Company's shares are listed with Bombay Stock Exchange Ltd. Your Company has paid the respective annual listing fees up-to-date and there are no arrears.

#### **REPORT ON CORPORATE GOVERNANCE**

A report on Corporate Governance is annexed herewith. As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor's Certificate on Corporate Governance is enclosed to the Board's Report.

#### **AUDITORS**

Pursuant to the provision of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rule, 2014, the appointment of auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. Brahmayya & Co., Chartered Accountants, Chennai as statutory auditors is placed for ratification by the Shareholders. In this regard, the Company has received a certificate from the Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

#### **COST AUDIT**

The company is covered under the audit of cost accounting records relating to the products of the company. Mr. G. Sundaresan, Cost Accountant has been appointed as Cost auditor for the financial year 2015-16.

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel ) Rule, 2014, the Company has appointed M/s. R.M. Mimani & Associates LLP, a firm of Company Secretaries in practice as Secretarial Auditor to undertake the secretarial audit of the Company. The Secretarial audit report in Form MR- 3 is given in Annexure -2 to this report.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of Annual Return in Form MGT- 9 is given in Annexure – 3 to this report.

#### **PARTICULARS OF EMPLOYEES**

The information required under section 197 of the Companies Act, 2013 read with Rule 5(1), (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are given in Annexure – 4 & 5 to this report.

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

The particulars required to be included in terms of section 134(3)(m) of the Companies Act, 2013 with regard to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo are given in Annexure - 6 to this report.

#### **REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES OF THE COMPANY:**

A report on CSR initiatives of the Company, CSR policy is given in Annexure - 7 to this report.

#### **ACKNOWLEDGEMENT**

The Board acknowledges the support given by the employees for their collective contribution, Bankers and the shareholders for their continued support.

On Behalf of the Board  
For **Ultramarine & Pigments Limited.**,

**Indira Sundararajan**  
Managing Director  
[DIN: 00092203]

**Tara Parthasarathy**  
Joint Managing Director  
[DIN: 07121058]

Mumbai  
27th May, 2016



## ANNEXURE - DIRECTOR'S REPORT

### Annexure - 1

#### Nomination and Remuneration Policy

##### Objectives:

The Key Objectives of the Committee and the Policy:

- a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) to recommend to the Board regarding remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

##### Role of the Committee:

The role of the Committee inter alia will be the following:

- a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) to recommend to the Board appointment and removal of Senior Management.
- c) to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors' remuneration and incentive.
- e) to make recommendations to the Board concerning any matter relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director, as an employee of the Company, subject to the provision of the law and the service contract;
- f) ensure that level and composition of remuneration are reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

#### Remuneration Policy:

##### Managing Director(s), Whole-time Director, Non-Executive and Independent Directors

The Nomination and Remuneration Committee shall recommend remuneration, including the commission based on the net profits of the Company to the Executive and Non - Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders will be obtained wherever applicable.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) to Managing Director(s), Whole time Director. Remuneration is paid within the ceiling approved by the Shareholders.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity. Independent Non-Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees.

##### CEO, COO, CFO, CS and Senior Management Personnel

The remuneration of CEO, COO, CFO, CS and Senior Management Personnel, largely consist of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/merits, performance of each employee. The Company, while deciding the remuneration package, takes into consideration current employment scenario and remuneration package of the industry.

**R M MIMANI & ASSOCIATES LLP**

Company Secretaries

A-101, Excellency, Old Raviraj Complex, Jessal Park, Bhayander (East), Thane - 401105

Ph. No. 022-69999914, Email:rmimani222@gmail.com

**Form No. MR.3****Secretarial Audit Report for the financial year ended on March 31, 2016**

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To

The Members

Ultramarine &amp; Pigments Limited, Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ultramarine & Pigments Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there-under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there-under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there-under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- VI. Other law applicable specifically to the Company, as detailed below;
  - a. Explosive Act, 1974
  - b. Hazardous Wastes (Management and Handling) Rules 1989
  - c. The Chemical Weapons Convention Act, 2000
  - d. Information Technology Act, 2000 and the rules made there under



- e. Copyrights Act, 1957
- f. The Trade Marks Act, 1999

We have also examined compliance with the applicable clauses of the following;

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015
- (iii) The listing agreement entered into by the Company with Stock Exchanges in India.

We report that, during the financial year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines as mentioned above and further report that, there was no action/event in pursuance of;

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- c) The Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company.

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

We further report that, based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department heads/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion adequate system and process exists in the company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable general laws like labour laws, competition law and environmental laws.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and in view of the nonexistence formal system, we are not in position to comment on existence of system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the Chairman, majority decision carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there were no specific events/actions in pursuance of any of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company affairs.

For R M MIMANI & ASSOCIATES LLP  
[COMPANY SECRETARIES]  
RANJANA MIMANI  
(PARTNER)  
FCS No: 6271  
CP No : 4234

Place: Mumbai

Dated: May 27, 2016

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms and integral part of this report.



Annexure - "A"

To,  
The Members  
Ultramarine & Pigments Limited  
Mumbai

Our Secretarial Audit Report of even date is to be read along with this letter;

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc.;
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R M MIMANI & ASSOCIATES LLP  
[COMPANY SECRETARIES]

RANJANA MIMANI  
(PARTNER)  
FCS No: 6271  
CP No : 4234

Place: Mumbai  
Dated: May 27, 2016

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31/03/2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

FORM NO. MGT - 9

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L24224MH1960PLC011856
Registration Date	25.10.1960
Name of the Company	Ultramarine & Pigments Limited
Category / Sub-Category of the Company	Company having share capital
Address of the Registered office and contact details	Thirumalai House, Plot No.101/102, Road No.29, SION (East), Mumbai - 400022. Ph: 022-43686200
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Ltd, Subramanian Building No.1, Club House Road Anna Salai, Chennai - 600002 Ph: 044 – 28460390, Fax : 044 - 28460129

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S.No	Name and Description of main products / services	NIC Code of the Product/ service*	% to total turnover of the company
1	Surfactants	202	55.10
2	Pigments	201	30.14
3	ITES	620	14.22

\* As per National Industrial Classification - Ministry of Statistics and Programme Implementation.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NA**

S.No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
-	-	-	-	-	-



## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category-wise ShareHolding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/ HUF	10,773,485	-	10,773,485	36.90	11,013,814	-	11,013,814	37.72	0.82
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	3,115,833	-	3,115,833	10.67	3,120,353	-	3,120,353	10.69	0.02
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other - Trust	1,182,381	-	1,182,381	4.05	1,206,133	-	1,206,133	4.13	0.08
<b>Sub-Total (A) (1)</b>	<b>15,071,699</b>	<b>-</b>	<b>15,071,699</b>	<b>51.62</b>	<b>15,340,300</b>	<b>-</b>	<b>15,340,300</b>	<b>52.54</b>	<b>0.92</b>
<b>(2) Foreign</b>									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter = (A) (1) + (A) (2)</b>	<b>15,071,699</b>	<b>-</b>	<b>15,071,699</b>	<b>51.62</b>	<b>15,340,300</b>	<b>-</b>	<b>15,340,300</b>	<b>52.54</b>	<b>0.92</b>



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	41,168	800	41,968	0.14	41,168	800	41,968	0.14	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	33,356	-	33,356	0.11	0.11
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>	<b>41,168</b>	<b>800</b>	<b>41,968</b>	<b>0.14</b>	<b>74,524</b>	<b>800</b>	<b>75,324</b>	<b>0.25</b>	<b>0.11</b>
(2) Non- Institutions									
(a) Bodies Corporate									
i. Indian	351,770	-	351,770	1.20	245,995	-	245,995	0.84	-0.36
ii. Overseas	-	-	-	-	-	-	-	-	-
(b) individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	7,799,152	1,192,100	8,991,252	30.79	7,495,152	1,217,850	87,13,002	29.84	-0.95
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4,138,344	96,000	4,234,344	14.50	3,924,945	-	3,924,945	13.44	-1.06





Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(C) Others (Specify)									
Clearing members	62,376	-	62,376	0.21	3,856	-	3,856	0.01	-0.20
Hindu undivided families	-	-	-	-	3,69,938	-	3,69,938	1.27	1.27
NRI	4,40,031	-	4,40,031	1.51	5,20,140	-	5,20,140	1.78	0.27
Trusts	6,560	-	6,560	0.02	6,500	-	6,500	0.02	-
Sub-Total (B)(2)	12,798,233	1,288,100	14,086,333	48.24	12,566,526	1,217,850	13,784,376	47.21	-1.03
Total Shareholding of Public = (B) (1) + (B) (2)	<b>12,839,401</b>	<b>1,288,900</b>	<b>14,128,301</b>	<b>48.38</b>	<b>12,641,050</b>	<b>1,218,650</b>	<b>13,859,700</b>	<b>47.46</b>	<b>-0.92</b>
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>27,911,100</b>	<b>1,288,900</b>	<b>29,200,000</b>	<b>100.00</b>	<b>27,981,350</b>	<b>29,200,000</b>	<b>29,200,000</b>	<b>100.00</b>	<b>-</b>

## (ii) Shareholding of Promoters:

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	THIRUMALAI CHEMICALS LIMITED	30,44,800	10.43	-	30,44,800	10.43	-	-
2	SANTHANAM SUNDARARAJAN	12,22,636	4.19	-	12,22,636	4.19	-	-
3	SRIDHAR SUNDARARAJAN	12,23,595	4.19	-	12,23,595	4.19	-	-
4	INDIRA SUNDARARAJAN	10,29,270	3.52	-	10,71,855	3.67	-	0.15



Sl. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
5	BHOOMA PARTHASARATHY	8,11,763	2.78	-	8,11,763	2.78	-	-
6	JAYALAKSHMI SUNDARARAJAN	7,32,040	2.51	-	7,32,040	2.51	-	-
7	R SAMPATH	8,24,242	2.82	-	8,72,242	2.99	-	0.17
8	S SANTHANAM	5,19,075	1.78	-	5,19,075	1.78	-	-
9	PARTHASARATHY RANGASWAMY	6,37,587	2.18	-	7,16,331	2.45	-	0.27
10	SUJATA SAMPATH	5,47,634	1.88	-	5,82,634	1.99	-	0.11
11	DAYA SRIDHAR	4,82,928	1.65	-	4,82,928	1.65	-	-
12	KALA SUNDARARAJAN	3,96,970	1.36	-	3,96,970	1.36	-	-
13	RANGASWAMY PARTHASARATHY	4,07,400	1.39	-	4,07,400	1.39	-	-
14	SRIDHAR SUNDARARAJAN	3,50,449	1.20	-	3,50,449	1.20	-	-
15	DEEPA AJAY	3,06,200	1.05	-	3,06,200	1.05	-	-
16	RANGASWAMY SAMPATH (G S FAMILY TRUST)	3,15,301	1.07	-	3,15,301	1.07	-	-
17	RANGASWAMY SAMPATH	2,60,207	0.89	-	2,60,207	0.89	-	-
18	R SAMPATH (R S FAMILY TRUST)	2,49,680	0.86	-	2,59,243	0.89	-	0.03
19	SUJATA SAMPATH (V S FAMILY TRUST)	2,46,680	0.84	-	2,60,869	0.89	-	0.05
20	GEETHA .S	1,92,962	0.66	-	1,92,962	0.66	-	-
21	BHOOMA PARTHASARATHY (M P FAMILY TRUST)	1,87,960	0.64	0.00	1,87,960	0.64	-	-



Sl. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
22	PARTHASARATHY RANGASWAMY (T P FAMILY TRUST)	1,82,760	0.63	-	1,82,760	0.63	-	-
23	PRAVIN RANGACHARI	1,80,030	0.62	-	1,80,030	0.62	-	-
24	S VARADARAJAN	1,60,000	0.55	-	1,60,000	0.55	-	-
25	SRINATH SRIDHAR	1,44,680	0.50	-	1,44,680	0.50	-	-
26	S VIDYA	1,07,515	0.37	-	1,07,515	0.37	-	-
27	S NARAYAN	72,800	0.25	-	72,800	0.25	-	-
28	SAM C SALES & MARKET CREATING LLP	71,033	0.24	-	75,553	0.26	-	0.02
29	RAMYA BHARATHRAM	36,360	0.12	-	36,360	0.12	-	-
30	V BHARATHRAM	-	-	-	36,000	0.12	-	0.12
31	MEERA PARTHASARATHY	48,120	0.16	-	48,120	0.16	-	-
32	TARA PARTHASARATHY	20,000	0.07	-	20,000	0.07	-	-
33	ADITYA RAJAN	17,200	0.06	-	17,200	0.06	-	-
34	KAVYA NARAYAN	16,000	0.05	-	16,000	0.05	-	-
35	UTTARA B	16,000	0.05	-	16,000	0.05	-	-
36	V S SUNDARARAJAN	4,108	0.01	-	4,108	0.01	-	-
37	BINA RAJAN	4,000	0.01	-	4,000	0.01	-	-
38	PRATHAMESH KARKAL	1,600	0.01	-	1,600	0.01	-	-
39	VARADARAJAN SANTHANAM	114	0.00	-	114	0.00	-	-
<b>Total</b>		<b>15,071,699</b>	<b>51.62</b>	-	<b>15,340,300</b>	<b>52.54</b>	-	<b>0.92</b>

*(iii) Change in Promoters' Shareholding ( please specify, if there is no change):*

Sl. No	Name of Promoters Datewise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year					
1.	<b>R. Sampath</b>	18,96,110	6.49	18,96,110	6.49
	17.04.2015	13,300	0.05	19,09,410	6.54
	18.08.2015	10,200	0.03	19,19,610	6.57
	12.09.2015	24,500	0.08	19,44,110	6.65
	16.02.2016	23,752	0.08	19,67,862	6.74
	Market purchase				
At the End of the year		<b>19,67,862</b>	<b>6.74</b>	<b>19,67,862</b>	<b>6.74</b>
At the beginning of the year					
2.	<b>R.Parthasarathy</b>	10,44,987	3.57	10,44,987	3.57
	17.04.2015	13,500	0.05	10,58,487	3.62
	21.08.2015	26,000	0.09	10,84,487	3.71
	12.09.2015	9,541	0.03	10,94,028	3.74
	16.12.2015	15,000	0.05	11,09,028	3.79
	18.02.2016	14,703	0.05	11,23,731	3.84
	Market purchase				
At the End of the year		11,23,731	3.84	11,23,731	3.84
At the beginning of the year					
3.	<b>Indira Sudararajan</b>	10,29,270	3.52	10,29,270	3.52
	11.04.2015	8,100	0.03	10,37,370	3.55
	16.02.2015	20,000	0.07	10,57,370	3.62
	18.02.2016	14,485	0.05	10,71,855	3.67
	Market purchase				
At the End of the year		<b>10,71,855</b>	<b>3.67</b>	<b>10,71,855</b>	<b>3.67</b>
At the beginning of the year					

Sl. No	Name of Promoters Datewise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	<b>Sujata Sampath</b>	5,47,634	1.88	5,47,634	1.88
	16.12.2015 Market purchase	35,000	0.12	5,47,634	1.88
At the End of the year		<b>5,82,634</b>	<b>2.00</b>	<b>5,82,634</b>	<b>2.00</b>
At the beginning of the year					
5.	<b>SAM- C - Sales Market creating LLP</b>	71,033	0.24	71,033	0.24
	17.08.2015 to 02.09.2015	4,006	0.02	75,039	0.26
	18.09.2015 Market purchase	514	0.00	75,553	0.26
At the End of the year		<b>75,553</b>	<b>0.26</b>	<b>75,553</b>	<b>0.26</b>
At the beginning of the year					

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	R Sundararajan	6,16,789	2.11	6,16,789	2.11
2.	K. Sridhar	3,20,662	1.09	3,20,662	1.09
3.	T. Vijayaraghavan	6,85,503	2.35	6,85,000	2.35
4.	R. Ramachandran	3,22,855	1.10	3,22,855	1.10
5.	Govindbhai Baldev Desai	3,14,100	1.07	3,14,100	1.07
6.	Srinivasan Krishnaswamy	2,85,618	0.97	2,85,618	0.97
7.	Saroja Srinivasan	2,81,800	0.96	2,80,300	0.96
8.	K. Sridhar	2,57,000	0.88	2,57,000	0.88
9.	K. Padma	1,89,691	0.65	1,89,691	0.65
10.	S. Bhooma	1,71,064	0.58	1,71,064	0.58



## (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP Datewise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	<b>Mr. Vinod G. Nehemiah, Director</b>	1,77,600	0.61	1,77,600	0.61
	During the year	-	-	-	-
	At the End of the year	1,77,600	0.61	1,77,600	0.61
	At the beginning of the year				
2.	<b>Mr. Nimish U. Patel, Director</b>	52,589	0.18	52,589	0.18
	During the year	-	-	-	-
	At the End of the year	52,589	0.18	52,589	0.18
	At the beginning of the year				
3.	<b>Dr. Gopakumar G Nair, Director</b>	18,000	0.06	18,000	0.06
	During the year	-	-	-	-
	At the End of the year	18,000	0.06	18,000	0.06
	At the beginning of the year				
4.	<b>Mr. T.R. Madhavan, Director</b>	600	0.00	600	0.00
	During the year	-	-	-	-
	At the End of the year	600	0.00	600	0.00
	At the beginning of the year				
5.	<b>Mr. Navin M Ram, Director</b>	500	0.00	500	0.00
	During the year	-	-	-	-
	At the End of the year	500	0.00	500	0.00
	At the beginning of the year				
6.	<b>Mr. S. Ragothaman, Director</b>	500	0.00	500	0.00
	During the year	-	-	-	-
	At the End of the year	500	0.00	500	0.00
	At the beginning of the year				
7.	<b>Mr. S. Ramanan, CFO</b>	934	-	934	0.00



Sl. No.	Name of the Directors and KMP Datewise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	During the year	-	-	-	-
	At the End of the year	934	0.00	934	0.00
	At the beginning of the year				
8.	<b>Mr. Kishore Kumar Sahoo, Company Secretary</b>	10	0.00	10	0.00
	During the year	-	-	-	-
	At the End of the year	10	0.00	10	0.00

**VII. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VIII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Rs. Lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			
		R. Sampath, Managing Director*	Indira Sundararajan, Vice Chairperson and Managing Director	Sridhar Sundararajan, Joint Managing Director**	Tara Parthasarathy, Joint Managing Director
1					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45.68	57.00	33.25	21.08
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.32	0.32	0.23	-
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	95.08	100.00	58.47	40.00
5	Others, please specify	-	-	-	-
<b>Total (A)</b>		<b>141.08</b>	<b>157.32</b>	<b>91.95</b>	<b>61.08</b>

\* Remuneration paid up to 13.03.2016

\*\* Remuneration paid up to 31.10.2015

**B. Remuneration to other Directors:**

Sl. No	Particulars of Remuneration	Name of Directors						Total Amount
		Gopakumar G. Nair	Nimish U. Patel	T.R. Madhavan	Vinod G Nehemiah	Navin M. Ram	S. Raghothaman	
1.	Independent Directors							
	• Fee for attending board / committee meetings	4.80	4.40	4.40	2.00	2.80	2.80	21.20
	• Commission	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-
<b>Total (1)</b>		<b>4.80</b>	<b>4.40</b>	<b>4.40</b>	<b>2.00</b>	<b>2.80</b>	<b>2.80</b>	<b>21.20</b>
		S. Santhanam	S. Sridhar					
2.	Other Non-Executive Directors							
	• Fee for attending board / committee meetings	2.40	0.40					2.80
	• Commission	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-
<b>Total (2)</b>		<b>2.40</b>	<b>0.40</b>					<b>2.80</b>
<b>Total (B) = (1)+(2)</b>								<b>24.00</b>





## C. Remuneration to other Directors key managerial personnel other than MD/MANAGER/WTD:

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25.62	10.82	<b>36.44</b>
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
<b>Total (C)</b>		<b>25.62</b>	<b>10.82</b>	<b>36.44</b>

## IX. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty			None		
Punishment			None		
Compounding			None		
OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment			None		
Compounding			None		

On Behalf of the Board  
For Ultramarine & Pigments Limited.,

**Indira Sundararajan**  
Managing Director  
[DIN: 00092203]

Mumbai  
27<sup>th</sup> May, 2016



**Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2015-16

Sl. No.	Name of the Director	Designation	Ratio of remuneration of each Director to median remuneration of employees
1.	R. Sampath	Managing Director	66:1
2.	Indira Sundararajan	Vice Chairperson and MD	70:1
3.	S. Sridhar	Joint Managing Director	70:1
4.	Tara Parthasarathy	Joint Managing Director	28:1

- ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary or manager during the financial year 2015-16.

Sl. No.	Name	Designation	Percentage increase in remuneration
1.	R. Sampath	Managing Director	47%
2.	Indira Sundararajan	Vice Chairperson and MD	56%
3.	S. Sridhar	Joint Managing Director	56%
4.	Tara Parthasarathy	Joint Managing Director	103%
5.	S. Ramanan	Chief Financial Officer	-
6.	Kishore Kumar Sahoo	Company Secretary	10%

- iii) The percentage increase in the median remuneration of Employees in the financial year is 5.61%.

- iv) The Company has 871 permanent employees on the rolls of Company as on 31st March, 2016.

**v) Relationship between average increase in remuneration and Company's performance:**

The profit before tax for the financial year ended 31st March, 2016 increased by 41.91% whereas the average increase in remuneration was 10.26%. The average increase in median remuneration is in line with the performance of the Company.

- vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

₹. in Lakhs

Sl. No.	Particulars	Year (2015-16)	Year (2014-15)	Percentage of increase
1	Sales	22023	17216	28%
2	Profit before tax	3904	2751	42%
3.	Remuneration of the KMP	563	369	53%



vii) Market capitalization and price earnings ratio details are as under:

Particulars	As on 31.03.2016	As on 31.03.2015	Increase / (Decrease) (%)
Price Earnings Ratio	11.61	10.11	14.84
Market Capitalization ( Rs. in Crore)	317.70	189.51	67.74

The Company has not made any public issue of shares.

viii) Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year is 14.32% whereas the increase in the managerial remuneration was 57.77%.

ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company

Sl. No.	Name of Key Managerial Personnel	Designation	Percentage increase in Remuneration	Percentage of increase in performance
1.	R. Sampath	Managing Director	47%	42%
2.	Indira Sundararajan	Vice Chairperson and MD	56%	42%
3.	S. Sridhar	Joint Managing Director	56%	42%
4.	Tara Parthasarathy	Joint Managing Director	103%	42%
5.	S. Ramanan	Chief Financial Officer	-	42%
6.	Kishore Kumar Sahoo	Company Secretary	10%	42%

x) **The key parameter for any variable component of remuneration availed by Managing Directors**

Only Commission is payable in addition to monthly remuneration. The Commission is based on the performance of the Company upon recommendation of Nomination and Remuneration Committee. No variable compensation is paid to other directors of the Company.

xi) **The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: Not Applicable**

xii) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.



## Annexure - 5

Details of employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.

Sr. No.	Name of Employee	Age in Years	Qualification and Experience	Designation	Remuneration (Rs.)	Percentage of equity shares held in the Company	Date of commencement of employment	Last Employment held
1	Mr. R. Sampath*	71	B.Sc. B.S. (Chem. Engg.) U.S.A. 44 yrs	Managing Director (till 13.03.2016)	14,108,042	6.74	01.03.1970	Engineer, Hercules Inc. USA
2.	Mrs. Indira Sundararajan	68	B.Sc. Tech 42 yrs	Vice Chairperson and Managing Director	15,732,088	3.67	01.07.2003	Thirumalai Chemicals Ltd.,
3.	Mr. S. Sridhar**	65	B.Sc., A.C.A. 39 yrs	Joint Managing Director (till 31.10.2015)	91,94,912	5.39	01.08.2012	Thirumalai Chemicals Ltd.,
4.	Ms. Tara Parthasarathy	31	B Tech, Master of Environmental Management (MEM),	Joint Managing Director	6,423,291	0.07	16.03.2015	World Resources Institute, Bangalore

\*Remuneration paid to Mr. R. Sampath was up to 13th March, 2016.

\*\*Remuneration paid to Mr. S. Sridhar was up to 31st October, 2015.

**Notes:**

1. Remuneration includes Company's contribution to Provident Fund, Medical Benefits, Leave Travel Allowance and commission payable etc.
2. Nature of employment is contractual.
3. Mr. R. Sampath and Mrs. Indira Sundararajan are related.

On Behalf of the Board

For Ultramarine & Pigments Limited.,

**Indira Sundararajan**  
Managing Director  
[DIN: 00092203]

**Tara Parthasarathy**  
Joint Managing Director  
[DIN: 07121058]

Mumbai  
27th May, 2016



## Annexure - 6

**Information as per Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014**
**I. CONSERVATION OF ENERGY**

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

<b>FUEL CONSUMPTION (POWER &amp; FUEL)</b>			
<b>1. ELECTRICITY</b>	<b>Units</b>	<b>Year Ending 31.03.2016</b>	<b>Year Ending 31.03.2015</b>
a) Purchased Units	KW /HR	51,51,321	43,92,514
Total amount paid		4,45,73,204	3,91,69,612
Rate/ Unit	Rs.	8.65	8.92
b) Own Generation			
Through Windmill	KW/HR	5,70,559	4,55,058
Through Solar	KW/HR	95,054	--
Through DG	KW/HR	1,62,802	2,15,391
Unit / Litre of Diesel Oil	KW/HR	3.32	3.31
Cost Per Unit	Rs.	15.57	17.15
<b>2. COAL AND COKE</b>			
Coal & Coke & Pet Coke	Rs.	2,48,01,370	3,38,12,660
Coal & Coke & Pet Coke	Tons	1,564	2,015
Rate / Ton	Rs.	15,854	16,781
<b>3. FURNACE OIL/ DIESEL / SKO ETC</b>			
Furnace Oil / Diesel / SKO Etc.	KL	991	1038
Total amount	Rs.	2,87,09,294	4,43,10,191
Rate / KL	Rs.	28,965	42,688
<b>4. RESEARCH &amp; DEVELOPMENT EXPENDITURE ON R&amp;D</b>			
i) Capital	Rs.	59,14,401	12,18,010
ii) Recurring	Rs.	1,32,52,854	93,82,655
iii) Total	Rs.	1,91,67,255	1,06,00,665
iv) Total R&D Expenditure as a percentage of total turnover		0.87%	0.62%

**II. TECHNOLOGY ABSORPTION, ADAPTATION, INNOVATION**

Your Company is taking initiatives for quality of all products and services by absorbing new technologies in product / process developments through modernization and also by cost-effective methods / processes.

**III. FOREIGN EXCHANGE EARNINGS & OUTGO**

Your Company is constantly exploring new markets to enhance the exports of its Products despite the stiff competition faced in the international Market, Vigorous efforts are being made to enhance our revenue from IT-Enabled Services Division. Earnings in Foreign Exchange from Exports and Services are given in Notes forming part of Accounts.

On Behalf of the Board  
For Ultramarine & Pigments Limited.,

**Indira Sundararajan**  
Managing Director  
[DIN: 00092203]

**Tara Parthasarathy**  
Joint Managing Director  
[DIN: 07121058]

Mumbai  
27th May, 2016

**Annual Report on Corporate Social Responsibility (CSR) activities**

A policy on Corporate Social responsibility (CSR) was adopted and implemented in the year 2014. CSR policy is stated herein below.

**Composition of CSR Committee:**

Mr. T.R. Madhavan	Chairman of the Committee	(Independent Director)
Mr. Vinod G. Nehemiah	Member of the Committee	(Independent Director)
Mr. R. Sampath	Member of the Committee	(Non-Executive Director)

**CSR Policy**

(approved by the Board of Directors on 27th May, 2014)

**Corporate Social Responsibility (CSR) Philosophy**

In UPL, giving back to the community is considered as a necessity and not a choice. Since inception, it has been inculcated in our employees and our management that the company's well-being hinges upon not only the financial health, efficiency of production and general health and wealth of our employees but also upon the health, wealth and opportunities available to the weaker section of the society with special focus on rural people.

**CSR Vision:**

- To catalyze rural people to build sustainable communities and improve their quality of life.
- To build community based organizations with local leaders.
- To develop and deliver a unique model of accessible, affordable primary and secondary health care.
- Rehabilitation service for families suffering from alcoholism.

**CSR contribution:**

Pursuant to the provisions of Companies Act, 2013, the Company should spend in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial year. In compliance with the said provision, the expenditure made by the Company towards CSR activities for the financial year 2015 -16 is given below:

Particulars	Amount
i) Average net profit of the Company for the last three years (computed as per the provision of section 198 of the Companies Act, 2013)	Rs. 2,215 Lakhs
ii) Prescribed CSR expenditure: 2% of (i) above	Rs. 44.31 Lakhs
iii) Total amount spent for the financial year towards CSR activities	Rs. 54.07 Lakhs



iv) Manner in which the amount spent during the financial year is detailed below

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered ( clause no. of Schedule VII to the Companies Act, 2013 as amended	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken.	Amount outlay (budget) project or programs wise (Rs. in lakhs)	Amount spent on the projects or programs Sub – heads: 1) Direct expenditure on projects or programs. (2) Overheads: (Rs. in lakhs)	Cumulative expenditure up to the reporting period	Amount spent direct or through implementing agency
1.	Integrated Community Health and Development Program for primary and Secondary health care	Clause (i) promoting health care including preventive health care	Ranipet, Vellore district of Tamil Nadu	70.00	54.07	54.07	Implementing agency – “Thirumalai Charity Trust”
2.	Education Programs						

### Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company, is reproduced below:

‘The implementation and monitoring of Corporate Social Responsibility (CSR) policy, is in compliance with CSR objectives and policy of the Company’.

On Behalf of the Board  
For Ultramarine & Pigments Limited.,

Mumbai  
27th May, 2016

**Indira Sundararajan**  
Managing Director  
[DIN: 00092203]

**T.R. Madhavan**  
Chairman, CSR Committee  
[DIN: 00163992]

**CORPORATE GOVERNANCE REPORT 2016**

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “Listing Regulations”]

**Company’s philosophy on Corporate Governance**

The Company believes that the pursuit for good Corporate Governance is an ongoing process which facilitates the company to achieve its avowed objectives of transparency, accountability and responsibility in all our dealings with our shareholders, customers, employees and the community at large. This objective extends not merely to meet with statutory requirements but also to go beyond them by putting into place procedures and systems which are in accordance with the best practices for corporate governance.

The Company recognizes that strong Corporate Governance is a key driver of sustainable corporate growth and long term value creation.

In this report the company confirms its compliance with the corporate governance code as required by SEBI Listing Regulations

**Board of Directors:****(a) Composition of Board as on 31.03.2016:**

Category	No. of Directors
Executive Directors	2
Non – Executive and Non Independent Directors including Chairman	3
Non executive and Independent Directors	6

**(b) Relevant details of Directors:**

Name of Directors	Category	No. of Directorships of other Public Companies	No. of Memberships of Board Sub-committees
Mr. R. Sampath*	Non-Executive	1	4
Mrs. Indira Sundararajan**	Executive	-	-
Mr. S. Sridhar***	Non-Executive	-	-
Ms. Tara Parthasarathy****	Executive	-	-
Mr. S. Santhanam	Non Executive	2	-
Dr. Gopakumar G. Nair	Non Executive Independent	3	4
Mr. Nimish Patel	Non Executive Independent	3	3
Mr. T.R Madhavan	Non Executive Independent	1	-
Mr. Vinod G. Nehemiah	Non Executive Independent	-	-
Mr. Navin M Ram	Non Executive Independent	-	-
Mr. S. Ragothaman	Non Executive Independent	9	9

(\*) Ceased to be Managing Director with effect from 14.03.2016 and is continuing as Non-Executive Director.

(\*\*) Vice Chairperson and Managing Director.

(\*\*\*) Ceased to be Joint Managing Director with effect from 31.10.2015 and is continuing as Non-Executive Director.

(\*\*\*\*) Joint Managing Director



**(c) Board Meetings:**

Number of Board Meetings held during the year 2015- 2016

Six meetings of the Board of Directors were held on the following dates:

27/05/2015, 24/07/2015, 07/08/2015, 31/10/2015, 13/02/2016 & 12/03/2016

The Company Secretary in consultation with Chairman drafts the agenda of the meeting. Agenda papers along with relevant details are circulated to all Directors well in advance of the date of the Board meeting.

**(d) Attendance of Directors at Board meetings and Annual General Meeting**

Name of the Directors	Attendance at the Board meetings held on						Attendance at the AGM held on August 7, 2015
	May 27, 2015	July 24, 2015	August 7, 2015	October 31, 2015	February 13, 2016	March 12, 2016	
Mr. R. Sampath	✓	✓	✓	✓	✓	✓	✓
Mrs. Indira Sundararajan	✓	✓	✓	✓	✓	✓	✓
Mr. S.Sridhar	✓	✓	✓	✓	✓	Leave of absence	✓
Ms. Tara Parthasarathy	✓	✓	✓	✓	✓	✓	✓
Mr. S. Santhanam	✓	✓	✓	✓	✓	✓	✓
Dr. Gopakumar G. Nair	✓	✓	✓	✓	✓	✓	✓
Mr. Nimish U. Patel	✓	✓	✓	✓	✓	✓	✓
Mr. T. R. Madhavan	✓	✓	✓	✓	✓	✓	✓
Mr. Vinod G. Nehemiah	✓	Leave of absence	✓	✓	✓	Leave of absence	✓
Mr. Navin M Ram	✓	✓	Leave of absence	✓	✓	✓	Leave of absence
Mr. S. Ragothaman	✓	✓	✓	✓	✓	✓	✓

**Board Committees:****Audit Committee**

Composition of Audit Committee:

Mr. T.R. Madhavan	(Chairman)
Dr. Gopakumar G. Nair	(Member)
Mr. Nimish U. Patel	(Member)
Ms. Tara Parthasarathy*	(Member)

\* Ms. Tara Parthasarathy, Joint Managing Director was inducted as a member of the Audit Committee with effect from 07.08.2015.



During the year, the Committee met four times on 27/05/2015, 07/08/2015, 31/10/2015 and 13/02/2016.

All the members of the Committee, Chief Financial Officer as well as the concerned partner of the Statutory Auditor remained present at all the meetings.

The Company Secretary acts as Secretary to the Audit Committee.

The audited results for the year ended 31/03/2016 were reviewed by the Committee before being placed before the Board.

The Committee Member's also review the Statement of outstanding Debts, particularly overdue, as also Group Company Transactions.

#### **Nomination and Remuneration Committee**

Composition of the Committee:

Mr. Vinod G. Nehemiah	(Chairman)
Dr. Gopakumar G. Nair	(Member)
Mr. Navin M Ram	(Member)
Mr. R. Sampath	(Member)

During the year, the Committee met one time on 31/10/2015. All the members of the Committee were present.

Appointment and payment of remuneration to the Directors and key management personnel are referred to/ reviewed by the Committee.

#### **Stakeholders Relationship Committee**

Composition of the Committee:

Dr. Gopakumar G. Nair	(Chairman)
Mr. S. Sridhar	(Member)
Mr. T.R. Madhavan	(Member)

Mr. Kishore Kumar Sahoo, Company Secretary is the Compliance Officer. All complaints whenever received from any investor were timely attended for redressal. Total of 6 complaints were received from the Shareholders during 2015-16, which were all attended to and resolved and there were no complaints pending at the end of the year. The process of share transfer is delegated and is done once a fortnight (depending on transfers received) which is confirmed and ratified in the next meeting.

During the year, the Committee met one time on 27/05/2015. All the members of the Committee were present

#### **Corporate Social Responsibility (CSR) Committee:**

Composition of the Committee:

Mr. T.R. Madhavan	(Chairman)
Mr. Vinod G. Nehemiah	(Member)
Mr. R. Sampath	(Member)

During the year, the Committee met one time on 27/05/2015. All the members of the Committee were present.

#### **Risk Management Committee**

Composition of the Committee:

Mr. R. Sampath	(Chairman)
Mr. T.R. Madhavan	(Member)
Mr. S. Ramanan, CFO	(Member)

The Company has adopted and implemented a risk management policy.



### Independent Directors meeting

During the year under review the Independent Directors met on 12<sup>th</sup> March, 2016, *inter alia* to discuss and review:

- (i) Performance of non – independent directors;
- (ii) Performance of the Chairperson of the Company;
- (iii) the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent directors except Mr. Vinod G. Nehemiah were present at the meeting.

### Familiarization program for Independent Directors

Pursuant to regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should familiarize the independent directors through various programs about the Company. During the financial year, Senior Management of the Company has made presentations, provided information relating to Company's operations, function, and strategy plan of the Company to the independent directors. The details of familiarization program are available at the website of the Company: [www.ultramarinepigments.net / investors /](http://www.ultramarinepigments.net/investors/).

### Remuneration of Directors

Remuneration paid or payable to Managing Director / Whole-time Director / Director during the year ended 31-03-2016.

(Amount in Rupees)

Name	Salary	PF	Others	Commission	Total
1. Mr. R. Sampath –CMD*	4,567,742	--	32,400	9,507,900	14,108,042
2. Mrs. Indira Sundarajan-VCMD	5,700,000	--	32,400	9,999,688	15,732,088
3. Mr. S. Sridhar – Joint MD**	3,325,000	--	23,100	58,46,812	91,94,912
4. Ms. Tara Parthasarathy – Joint MD	1,997,996	315,416	110,004	3,999,875	6,423,291

\* Remuneration paid was up to 13th March, 2016

\*\* Remuneration paid was up to 31st October, 2015

Notes: Managerial remuneration is within the ceiling as per the resolution approved by the shareholders. The caption "others" on the above table includes LTA and Medical.

Sitting fee is payable to the Non-Executive Directors for attending the Board / Committee meetings. The sitting fees paid to the non-executive Directors is as under:

Name	Amount (Rs)
Mr. S. Santhanam	2,40,000/-
Dr. Gopakumar G. Nair	4,80,000/-
Mr. Nimish Patel	4,40,000/-
Mr. T.R Madhavan	4,40,000/-
Mr. Vinod G Nehemiah	2,00,000/-
Mr. Navin M Ram	2,80,000/-
Mr.S.Ragothaman	2,80,000
Mr.S.Sridhar	40,000

Payments are made to the Non-Executive Directors depending on the number of meetings attended by them. These payments are reviewed by the Board of Directors from time to time.

**Shareholdings of Directors**

Details of Shares held by Non-Executive Directors as on 31.03.2016

Name	No. of Shares held
Mr. R. Sampath	19,67,862
Mr.S.Sridhar	15,74,044
Mr. S.Santhanam	17,41,711
Dr. Gopakumar G.Nair	18,000
Mr. Nimish Patel	52,589
Mr. T.R Madhavan	600
Mr. Vinod G Nehemiah	1,77,600
Mr. Navin M Ram	500
Mr. S. Ragothaman	500

**Brief details of General Body Meetings:**

The Fifty fifth Annual General Meeting of the Company for the financial year 2015 - 2016 would be held on **Monday, the 8<sup>th</sup> Day of August, 2016 at 3.30 p.m.** at **THE MYSORE ASSOCIATION AUDITORIUM, Mysore Association, 393, Bhaudaji Road, Matunga- C. Rly. Mumbai – 400 019.**

**The last three Annual General Meetings were held as under:**

Financial Year	Date	Time	Location
2014 – 2015	07.08.2015	3.30 PM	Mysore Association Auditorium, Bhaudaji Road, Matunga, Mumbai – 400 019.
2013 – 2014	07.08.2014	3.30 PM	Mysore Association Auditorium, Bhaudaji Road, Matunga, Mumbai – 400 019.
2012 – 2013	08-07-2013	3.30 PM	Mysore Association Auditorium, Bhaudaji Road, Matunga, Mumbai – 400 019

- Special resolutions passed in the previous three Annual General Meetings: Nil
- Special resolution passed last year through postal ballot : Nil
- Special resolution is proposed to be conducted through postal ballot : Nil

**Remote e – voting and ballot voting at the AGM**

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged for a remote e –voting facility. The Company has engaged CDSL to provide e-voting facility to all the members.

The facility for voting through ballot will also be made available at the AGM, and the members who have not already cast their vote by remote e – voting can exercise their vote at the AGM

**Code of Conduct**

In compliance with Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, The Company has laid down the Code of Conduct for all Board Members and Senior Management of the Company. The Code is also posted on the Company's website.

All Board members and Senior Management of the Company have affirmed compliance with their Code of Conduct for the financial year ended March 31, 2016. The Vice Chairperson and Managing Director has also confirmed and certified the same. The certification is annexed at the end of this Report.

## Prevention of Insider trading

The Company has adopted a code of conduct on insider trading, to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This code of conduct also includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. The code of fair disclosure is available on Company's website: [www.ultramarinepigments.net/investors/policies](http://www.ultramarinepigments.net/investors/policies).

### Disclosures:

#### (i) Internal Audit Functions and Statutory Compliance:

Internal Audit functions of the company have been carried out by a firm of Chartered 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 a report are duly submitted to the Audit Committee of the Board of Directors. The Statutory Auditors are provided with the reports of the internal auditors including the action taken report for their consideration.

The Internal Auditor also makes presentations to the Audit Committee whenever required.

For every quarter, the Company Secretary/Department Head makes report of Statutory compliances. These 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 materially significant transactions with the Directors or the management or their relatives that have any potential conflict with the interest of the Company.

#### (iii) Details of Non-compliance:

There were no cases of non-compliance by the company nor any cases of penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

#### (iv) Establishment of vigil mechanism and affirmation that no personnel has been denied access to the Audit Committee.

The Company has implemented a vigil mechanism policy (Whistle Blower Policy), whereby the employees can raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of financial statements and reports. The policy safeguards the whistle blower and also provides a direct access to the Chairman of Audit Committee. During this year no complaints were received under this mechanism nor has any personnel been denied access to the Audit Committee.

#### (v) The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted

The Company fulfills the following discretionary requirement pursuant to regulation 27(1) of the Listing regulations read with Part E of Schedule II.

- The Company is in the regime of un-qualified financial statements.

#### vi) Risk Management

The Company has well laid down procedures and adopted a risk management policy to inform Board members about the risk assessment and minimization procedures.

#### (vii) CEO / CFO Certification

Appropriate certification as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been made to the Board of Directors by the CEO/CFO which has been taken note of by the Board.

**(viii) Means of communication:**

The company has promptly reported all material information including quarterly results and press releases to the Stock Exchanges where the company's securities are listed. The quarterly results were communicated to the shareholders by way of advertisement in a National Daily and in a vernacular language newspaper.

All material Information for investors, Financial results, Annual Report, report on corporate governance, Shareholding pattern, Company's policies are posted in the Company's website at [www.ultramarinepigments.net](http://www.ultramarinepigments.net).

**(ix) Disclosures by Management to the Board:**

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

**(x) Management Discussion and Analysis:**

This annual report has a detailed chapter on management discussion and analysis.

**(xi) General Shareholders Information:**

- 1) Date, time and venue of 55<sup>th</sup> AGM : Monday, the 8<sup>th</sup> August 2016 at 3.30 P.M  
Mysore Association Auditorium,  
Bhaudaji Road, Matunga,  
Mumbai – 400 019.
- 2) Date of Book Closure : 1<sup>st</sup> August, 2016 to 8<sup>th</sup> August 2016  
(both days Inclusive)
- 3) Listing on Stock Exchanges : Bombay Stock Exchange Ltd.
- 4) Listing Fees : Paid as per the listing agreement
- 5) ISIN No. : INE 405 A0 1021
- 6) BSE Stock Code : 506685
- 7) Registered Office : Thirumalai House,  
Road No.29, Sion-East, Mumbai- 400 022.  
Phone: +91-22-24017834/41/61/69  
Fax : +91-22-24011699  
E. Mail : [cs@uplamb.net](mailto:cs@uplamb.net)
- 8) Registrars and 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](mailto:investor@cameoindia.com)
- 9) Compliance Officer : Mr. Kishore Kumar Sahoo – Company Secretary  
Ultramarine & Pigments Ltd.,  
Thirumalai House, Road No.29,  
Sion (East), Mumbai – 400 022.  
Phone:+91-22-24017841/ 2401 7853  
Fax : +91-22-2401 1699  
E.Mail : [cs@uplamb.net](mailto:cs@uplamb.net)



- 10) Share Transfer System : The Company's shares are traded in the Stock Exchanges compulsorily in de-materialized mode. Shares sent for physical transfer or de-materialisation requests are registered promptly within 15 days from the date of receipt of completed and validly executed documents.
- 11) Financial Calendar : Annual Results : 27<sup>th</sup> May, 2016  
 Mailing of Annual Reports : 4<sup>th</sup> week of June, 2016  
 Results for the Quarter ending :  
 June 30, 2016 : By 8<sup>th</sup> August, 2016  
 September 30, 2016 : By 15<sup>th</sup> Nov, 2016  
 December 31, 2016 : By 14<sup>th</sup> Feb, 2017  
 March 31, 2017 : By 30<sup>th</sup> May, 2017
- 12) Dividend Payment dates : Not Applicable
- 13) Dematerialisation of Shares : As on 31-03-2016, 95.83% of Company's shares representing 2,79,81,350 shares were held in the de-materialized form.  
 Shares with NSDL – 2,57,49,320  
 Shares with CDSL – 22,32,030
- 14) Plant location : **Ambattur**  
 No.556, Vanagaram Road,  
 Ambattur, Chennai – 600 053, Tamilnadu.  
 Tel: +91-44 - 6692 1195 / 96/97  
 Fax: +91- 44- 6692 1100
- Ranipet**  
 25-B, SIPCOT Industrial Complex,  
 Ranipet – 632 403, Tamil Nadu.  
 Tel: +91- 4172- 664401 / 402/403/404/405  
 Fax: +91- 4172- 664400  
 E.mail:syndet@ultramarinepigments.net
- Lapiz Digital Services**  
 RR Tower – IV , Super A - 16 &17,  
 T V K Industrial Estate, Guindy  
 Chennai – 600032  
 Tel: +91 - 44- 42901300  
 Fax:+91-44- 42901310  
 E-mail : info@lapizdigital.com



## 15) Categories of Shareholders as on 31.03.2016

	No. of Shares	% of Shareholders
Promoters/Directors, their Relatives, Group Companies	15,340,300	52.54
Financial Institutions / Banks	41,968	0.14
NRI	5,20,140	1.78
Companies / Bodies Corporate	2,45,995	0.84
HUF and General Public	13,007,885	44.55
FII	33,356	0.11
Clearing Member & Trusts	10,356	0.04
<b>Total</b>	<b>2,92,00,000</b>	<b>100.00</b>

## 16) Distribution of Shareholding as on 31.03.2016

No. of Shares	No. of Shareholders	% of Shareholders	No of Shares	% of Shareholding
Up to 500	6574	93.38	4201433	14.39
501- 1000	248	3.52	1950445	6.68
1001-2000	107	1.52	1537771	5.27
2001-3000	30	0.43	748631	2.56
3001-4000	21	0.30	724575	2.48
4001-5000	7	0.10	329584	1.13
5001-10000	12	0.17	907343	3.11
Over 10000	41	0.58	18800218	64.38
<b>TOTAL</b>	<b>7040</b>	<b>100.00</b>	<b>29200000</b>	<b>100.00</b>

## 17) Stock Market price data and BSE Sensex for the year 2015 – 2016

Month	Market Price at BSE Limited			BSE Sensex	
	High	Low	No.of Shares	High	Low
April -2015	75.00	65.00	1,80,795	29094.61	26897.54
May-2015	71.80	66.00	1,62,678	28071.16	26423.99
June-2015	71.35	66.00	94,195	27968.75	26307.07
July-2015	84.00	69.00	3,86,927	28578.33	27416.39
August-2015	91.25	72.00	5,82,288	28417.59	25298.42
September-2015	81.00	65.00	2,34,950	26471.82	24833.54
October-2015	104.75	75.75	5,54,531	27618.14	26168.71
November-2015	119.80	91.20	6,37,586	26824.30	25451.42
December-2015	124.00	106.00	4,87,817	26256.42	24867.73
January-2016	127.80	96.40	3,65,078	26197.27	23839.76
February-2016	119.00	88.60	2,31,408	25002.32	22494.61
March-2016	122.00	106.00	2,07,489	25479.62	23133.18



**18) Statement showing unclaimed dividend as on March 31, 2016**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend/ unclaimed account required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. The unclaimed amounts along with their due dates for transfer to IEPF are mentioned below:

Sl. No.	Year	Nature	Dividend Amount per Share (in Rs.)	Amount of unclaimed dividend as on March 31, 2016 (in Rs.)	Due date to transfer unclaimed dividend amount to IEPF [IEPF rule 3(1)]
1	2008-09	Final	2.00	4,74,840.00	08.11.2016
2	2009-10	Final	3.00	5,04,219.00	09.10.2017
3	2010-11	Final	3.00	4,89,873.00	15.10.2018
4	2011-12	Final	3.00	5,00,610.00	25.10.2019
5	2012-13	Final	2.25	5,63,555.25	14.09.2020
6	2013-14	Final	2.50	9,52,565.00	17.10.2021
7	2014-15	Final	3.00	12,38,193.00	17.10.2022

The details of unclaimed dividend are available on the Company's website:  
[www.ultramarinepigments.net/investors/investorsinformation](http://www.ultramarinepigments.net/investors/investorsinformation)

**19) Corporate Ethics**

The consistent endeavour of Ultramarine & Pigments Ltd. is to enhance the reputation of the Company. Irrespective of the goals to be achieved, the means are as important as the end. The Company has adopted "The Code of Conduct for prevention of Insider Trading", which contains policies prohibiting Insider Trading. The Company has also promulgated Code of Conduct to be followed by Directors and Senior Management Personnel. This is also available on the Company's website.

For **Ultramarine & Pigments Ltd.**

Mumbai  
 27<sup>th</sup> May, 2016

**Indira Sundararajan**  
 Managing Director  
 [DIN: 00092203]

**Declaration by the CEO under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct**

In accordance with Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the Financial Year ended March 31, 2016

For **Ultramarine & Pigments Ltd.**

Place : Mumbai  
 Date : 27<sup>th</sup> May, 2016

**Indira Sundararajan**  
 Managing Director  
 [DIN: 00092203]



**CEO / CFO Certification**

[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Board of Directors  
Ultramarine & Pigments Limited

We, Indira Sundararajan, Managing Director, and S. Ramanan, Chief Financial Officer of Ultramarine & Pigments Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the cash flow statement of Ultramarine & Pigments Limited for the year ended 31st March, 2016 and to the best our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee that there are no:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year; and
  - (iii) instances of significant fraud of which we have become aware.

**(Indira Sundararajan)**  
Managing Director  
[DIN: 00092203]

**(S. Ramanan)**  
Chief Financial Officer

Mumbai  
27<sup>th</sup> May, 2016



## Independent Auditors' Certificate on Corporate Governance

To the Members of  
Ultramarine & Pigments Limited.

We have examined the compliance of conditions of corporate governance by Ultramarine & Pigments Limited for the year ended on 31st March 2016 as stipulated in clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations for the period 1 December 2015 to 31 March 2016.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above- mentioned Listing Agreement / Listing Regulations as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of  
**Brahmayya & Co.**  
Chartered Accountants  
Firm Regn. No. 000511S

**R. Nagendra prasad**  
Partner  
Membership No.203377

Mumbai  
27<sup>th</sup> May, 2016



## Independent Auditors' Report

To the Members of  
Ultramarine & Pigments Limited

### Report on the Financial Statements

1. We have audited the accompanying financial statements of Ultramarine & Pigments Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

8. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure – "A", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
9. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure – "B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 4.1 to the financial statements;
    - ii) The Company did not have any long term contracts, including derivative contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn. No. 000511S

**R. Nagendra prasad**  
Partner  
Membership No.203377

Mumbai  
27<sup>th</sup> May, 2016



## Annexure to Independent Auditor's Report

[Referred to in paragraph 8 under 'Report on Other Legal and Regulatory requirements' of our Report of even date]

On the basis of such checks as considered appropriate and in terms of the information and explanation furnished to us, we state as under:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the management carries out the physical verification of the fixed assets at reasonable intervals. The discrepancies noticed on such verification were not material;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except in one case wherein the title of property in the name of the company as per revenue records and in occupation of a third party claiming the title and the company has taken steps to protect its title and the case is pending disposal.
- (ii) (a) As explained to us, the inventories have been physically verified during the year by the management. The discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account;
- (iii) In our opinion and according to the information and explanations given to us, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, clauses (iiia), (iiib) and (iiic) of paragraph 3 of the Order are not applicable to the company for the year;
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which the provisions of section 185 and 186 of the Act are applicable.
- (v) The Company has not accepted any deposit to which the provisions of Sections 73 to 76 of the Act and The Companies (Acceptance of Deposits) Rules, 2014 would apply. As informed to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal related to compliance with above provisions
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that prima-facie, the prescribed accounts and cost records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determining whether they are accurate or complete;
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2016, for a period of more than six months from the date they became payable.
- (b) According to the records of the company and information and explanations given to us, there are no outstanding amounts in respect of service tax, duty of customs, duty of excise that have not been deposited with the appropriate authorities on account of any dispute. Disputed income tax, value added tax that have not been deposited on account of disputed matters pending before appropriate authorities are as under:



Name of the Statute	Nature of the dues	Amount (Rs.)	Year to which relates	Forum where dispute is pending
Income tax Act, 1961	Income-tax	51,434	Financial Year 2005-06	Commissioner of Income tax (Appeal), Mumbai
Income tax Act, 1961	Income-tax	30,35,744	Financial Year 2009-10	Commissioner of Income tax (Appeal), Mumbai
Income tax Act, 1961	Income-tax	1,06,80,474	Financial Year 2011-12	Commissioner of Income tax (Appeal), Mumbai
Tamilnadu Value Added Tax, 2006	Tamilnadu Value Added Tax	4,12,758	Financial Year 2012-13	Appellate Deputy Commissioner of Commercial Taxes, Chennai
Tamilnadu Value Added Tax, 2006	Tamilnadu Value Added Tax	8,40,846	Financial Year 2013-14 & 2014-15	Joint Commissioner of Commercial Taxes, Chennai

Amounts paid under protest and not charged to Statement of Profit and Loss has not been included above. [Refer Note 4.1 (c)(i) to the financial statements].

- (viii) According to the information and explanations given to us, the company did not avail any loan or borrowings from banks or financial institutions and also did not have any debentures outstanding during the year under report. Accordingly, the provisions of clause 3(ix) of the Order are not applicable;
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the company has not availed any term loans during the year and accordingly, the provisions of clause 3(xi) of the Order are not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, there have been no cases of fraud by the company or on the company by its officers or employees has been noticed or reported during the year under report.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn. No. 000511S

**R. Nagendra prasad**  
Partner

Mumbai, 27<sup>th</sup> May, 2016

Membership No.203377



## ANNEXURE - “B” TO AUDITORS’ REPORT

Referred to in paragraph 9 (f) of our report of even date

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

1. We have audited the internal financial controls over financial reporting of Ultramarine & Pigments Limited (“the Company”) as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

6. A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting





principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Mumbai, 27<sup>th</sup> May, 2016

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn. No. 000511S

**R. Nagendra prasad**  
Partner  
Membership No.203377

**Balance Sheet as at 31st March, 2016****(Amount in rupees)**

Particulars	Note	As at 31.03.2016	As at 31.03.2015
<b>Equity and liabilities</b>			
<b>Shareholders' Funds</b>			
Share Capital	3.1	58,400,000	58,400,000
Reserves and Surplus	3.2	1,086,937,253	936,395,715
		<u>1,145,337,253</u>	<u>994,795,715</u>
<b>Non-Current Liabilities</b>			
Deferred tax liability (net)	3.3	78,815,251	57,601,199
Long-term provisions	3.4	13,497,946	11,317,129
		<u>92,313,197</u>	<u>68,918,328</u>
<b>Current Liabilities</b>			
Trade payables	3.5	-	-
Total outstanding dues to Micro, Small & Medium Entreprises		-	-
Total outstanding dues to creditors other than Micro, Small & Medium Entreprises		166,361,828	108,799,069
Other Current liabilities	3.6	93,110,732	75,449,395
Short-term provisions	3.7	31,669,113	136,878,486
		<u>291,141,673</u>	<u>321,126,950</u>
<b>Total</b>		<u><b>1,528,792,123</b></u>	<u><b>1,384,840,993</b></u>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible	3.8	522,353,639	379,718,322
Intangible	3.8	2,076,098	1,498,174
Capital work-in-progress		20,967,419	15,701,424
Non-current investments	3.9	133,693,971	132,170,372
Long term loans and advances	3.10	99,557,693	84,681,249
		<u>778,648,820</u>	<u>613,769,541</u>
<b>Current assets</b>			
Current Investments	3.11	15,008,400	-
Inventories	3.12	207,404,804	204,195,709
Trade receivables	3.13	266,072,313	219,386,844
Cash and bank balances	3.14	119,363,023	163,967,168
Short-term loans and advances	3.15	137,540,533	176,648,003
Other current assets	3.16	4,754,230	6,873,728
		<u>750,143,303</u>	<u>771,071,452</u>
<b>Total</b>		<u><b>1,528,792,123</b></u>	<u><b>1,384,840,993</b></u>
<b>Significant accounting policies and notes to Financial Statements 2 to 7</b>			

As per our report of even date

For and on behalf of the Board of Directors

For and on behalf of  
Brahmayya & Co.  
Chartered Accountants  
Firm Regn. No. 000511S

**INDIRA SUNDARARAJAN**  
Managing Director  
DIN:00092203

**TARA PARTHASARATHY**  
Joint Managing Director  
DIN:07121058

**T.R. MADHAVAN**  
Director  
DIN:00163992

**R. NAGENDRA PRASAD**  
Partner  
Membership No.203377

**S. RAMANAN**  
Chief Financial Officer

**KISHORE KUMAR SAHOO**  
Company Secretary

Place : Mumbai  
Date : 27th May, 2016


**Statement of Profit and Loss for the year ended 31st March, 2016** (Amount in rupees)

Particulars	Note	Year ended 31.03.2016	Year ended 31.03.2015
<b>Income</b>			
Revenue from Operations	3.17	2,202,288,729	1,721,593,613
Other Income	3.18	49,927,960	17,273,197
<b>Total Revenue</b>		<b>2,252,216,689</b>	<b>1,738,866,810</b>
<b>Expenses</b>			
Cost of material consumed	3.19	1,035,391,276	753,960,221
Purchase of Stock-in-Trade		33,584	98,400
Changes in inventories of finished goods and work-in-progress	3.20	31,566,960	(22,640,855)
Employees benefit expense	3.21	361,488,813	322,835,191
Finance costs	3.22	3,576,440	4,924,609
Depreciation and amortization expenses	3.8	32,160,114	31,512,323
Other expenses	3.23	397,561,254	373,043,140
<b>Total expenses</b>		<b>1,861,778,441</b>	<b>1,463,733,029</b>
Profit before tax		<b>390,438,248</b>	<b>275,133,781</b>
<b>Tax Expenses</b>			
Current tax expense		(96,480,000)	(75,380,000)
Deferred tax (expense) / credit		(21,214,052)	(12,234,218)
Tax adjustments for earlier years - ( expense) / credit		802,858	(133,638)
<b>Profit for the year</b>		<b>273,547,054</b>	<b>187,385,925</b>
Earnings per equity share Basic and Diluted-Par value Rs. 2/- per Share	6.5	9.37	6.42
<b>Significant accounting policies and notes to Financial Statements</b>	<b>2 to 7</b>		

As per our report of even date

For and on behalf of the Board of Directors

For and on behalf of  
Brahmayya & Co.  
Chartered Accountants  
Firm Regn. No. 000511S

**INDIRA SUNDARARAJAN**  
Managing Director  
DIN:00092203

**TARA PARTHASARATHY**  
Joint Managing Director  
DIN:07121058

**T.R. MADHAVAN**  
Director  
DIN:00163992

**R. NAGENDRA PRASAD**  
Partner  
Membership No.203377

**S. RAMANAN**  
Chief Financial Officer

**KISHORE KUMAR SAHOO**  
Company Secretary

Place : Mumbai  
Date : 27th May, 2016

**Cash Flow Statement for the year ended 31st March, 2016**
**(Amount in rupees)**

	31.03.2016	31.03.2015
<b>Cash flows from operating activities</b>		
Net-profit before taxation and extraordinary item	<b>390,438,248</b>	275,133,781
Adjustments for:		
Depreciation and amortisation expenses	<b>32,160,114</b>	31,512,323
Interest income	<b>(21,634,290)</b>	(7,334,124)
Dividend income	<b>(28,640,878)</b>	-
Interest expenses	<b>3,576,440</b>	4,924,609
Effect of exchange rate change	<b>2,033,147</b>	786,907
Profit on sale of Long term Investments	<b>(1,556,224)</b>	-
Loss / (Profit) on sale / discarded asset (Net)	<b>(193,063)</b>	(55,354)
<b>Operating profit before working capital change</b>	<b>376,183,494</b>	304,968,142
Adjustments for:		
Decrease / (Increase) in Trade Receivables	<b>(47,734,679)</b>	(656,532)
Decrease / (Increase) in inventories	<b>(3,209,095)</b>	(22,295,398)
(Increase) / Decrease in Loans and advances	<b>(23,845,394)</b>	(9,738,577)
Increase / (Decrease) in Trade Payables	<b>57,562,759</b>	35,482,618
Increase / (Decrease) in Other Current Liabilities	<b>6,871,528</b>	797,322
<b>Cash generated from operations</b>	<b>365,828,613</b>	308,557,575
Income-taxes paid	<b>(97,113,533)</b>	(75,923,437)
<b>Net cash from operating activities (A)</b>	<b>268,715,080</b>	232,634,138
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	<b>(169,444,762)</b>	(28,329,666)
Purchase of long term Investment	<b>(1,540,000)</b>	-
Purchase of Current Investment	<b>(15,008,400)</b>	-
Sale of Long term Investments	<b>1,572,625</b>	-
Sale of fixed assets	<b>244,542</b>	5,638,581
Interest received	<b>21,634,290</b>	7,334,124
Dividends received	<b>28,640,878</b>	-
(Increase) / Decrease in Inter corporate deposit	<b>51,658,473</b>	(68,969,134)
<b>Net cash from investing activities (B)</b>	<b>(82,242,354)</b>	(84,326,095)

**Cash Flow Statement for the year ended 31st March, 2016**

(Amount in rupees)

	31.03.2016	31.03.2015
<b>Cash flows from financing activities</b>		
(Re-payment of) / proceeds from long-term borrowings	-	(20,000,000)
Interest Paid	<b>(3,515,027)</b>	(4,924,609)
Dividends paid	<b>(228,438,815)</b>	(85,406,350)
<b>Net cash used in financing activities (C)</b>	<b>(231,953,842)</b>	(110,330,959)
<b>Net increase / (decrease) in cash and cash equivalents during the year (A+B+C)</b>	<b>(45,481,116)</b>	37,977,084
Cash and cash equivalents as at the beginning of the year	<b>161,021,597</b>	123,044,513
Cash and cash equivalents as at the end of the year	<b>115,540,481</b>	161,021,597
Components of Cash and cash equivalents		
(i) Balances with banks		
In deposit accounts with original maturity of less than 3 months	-	-
In other accounts	<b>82,020,032</b>	67,984,942
(ii) Cash on hand	<b>240,449</b>	476,491
Add: Short-term bank deposits with original maturity of the period between three months and twelve months	<b>33,280,000</b>	92,560,164
	<b>115,540,481</b>	161,021,597

**Note:**

- Balances lying in Margin money & unclaimed dividend accounts amounting to Rs. 38,22,542/- (PY Rs.29,45,571/-) not considered as Cash & Cash equivalent.
- Figures in the brackets represents cash outflows.
- Previous year figures have been regrouped wherever necessary to confirm to the current year's classification.

As per our report of even date

For and on behalf of the Board of Directors

For and on behalf of  
Brahmayya & Co.  
Chartered Accountants  
Firm Regn. No. 000511S

**INDIRA SUNDARARAJAN**  
Managing Director  
DIN:00092203

**TARA PARTHASARATHY**  
Joint Managing Director  
DIN:07121058

**T.R. MADHAVAN**  
Director  
DIN:00163992

**R. NAGENDRA PRASAD**  
Partner  
Membership No.203377

**S. RAMANAN**  
Chief Financial Officer

**KISHORE KUMAR SAHOO**  
Company Secretary

Place : Mumbai

Date : 27th May, 2016



## Notes to Financial Statement for the year ended 31st March, 2016

### A. CORPORATE INFORMATION

Ultramarine & Pigments Limited ("the Company") is a public limited company domiciled in India incorporated under the provisions of the Companies Act, 1956. Its shares are listed on BSE Limited in India. The Company is engaged in manufacturing and selling of pigments, surfactants, IT-Enabled Services and Business Process Outsourcing (BPO) activities. The Company caters to both domestic and international markets.

### B. SIGNIFICANT ACCOUNTING POLICIES

- I a) The financial statements are prepared and presented in conformity with Generally Accepted Accounting Principles in India (GAAP), and comply, in all material respects, with the applicable Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act. The financial statements have been prepared under the historical cost convention on accrual basis.
- b) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

### II USE OF ESTIMATES:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### III REVENUE RECOGNITION:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### Sale of goods:

Revenue is recognized when significant risks and rewards of ownership of goods have passed to the buyer. Gross sales include amounts recovered towards Excise Duty and are net of returns.

#### Income from services:

- i) In case of IT-Enabled Services, revenue from service contracts are recognized pro-rata, as and when the services are rendered over the period of the contract and are net of service tax;
- ii) Income from BPO activities is recognized on an accrual basis, based on the terms of the contract with customers.
- iii) Income from Job work is accounted on dispatch of material and as per terms of agreement, which is generally on dispatch of material.

#### Income from wind turbine generators:

Revenue from sale of power from wind operated generators is accounted when the same is transmitted to and confirmed by the Electricity Board to whom the same is sold.

**Dividend and interest income:**

Dividend income is recognized when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on the time proportionate method taking into account the amount outstanding and the rate applicable.

**Export benefits:**

The benefit accrued under the Merchandise Exports from India Scheme (MEIS), duty drawback scheme as per the Export and Import Policy in respect of exports made under the said Schemes is accounted on an accrual basis and is included under the head "revenue from operations" as 'Export Incentives'.

**Sale of scrap:**

Revenue from sale of scrap is recognised as and when scrap is sold.

**IV FIXED ASSETS AND DEPRECIATION:****Tangible Assets:**

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation and impairment losses if any. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition, installation and bringing the asset to its working condition for its intended use.

- V Depreciation on fixed assets is provided using the straight-line method based on the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the useful life of the assets have been determined by the Management based on the technical assessment / evaluation:

Category of Assets	Useful life in years	
	As per Schedule II	As per Company's assessment
<b>Tangible</b>		
Plant & Machinery	12 – 40	5 – 40
Computer Equipments	3 – 6	3 – 4
R&D Lab Equipments	10	2 – 10

In the case of leasehold improvement, amortisation is provided over lease period or useful life of the asset whichever is less. Leasehold rights for land are amortised on a straight line method over its lease period. Individual assets costing less than Rs.10,000 are fully depreciated in the year of purchase.

**VI INTANGIBLE ASSETS AND AMORTISATION:**

- (i) Intangible assets are stated at cost less accumulated amortisation.
- (ii) Intangible assets are amortised on a straight-line basis as under:
  - a) Software costing up to Rs.25,000/- is amortised out in the year of acquisition. Other Software acquired is amortised over its estimated useful life of 3 years;
  - b) Intellectual Property is amortised over its estimated useful life of 2 years.

**VII IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS:**

The Company assesses whether there is any indication that an asset may be impaired at each balance sheet date. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable



amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that the previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortized historical cost impaired earlier.

**VIII INVESTMENTS:**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-current investments. Non-current investments are carried at cost less any other than temporary diminution in value, determined separately for each individual investment. The reduction in the carrying amount is reversed when there is a rise in the value of the investment or if the reasons for the reduction no longer exist.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

**IX INVENTORIES:**

Items of Inventory are valued on the principle laid down by Accounting Standard 2 on “Valuation of Inventories” on the basis given below:

(a)	Raw Materials, Stores & Spares and Fuel	Lower of cost (determined on weighted average basis) and net realizable value.
(b)	Packing Material	Lower of cost (determined on FIFO basis) and net realizable value.
(c)	Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
(d)	Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity and excise duty.
(e)	Materials and other items held for use in the production of goods are not written down below cost if the finished products in which they will be utilized are expected to be sold at or above the cost of materials.	

**X EMPLOYEE BENEFITS :**

**Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognized provident funds and approved superannuation schemes which are defined contribution plans are recognized as an employee benefit expense and charged to the statement of profit and loss as and when the services are received from the employees.

**Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company’s net obligation in respect of gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted.





The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

**Retirement and other employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentive, paid annual leave, bonus, leave travel assistance, medical allowance, contribution to provident fund and superannuation etc. recognized as actual amounts due in period in which the employee renders the related services.

- (i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contribution to the fund accrues. There are no obligations other than the contribution payable to the recognized Provident Fund.
- (ii) Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contribution is charged to the statement of profit and loss for the year when the contribution accrues. There are no obligations other than the contribution payable to the Superannuation Fund Trust. The scheme is funded with Insurance Company in the form of a qualifying insurance policy.
- (iii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has established a gratuity trust to provide gratuity benefit through annual contributions to a Gratuity trust which in turn contributes to Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the trust.
- (iv) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.
- (v) Actuarial gains/losses are recognized immediately to the statement of profit and loss and are not deferred.

**XI FOREIGN CURRENCY TRANSLATION:****Initial recognition:**

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss.

**Conversion:**

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are not translated.

**Forward Exchange Contracts:**

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

**XII BORROWING COSTS:**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**XIII LEASE RENTALS:**

The lease arrangement is classified as either a finance lease or an operating lease, at the inception of the lease, based on the substance of the lease arrangement.

**Finance leases**

A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalized and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**Operating leases**

Other leases are operating leases, and such leased assets are not recognized on the Company's balance sheet. Payments made under operating leases are recognized in statement of profit and loss on a straight-line basis as per the terms of the lease agreement.

**XIV EARNINGS PER SHARE:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**XV TAXATION:**

Tax expense comprises of current and deferred tax charge or credit.

Current Tax is determined as the amount of income tax payable to the taxation authorities in respect of taxable income for the period.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

**XVI PROVISIONS, CONTINGENT LIABILITES AND CONTINGENT ASSETS:****Provisions:**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**Contingent Liability:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities are disclosed for:-

- (i) possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

Contingent assets are not recognized in the financial statements, since this may result in recognition of income that may never be realized.

**XVII SEGMENT REPORTING:**

Segments are identified in line with AS-17 “Segment Reporting”, taking into consideration the internal organisation and management structure as well as the differential risk and returns of the segment.

**Identification of Segment**

Based on the Company’s business model, Laundry and allied products, IT enabled services & BPO activities and Wind Turbine Generator have been considered as the reportable business segments. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**Inter segment transfers**

The Company accounts for inter segment revenues at current market prices.

**Unallocated items**

Unallocable income and expenses includes general corporate income and expense items which are not allocated to any business segment.

**XVIII CASH AND CASH EQUIVALENTS**

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term bank deposits with original maturity of three months or less.

**XIX CASH FLOW STATEMENT**

The Cash Flow Statement is prepared by using the “indirect method” set out in Accounting Standard 3 on “Cash Flow Statements” and presents the cash flows during the period by operating, investing and financing activities of the Company.

**Notes forming part of financial statements for the year ended 31st March, 2016****Note 3.1 : Share Capital****(Amount in rupees)**

	As at 31.03.2016	As at 31.03.2015
<b>Authorised Shares</b>		
50,000,000 (March 31, 2015: 50,000,000) equity shares of Rs 2 each	<b>100,000,000</b>	100,000,000
<b>Issued, subscribed and fully paid-up shares</b>		
29,200,000 (March 31, 2015: 29,200,000) Equity Shares of Rs 2/- each fully paid up.	<b>58,400,000</b>	58,400,000

**Terms/rights attached to equity shares**

- (a) The Company has only one class of share referred to as equity shares having a par value of Rs.2/-. Each holder of equity shares is entitled to one vote per share.
- (b) The Company declares and pays dividends in Indian rupees. The company has declared interim dividend of Rs. 3.50 per share (175% on face value of Rs. 2 each) and paid the same on 29/03/2016.
- (c) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be proportionate to the number of equity shares held by the share holders.
- (d) There is no change in issued and paid up share capital during the year
- ( e ) The details of shareholders holding more than 5% shares

	As at 31.03.2016		As at 31.03.2015	
	No. of shares	% held	No. of shares	% held
Thirumalai Chemicals Limited	<b>3,044,800</b>	<b>10.43</b>	3,044,800	10.43
R.Sampath	<b>1,967,862</b>	<b>6.74</b>	1,649,430	5.65
S.Santhanam	<b>1,741,711</b>	<b>5.96</b>	1,741,711	5.96
S.Sridhar	<b>1,574,044</b>	<b>5.39</b>	1,574,044	5.39



## Notes forming part of financial statements for the year ended 31st March, 2016

(Amount in rupees)

	As at 31.03.2016	As at 31.03.2015
<b>Note 3.2 : Reserves and surplus</b>		
<b>General reserve</b>		
Balance at the beginning of the year	410,500,000	410,500,000
<b>Balance at the end of the year</b>	<b>410,500,000</b>	410,500,000
<b>Surplus</b>		
Opening balance	525,895,715	452,812,787
Add: Net profit for the year	273,547,054	187,385,925
	<b>799,442,769</b>	640,198,712
Less: Appropriations		
Additional depreciation pursuant to Schedule II of the Companies Act, 2013 (Net of deferred tax of Rs. 45,67,202)	-	(8,869,698)
Interim dividend [amount per share Rs.3.5 /- (Previous year Rs.Nil)]	<b>(102,200,000)</b>	-
Tax on interim dividend	<b>(20,805,516)</b>	-
Proposed dividend [amount per share Rs.Nil (Previous year Rs.3/-)]	-	(87,600,000)
Tax on proposed dividend	-	(17,833,299)
Closing balance	<b>676,437,253</b>	525,895,715
<b>Total</b>	<b>1,086,937,253</b>	936,395,715
<b>Note 3.3 : Deferred tax liabilities (net)</b>		
Deferred tax liability:		
On account of timing difference in Depreciation and amortisation	<b>88,047,445</b>	64,199,187
<b>Sub-Total</b>	<b>88,047,445</b>	64,199,187
Deferred tax assets:		
Liabilities allowable on payment basis	<b>9,232,194</b>	6,597,988
<b>Sub-Total</b>	<b>9,232,194</b>	6,597,988
<b>Total</b>	<b>78,815,251</b>	57,601,199
<b>Note 3.4 : Long term provisions</b>		
<b>Provision for employee benefits :</b>		
Provision for compensated absences	<b>13,497,946</b>	<b>11,317,129</b>
<b>Total</b>	<b>13,497,946</b>	<b>11,317,129</b>

**Notes forming part of financial statements for the year ended 31st March, 2016**
**(Amount in rupees)**

	As at 31.03.2016	As at 31.03.2015
<b>Note 3.5 : Trade payables</b>		
Total outstanding dues to Micro, Small and Medium Enterprises (Refer Note 7.2)	-	-
Total outstanding dues to Creditors other than Micro, Small and Medium Enterprise (Refer note below)	<b>166,361,828</b>	108,799,069
<b>Total</b>	<b>166,361,828</b>	108,799,069

Note: Includes Trade payables to related party Rs. 14,063/-

**Note 3.6 : Other current liabilities**

Creditors for capital goods	<b>11,246,067</b>	2,338,514
Unpaid Dividend (Refer note below (i))	<b>3,771,290</b>	2,878,832
Deposit from Dealers	<b>1,211,656</b>	1,235,656
Statutory dues	<b>9,510,222</b>	6,224,244
Other liabilities (Refer note below (ii))	<b>67,371,497</b>	62,772,149
<b>Total</b>	<b>93,110,732</b>	75,449,395

**Note:**

- (i) Unpaid dividend represents amounts to be credited to the Investor Education and Protection Fund as and when they become due.
- (ii) Amount due to directors Rs.29,354,275 (Previous year Rs. 15,071,600)

**Note 3.7 : Short term provisions**
**For Employee benefits**

Provision for gratuity	-	5,699,070
Provision for compensated absences	<b>8,514,012</b>	7,788,716
Provision for bonus and ex-gratia	<b>19,655,485</b>	6,354,217

**For Others**

Provision for excise duty	<b>1,779,338</b>	10,847,454
Provision for tax (refer note below)	<b>1,720,278</b>	755,730
Proposed equity dividend	-	87,600,000
Provision for tax on proposed equity dividend	-	17,833,299

<b>Total</b>	<b>31,669,113</b>	136,878,486
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Provision for tax is net of Advance tax and Tax deducted at source of Rs.9,48,13,523 /- (PY Rs.7,47,68,477/-).

**Note 3.8 : Fixed Assets****(Amount in rupees)**

Description	Gross Block				Depreciation / Amortisation					Net Block	
	As at April 1, 2015	Additions	Sales/ Adjust-ment	As at March 31, 2016	As at April 1, 2015	Adjusted against retained earnings	Charge for the year	Sales/ Adjust-ment	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
<b>Tangible (A)</b>											
Land - Freehold	13,952,428	-	-	13,952,428	-	-	-	-	-	13,952,428	13,952,428
- Leasehold	44,133,009	-	-	44,133,009	1,746,002	-	447,028	-	2,193,030	41,939,979	42,387,007
Buildings	86,031,632	3,004,803	-	89,036,435	43,597,908	-	2,222,821	-	45,820,729	43,215,706	42,433,724
Plant & Machinery	472,202,831	146,416,201	-	618,619,032	327,273,733	-	14,345,314	-	341,619,047	276,999,985	144,929,098
Wind Turbine Generators	232,414,032	-	-	232,414,032	124,056,956	-	5,700,419	-	129,757,375	102,656,657	108,357,076
Kilns	57,671,307	-	-	57,671,307	54,791,644	-	-	-	54,791,644	2,879,663	2,879,663
Computer Equipments	49,001,834	7,833,914	-	56,835,748	40,084,183	-	4,012,731	-	44,096,914	12,738,834	8,917,651
Furniture Fixtures	7,489,976	3,847,669	-	11,337,645	6,578,119	-	1,171,047	-	7,749,166	3,588,479	911,857
Leasehold Improvements	9,263,071	-	-	9,263,071	3,289,429	-	1,143,476	-	4,432,905	4,830,166	5,973,642
Office Equipments	10,570,035	2,825,475	-	13,395,510	7,947,411	-	840,046	-	8,787,457	4,608,053	2,622,624
Vehicles	9,378,472	4,036,967	922,637	12,492,802	4,379,104	-	1,187,023	871,158	4,694,969	7,797,833	4,999,368
<b>Details of Asset used for R&amp;D</b>											
Lab Equipment	1,421,356	5,914,401	-	7,335,757	67,172	-	122,729	-	189,901	7,145,856	1,354,184
	<b>993,529,983</b>	<b>173,879,430</b>	<b>922,637</b>	<b>1,166,486,776</b>	<b>613,811,661</b>	-	<b>31,192,634</b>	<b>871,158</b>	<b>644,133,137</b>	<b>522,353,639</b>	<b>379,718,322</b>
<b>Intangible (B)</b>											
Computer Software	18,298,710	1,545,404	-	19,844,114	16,800,536	-	967,480	-	17,768,016	2,076,098	1,498,174
Intellectual Property	1,900,000	-	-	1,900,000	1,900,000	-	-	-	1,900,000	-	-
	<b>20,198,710</b>	<b>1,545,404</b>	-	<b>21,744,114</b>	<b>18,700,536</b>	-	<b>967,480</b>	-	<b>19,668,016</b>	<b>2,076,098</b>	<b>1,498,174</b>
<b>As on 31st March 2016 (A+B)</b>	<b>1,013,728,693</b>	<b>175,424,834</b>	<b>922,637</b>	<b>1,188,230,890</b>	<b>632,512,197</b>	-	<b>32,160,114</b>	<b>871,158</b>	<b>663,801,153</b>	<b>524,429,737</b>	<b>381,216,496</b>
<b>As on 31st Mar 2015</b>	<b>996,527,933</b>	<b>23,269,552</b>	<b>6,068,792</b>	<b>1,013,728,693</b>	<b>588,048,541</b>	<b>13,436,900</b>	<b>31,512,323</b>	<b>485,567</b>	<b>632,512,197</b>	<b>381,216,496</b>	-

Note: Cost of Building includes Rs. 500/- paid for 5 shares of Rs. 100/- each in Thirumalai House Office Unit Owners Condominium.

**Notes forming part of financial statements for the year ended 31st March, 2016**

(Amount in rupees)

	As at 31.03.2016	As at 31.03.2015
<b>Note 3.9 : Non-current investments</b>		
<b>Non trade investment in equity shares</b>		
<b>Quoted</b>		
2,045,177 (March 31, 2015 : 2,045,177) equity shares of Rs 10/- each fully paid up in Thirumalai Chemicals Limited.	<b>132,153,971</b>	132,153,971
<b>Unquoted</b>		
350 (March 31, 2015 : 350) equity shares of US\$ 1 each fully paid up in LAPIZ Inc., U.S.A. (Associate Company) (Refer Note no 7.5)	-	16,401
154, 6% NHA1 54EC Bonds-2015-16 (Tranche-XVI) , Non-Convertible Redeemable Taxable Bonds of Rs.10000/- each (March 2015-Nil)	<b>1,540,000</b>	-
<b>Total</b>	<b>133,693,971</b>	<b>132,170,372</b>
<b>Notes:</b>		
(a) Aggregate amount of Quoted Investments		
Cost	<b>132,153,971</b>	132,153,971
Market value	<b>367,927,342</b>	165,966,114
(b) Aggregate amount of unquoted investments	<b>1,540,000</b>	16,401
<b>Note 3.10 : Long-term loans and advances</b>		
<b>Unsecured, considered good</b>		
Capital Advances	<b>5,951,058</b>	-
Advance income taxes (refer note below)	<b>63,779,973</b>	61,440,447
Loans and advances to employees	<b>2,753,075</b>	830,545
Deposits against leased premises [including to a related party Rs. 14,00,000 (Previous Year Rs. 14,00,000)]	<b>27,073,587</b>	22,410,257
<b>Total</b>	<b>99,557,693</b>	<b>84,681,249</b>
Note: Advance income tax is net of provision for tax Rs.15,16,63,696/- (PY Rs.13,52,12,874/-)		
<b>Note 3.11 Current Investments</b>		
14964.656 units (March 2015 Nil) of BOI AXA Treasury Advantage Fund- Direct Plan - Daily Dividend (Re-investment)	<b>15,008,400</b>	-
	<b>15,008,400</b>	-





## Notes forming part of financial statements for the year ended 31st March, 2016

(Amount in rupees)

	As at 31.03.2016	As at 31.03.2015
<b>Note 3.12 : Inventories</b>		
Raw materials and components	37,668,039	20,702,170
Work in progress	56,220,580	29,329,200
Finished goods	38,725,786	105,087,551
Packing materials	8,118,324	7,258,569
Fuel	3,100,144	3,295,951
Stores and spares	4,351,939	3,680,068
Raw materials in Transit	59,219,992	34,842,200
<b>Total</b>	<b>207,404,804</b>	<b>204,195,709</b>
<b>Raw materials</b>		
Soda Ash	3,068,764	2,147,510
Active Matter	17,620,164	3,430,177
Sulphur	1,177,511	2,630,049
China Clay	5,471,817	5,428,375
Others	10,329,783	7,066,059
<b>Total</b>	<b>37,668,039</b>	<b>20,702,170</b>
<b>Work in progress</b>		
Pigments	38,029,400	29,329,200
Sulphonation	18,191,180	-
<b>Total</b>	<b>56,220,580</b>	<b>29,329,200</b>
<b>Finished goods</b>		
Pigments	31,273,400	75,780,800
Detergents	3,006,262	3,042,726
Sulphonation	4,446,124	26,264,025
<b>Total</b>	<b>38,725,786</b>	<b>105,087,551</b>
<b>Note 3.13 : Trade receivables</b>		
<b>Debtors outstanding for a period exceeding six months from the due date</b>		
Unsecured, considered good	13,490,861	18,989,484
Unsecured, considered doubtful	248,115	-
	<b>13,738,976</b>	<b>18,989,484</b>
Less : Provision for bad and doubtful debts	<b>(248,115)</b>	<b>-</b>
	<b>13,490,861</b>	<b>18,989,484</b>
<b>Other debts</b>		
Unsecured, considered good	252,581,452	200,397,360
<b>Total</b>	<b>266,072,313</b>	<b>219,386,844</b>



## Notes forming part of financial statements for the year ended 31st March, 2016

(Amount in rupees)

	As at 31.03.2016	As at 31.03.2015
<b>Note 3.14 : Cash and Bank balances</b>		
(a) Cash and cash equivalents		
(i) Cash on hand	240,449	476,491
(ii) Balances with banks		
In current account	33,006,313	52,166,906
In EEFC accounts	49,013,719	15,818,036
	<b>82,260,481</b>	<b>68,461,433</b>
(b) Other Bank balances		
(i) Margin money with banks	51,252	66,739
(ii) in Deposit Accounts with original maturity of the period between three months and twelve months (refer note (i))	33,280,000	92,560,164
(iii) Unclaimed dividend accounts (refer note (ii))	3,771,290	2,878,832
<b>Total</b>	<b>119,363,023</b>	<b>163,967,168</b>
<b>Note</b>		
(i) Includes a sum of Rs. Nil (PY 1,00,00,000/-) having original maturity period of more than 12 months		
(ii) These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.		
<b>Note 3.15 : Short-term loans and advances</b>		
(Unsecured, considered good, unless stated otherwise)		
Inter corporate deposits (including accrued interest)	81,600,000	134,135,444
Advances recoverable in cash or in kind or for value to be received	8,872,692	8,738,017
Balance with central excise and sales tax authorities	27,088,176	23,583,449
Export incentives receivable (inclusive of duty free scrips)	4,569,764	2,566,495
Advance to suppliers	14,203,671	6,130,072
Loans and advances to employees	1,206,230	1,494,526
<b>Total</b>	<b>137,540,533</b>	<b>176,648,003</b>
<b>Note 3.16 : Other current assets</b>		
Interest/Income accrued but not due	2,938,317	5,151,799
Unbilled revenue	1,636,630	1,300,224
Others	179,283	421,705
<b>Total</b>	<b>4,754,230</b>	<b>6,873,728</b>



## Notes forming part of financial statements for the year ended 31st March, 2016

(Amount in rupees)

	Year ended 31.03.2016	Year ended 31.03.2015
<b>Note 3.17 : Revenue from operations</b>		
<b>Sale of products</b>		
Manufactured goods (Gross)	2,061,208,279	1,523,075,471
Less : Excise Duty recovered on sales	202,110,153	136,064,392
	<u>1,859,098,126</u>	<u>1,387,011,079</u>
Traded goods	50,342	148,961
	<u>1,859,148,468</u>	<u>1,387,160,040</u>
<b>Details of Products sold:</b>		
(i) Manufactured goods		
Pigments	712,277,166	639,634,044
Detergents	43,076,271	49,715,802
Sulphonation	1,305,854,842	833,725,625
	<u>2,061,208,279</u>	<u>1,523,075,471</u>
(ii) Traded goods	50,342	148,961
	<u>2,061,258,621</u>	<u>1,523,224,432</u>
Sale of power from Wind turbine generators	12,173,423	19,112,418
	<u>1,871,321,891</u>	<u>1,406,272,458</u>
<b>Income from services</b>		
Income from processing	7,375,892	20,913,259
Income from IT enabled services	283,656,703	263,142,042
Income from BPO activities	29,417,232	25,674,062
	<u>320,449,827</u>	<u>309,729,363</u>
<b>Other operating income</b>		
Export Incentives	10,517,011	5,591,792
	<u>10,517,011</u>	<u>5,591,792</u>
<b>Revenue from operations</b>	<u><u>2,202,288,729</u></u>	<u><u>1,721,593,613</u></u>

**Notes forming part of financial statements for the year ended 31st March, 2016**

(Amount in rupees)

	Year ended 31.03.2016	Year ended 31.03.2015
<b>Note 3.18 : Other Income</b>		
Interest received		
From banks	6,211,738	4,578,057
From companies on short term deposits	11,635,409	7,632,634
From long term investments	11,645	-
From others	837,181	275,232
Dividend Received		
From Long term Investments	28,632,478	-
From Current Investments	8,400	-
Rent received	7,500	-
Sundry receipts	248,293	3,254,839
Sundry balances written back (net )	586,029	720,847
Gain on foreign currency transactions / translations (net)	-	756,234
Profit on Sale of Long term Invesments (net) Refer Note No. 7.5	1,556,224	-
Profit on Sale of Assets (Net)	193,063	55,354
<b>Total</b>	<b>49,927,960</b>	<b>17,273,197</b>
<b>Note 3.19: Cost of material consumed</b>		
Inventory at the beginning of the year	20,702,170	27,930,954
Add : Purchases	1,052,357,145	746,731,437
	<b>1,073,059,315</b>	<b>774,662,391</b>
Less: Inventory at the end of the year	37,668,039	20,702,170
Cost of material consumed	<b>1,035,391,276</b>	<b>753,960,221</b>
<b>Details of materials consumed</b>		
Soda Ash	54,224,045	63,858,330
Active Matter	823,305,606	540,367,578
Sulphur	41,646,146	40,350,971
China Clay	23,498,276	25,968,127
Others	92,717,203	83,415,215
<b>Total</b>	<b>1,035,391,276</b>	<b>753,960,221</b>

Note: The above figures have been ascertained on the basis of opening stock plus purchases less closing stock and therefore, include adjustments of excesses and shortages ascertained on physical count, write off of un-serviceable items, etc.



## Notes forming part of financial statements for the year ended 31st March, 2016

(Amount in rupees)

	Year ended 31.03.2016	Year ended 31.03.2015
<b>Note 3.20 : Changes in inventories of Finished goods and work-in-progress</b>		
<b>Inventories at the end of the year</b>		
Work-in-progress	56,220,580	29,329,200
Finished goods	38,725,786	105,087,551
<b>Total</b>	<b>94,946,366</b>	<b>134,416,751</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress	29,329,200	36,637,800
Finished goods	105,087,551	70,728,700
	134,416,751	107,366,500
<b>Add/(Less) Adjustment for Excise duty on Stocks</b>	<b>7,903,425</b>	<b>(4,409,396)</b>
<b>Net (Increase)/Decrease in stocks</b>	<b>31,566,960</b>	<b>(22,640,855)</b>
<b>(Increase)/Decrease in work in progress</b>		
Pigments	(8,700,200)	7,308,600
Sulphonation	(18,191,180)	-
<b>Total</b>	<b>(26,891,380)</b>	<b>7,308,600</b>
<b>(Increase)/decrease in finished goods</b>		
Pigments	44,507,400	(26,244,000)
Detergents	36,464	1,101,435
Sulphonation	21,817,900	(9,216,286)
<b>Total</b>	<b>66,361,764</b>	<b>(34,358,851)</b>
<b>Note 3.21 : Employee benefits expense</b>		
Salaries, Wages, Bonus and other benefits	270,074,219	245,093,922
Directors' Remuneration	45,055,016	30,352,951
Contribution to Provident Fund and other funds	22,410,833	21,751,697
Gratuity	3,393,045	9,607,916
Staff Welfare and amenities	20,555,700	16,028,705
<b>Total</b>	<b>361,488,813</b>	<b>322,835,191</b>
<b>Note 3.22 : Finance costs</b>		
Interest on term loan	-	1,142,298
Interest on income tax payments	67,517	145,822
Other borrowing costs	3,508,923	3,636,489
<b>Total</b>	<b>3,576,440</b>	<b>4,924,609</b>

**Notes forming part of financial statements for the year ended 31st March, 2016**
**(Amount in rupees)**

	Year ended 31.03.2016	Year ended 31.03.2015
<b>Note 3.23 : Other expenses</b>		
Consumption of stores and Spares	17,567,251	13,379,157
Power and Fuel	108,561,088	128,941,461
Repairs and Maintenance:		
Machinery	22,783,143	23,318,122
Buildings	20,971,559	9,745,457
Others	4,604,574	3,896,515
Packing Expenses and materials consumed	26,603,125	29,377,930
Processing Charges paid	9,748,648	7,750,773
Freight and Forwarding expenses	43,682,924	27,015,162
Insurance	5,388,656	4,783,137
Commission on sales	2,282,721	2,276,543
Advertisement and Sales Promotion expenses	10,303,442	11,968,485
Rent	19,189,161	21,085,564
Rates & Taxes	1,549,156	2,927,665
Travelling expenses	21,306,086	16,656,317
Communication expenses	6,214,047	6,048,825
Legal and Professional Fees	18,077,624	14,741,940
Sitting fees to Director	2,404,400	1,595,512
Donation (Refer Note 7.4)	6,603,381	6,015,000
Bad Debts written off	15,032,672	9,939,536
Loss on foreign currency transactions / translations (net)	792,569	-
Miscellaneous expenses	33,895,027	31,580,039
<b>Total</b>	<b>397,561,254</b>	<b>373,043,140</b>
<b>Payment to Auditors (included in miscellaneous expenses)</b>		
<b>As auditors:</b>		
Audit Fees	900,000	1,000,000
Tax audit fees	175,000	125,000
Certification	300,000	400,000
In other capacity:		
Taxation matters	50,000	50,000
Other services	-	100,000
Reimbursement of Expenses	4,400	-
Service tax	207,013	207,030
<b>Total</b>	<b>1,636,413</b>	<b>1,882,030</b>



## Notes forming part of financial statements for the year ended 31st March, 2016

	(Amount in rupees)	
	Year ended 31.03.2016	Year ended 31.03.2015
<b>Note 4 : Other disclosures as per revised Schedule VI</b>		
<b>Note 4.1 Contingent liabilities and commitments (to the extent not provided for)</b>		
<b>(a) Contingent liabilities</b>		
(i) Claims against the Company/disputed liabilities not acknowledged as debts in respect of labour disputes	280,000	480,000
(ii) Bank Guarantees issued and outstanding	1,644,550	904,007
(iii) Letter of Credit issued and outstanding	-	-
<b>(b) Commitments</b>		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	14,595,365	5,911,115
Against which advance paid	6,581,892	2,425,000
<p>The Company had entered into an agreement on 28th April, 2011 with Gujarat Industrial Development Corporation (GIDC) for allotment of land at Dahej. The Company has acquired the land at Dahej-Petroleum, Chemicals and Petro Chemicals Investment Region (PCIR) in Gujarat with the intention of expanding its surfactant chemicals manufacturing and processing operations. As per the said agreement, the Company within a period of two years from the agreement date is required to build factory. However, due to delay in the availability of adequate infrastructure (including water supply), the proposed expansion is likely to be delayed. As per the agreement with the GIDC the Company is liable to pay penalty for delay in implementation of the project. As on 31st March 2016, <b>Rs.13,29,770/-</b> (P.Y. Rs.13,29,770/-) has been outstanding in the books of account towards the same.</p> <p>However, due to Government land passing through the said plot, corrigendum order for the same was issued on 28/01/2014 and physical possession of the plot was received only on 02/05/2014. Since the Company has two years time period from the date of revised agreement to build factory, provision for penalty for delay in implementation of the project is not required for the year 2015-16.</p>		
<b>(c) No provision has been made in respect of the following demands raised by the authorities since the Company has reasons to believe that it would get relief at the appellate stage as the said demands are excessive and erroneous</b>		
(i) By the Income tax authorities [Rs. 6,09,78,686/- (PY Rs. 5,64,64,894/-) deposited with tax authorities]	69,035,447	69,286,277
(ii) Interest and penalty on account of the alleged delay in payment of dues under the ESI Act.	108,119	108,119
(iii) Sales Tax Authorities	4,661,410	1,121,128
(iv) Property tax	6,692,747	-
<b>Note 4.2 Value of imports calculated on CIF basis (on accrual basis)</b>		
Raw materials	251,967,641	371,785,432
Spare parts	4,376,805	-
Capital goods	12,060,774	-
Lab Equipment	32,920	-
R&D Equipment	873,799	-



## Notes forming part of financial statements for the year ended 31st March, 2016

		(Amount in rupees)			
		Year ended 31.03.2016		Year ended 31.03.2015	
<b>Note 4.3</b>					
<b>(a) Expenditure in Foreign Currency</b>					
Travelling		4,514,138		2,890,106	
Sales Promotion Expenses		-		136,826	
Legal and Professional Fees		313,796		-	
Commission		106,400		45,863	
Other matters		194,859		56,028	
		<b>For the year ended 31st March, 2016</b>		<b>For the year ended 31st March, 2015</b>	
		(Rs.)	%	(Rs.)	%
<b>(b) Details of consumption of imported and indigenous items</b>					
<b>Raw materials</b>					
Imported	265,457,266	25.64	402,268,465	53.35	
Indigenous	769,934,011	74.36	351,691,756	46.65	
<b>Stores &amp; Spares</b>					
Imported	4,857,268	27.65	-	-	
Indigenous	12,709,984	72.35	10,208,382	100.00	
				<b>2015-16</b>	<b>2014-15</b>
<b>Note 4.4 Remittance in foreign currencies on account of dividends</b>					
(i) No. of Non-Resident shareholders				None	None
(ii) No. of shares held by them				NA	NA
<b>Note 4.5 Earnings in foreign currencies (on accrual basis)</b>					
Export of goods calculated on FOB basis				<b>2015-16</b>	<b>2014-15</b>
		<b>290,912,947</b>		292,445,189	
Income from IT enabled services				<b>283,656,703</b>	263,142,042

**Note 5 Other Notes:**

The Company's pending litigations comprise of claims against the Company by the parties and proceedings pending with Revenue authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer Note 4.1 for details on contingent liabilities.





## Note 6 Disclosures in accordance with Accounting Standards (AS)

### Note 6.1 (AS)-15 Employee benefits

#### Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Company are at rates specified in the rules of the schemes.

#### I. Defined Contribution Plans:

The Company has recognised the following amounts in the Statement of Profit and Loss :

Particulars	(Amount in Rupees)	
	2015-16	2014-15
a. Contribution to Employees Provident Fund *	16,745,743	15,472,068
b. Contribution to Employees State Insurance Scheme	3,840,397	4,393,618
c. Contribution to Employees Superannuation Fund	2,020,557	1,528,537
<b>Total</b>	<b>22,606,697</b>	<b>21,394,223</b>

\* Includes contribution of Rs. 1,58,400/- ( Previous year Rs. 6813 ) Included in Director's Remuneration

#### II. Defined Benefit Plans:

(i) Gratuity is payable to all the members at the rate of 15 days salary for each completed year of service

1. Changes in the Present Value of Obligation in respect of gratuity benefits

Particulars	(Amount in Rupees)	
	2015-16	2014-15
a. Present Value of Obligation as at April 1, 2015	34,994,600	27,848,001
b. Interest Cost	2,792,569	2,587,079
c. Current Service Cost	3,942,028	3,306,439
d. Benefits Paid directly by employer	(38,077)	(2,655,283)
e. Benefits Paid from fund	(2,737,133)	(237,889)
f. Actuarial (Gain) / Loss	(892,963)	4,146,253
g. Present Value of Obligation as at March 31, 2016	38,061,024	34,994,600
2. Change in the Fair Value of Plan Assets		
a. Fair Value of Plan Assets at the Beginning of the period	29,295,530	-
b. Adjustment to Opening balance	(336,004)	-
c. Expected Return on Plan Assets	2,310,970	-
d. Contribution by the Employer	11,135,302	29,098,152
e. Benefits Paid from the funds	(2,775,210)	(237,889)
f. Actuarial Gains / (Loss) on Plan Assets - Due to Experience	816,890	435,267
g. Fair Value of Plan Assets at the End of the period	40,447,478	29,295,530



Particulars	(Amount in Rupees)	
	2015-16	2014 -15
3. Expenses recognised in the Statement of Profit and Loss in respect of gratuity benefits		
a. Current Service Cost	<b>3,942,028</b>	3,306,439
b. Interest Cost	<b>2,792,569</b>	2,587,079
c. Expected return on plan assets	<b>(2,310,970)</b>	-
d. Net Actuarial (Gain) / Loss	<b>(1,709,853)</b>	3,710,986
e. Total Expenses recognised in Statement of Profit and Loss	<b>2,713,774</b>	9,604,504
4. Amount Recognized in the Balance Sheet		
a. Present value of Benefit Obligation at the end of the Period	<b>(38,061,024)</b>	(34,994,600)
b. Fair Value of Plan Assets at the End of the period	<b>40,447,478</b>	29,295,530
c. Funded Status (Surplus / (Deficit))	<b>2,386,454</b>	(5,699,070)
e. Net (Liability) / Asset Recognised in the Balance sheet	<b>2,386,454</b>	(5,699,070)
5. Category of Assets		
a. Government Bonds	-	-
b. Debt instruments & Corporate Bonds	-	-
c. Cash & Cash Equivalent	-	-
d. Insurance Fund	<b>40,447,478</b>	29,295,530
e. Total	<b>40,447,478</b>	29,295,530
6. Following are the principal actuarial assumptions used		
a. Discount Rate	<b>7.75%</b>	7.98%
b. Salary Escalation Rate	<b>7.00%</b>	7.00%
c. Turnover Rate	<b>10.00%</b>	10.00%
d. Mortality Table		

**Indian Assured Lives Mortality** (2006-08)      Indian Assured Lives Mortality (2006-08)

Experience Adjustment:	(Amount in Rupees)				
	For the year ended 31st March				
	2016	2015	2014	2013	2012
On plan Liability (Gains) / Loss	<b>(1,422,834)</b>	1,718,116	(1,592,628)	129,027	599,564
On plan Assets (Gains) / Loss	<b>816,890</b>	435,267	-	-	-

#### Other Long Term benefits

The Company's Long Term benefit includes Leave encashment payable at the time of retirement in full, or encashable during the year in which services are rendered subject to limit of 180 days. Present value of obligation as at the beginning of the year is Rs.19,105,845 (Prev. Year Rs. 16,596,079) and the actuarial gains and losses recognised in full in the Statement of Profit and Loss is Rs.4,516,655 (Prev. Year Rs.4,106,839 ). The present value of obligation as at March 31,2016 is Rs.22,011,958 (Prev. Year Rs. 19,105,845). The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**Note 6.2 Disclosure requirement of Accounting Standard 17 “Segment Reporting”.**

## a. Primary Segments

The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system. The Company’s operations predominantly relate to manufacture of Laundry and Allied products and its intermediaries and providing IT Enabled Services & BPO activities and generation of power from wind turbine.

## b. Secondary Segments

The Company caters mainly to the needs of the domestic market. The export turnover is not significant (except IT Enabled Services Division) in the context of total turnover. As such there are no reportable geographical segments. The income from IT Enabled Services is predominantly from exports. .

c. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly attributable to the business segment, are shown as unallocated / corporate cost.

d. Assets and Liabilities that cannot be allocated between the segments are shown as a part of unallocated / corporate assets and liabilities respectively.

e. Inter Segment transfers are made on cost plus basis.

	Year ended 31.3.2016		Year ended 31.3.2015	
	Rs.	Rs.	Rs.	Rs.
1. Revenue				
External Revenue				
Laundry and Allied Products	1,877,041,370		1,413,665,091	
IT Enabled Services & BPO activities	313,073,936		288,816,104	
Wind Turbine Generator	15,796,458		21,615,238	
Total		2,205,911,764		1,724,096,433
Less : Elimination (Inter Segment Revenue)		3,623,035		2,502,820
		<b>2,202,288,729</b>		<b>1,721,593,613</b>
2. Result				
Profit/(Loss) before Interest and Corporate Expenses but after Depreciation/Amortisation				
Laundry and Allied Products	293,272,669		208,433,148	
IT Enabled Services & BPO activities	76,264,857		64,823,774	
Wind Turbine Generator	4,898,117		10,841,665	
Total		374,435,643		284,098,587
Interest and Finance charges		(3,576,440)		(4,924,,609)
Add: Unallocated Expenses/				
Income(Net) and Corporate Expenses		19,579,045		(4,040,197)
Provision for Tax		(96,480,000)		(75,380,000)
Excess/(Short) Provision for Taxation for earlier years written back/(off)		802,858		(133,638)
Deferred Tax		(21,214,052)		(12,234,218)
Net Profit		<b>273,547,054</b>		<b>187,385,925</b>



Other Information	Year ended 31.03.2016	Year ended 31.03.2015
3. Segment Assets		
Laundry and Allied Products	931,871,854	717,607,969
IT Enabled Services & BPO activities	110,741,314	98,400,258
Wind Turbine Generator	123,441,995	127,394,577
Unallocated/Corporate	<u>362,736,960</u>	<u>441,438,189</u>
Total	<b>1,528,792,123</b>	<b>1,384,840,993</b>
4. Segment Liabilities		
Laundry and Allied Products	230,429,372	178,416,137
IT Enabled Services & BPO activities	31,014,747	21,347,243
Wind Turbine Generator	-	-
Unallocated/Corporate	<u>122,010,751</u>	<u>190,281,898</u>
Total	<b>383,454,870</b>	<b>390,045,278</b>
5. Capital Expenditure		
Laundry and Allied Products	187,370,690	35,323,896
IT Enabled Services & BPO activities	8,997,063	3,600,080
Wind Turbine Generator	-	-
Unallocated/Corporate	<u>24,500</u>	<u>47,000</u>
Total	<b>196,392,253</b>	<b>38,970,976</b>
6. Depreciation		
Laundry and Allied Products	19,042,164	18,050,717
IT Enabled Services & BPO activities	7,026,756	7,359,944
Wind Turbine Generator	5,707,361	5,707,361
Unallocated/Corporate	<u>383,833</u>	<u>394,301</u>
Total	<b>32,160,114</b>	<b>31,512,323</b>

**Note 6.3 Related Party Disclosures as required by AS 18 of Companies (Accounting Standards) Rules 2006 is as follows:**

**(A) Related Parties and Relationship**

- (a) Companies in which the company has substantial interest (i.e more than 20% in voting power directly or indirectly)
    - Thirumalai Chemicals Limited.
    - Lapiz Inc, U.S.A.(Upto 31st Oct 2015)
  - (b) Other related parties
    - Thirumalai Charity Trust
    - Chempak Industries
    - Hamsa Investments Associates Pvt. Ltd.
    - Varadaraja Credits & Investments Pvt. Ltd.
    - Ms. Meera Parthasarathy
  - (c) Key Management Personnel:
    - Mr. R. Sampath, Chairman & Managing Director\*
    - Mrs. Indira Sundararajan, Vice Chairperson & Managing Director
    - Mr. S. Sridhar, Joint Managing Director\*\*
    - Ms. Tara Parthasarathy, Joint Managing Director
    - Mr. V. Bharathram, President (Operations), IT-Enabled Services and BPO activities Division.
- \*Till 13.03.2016, \*\*Till 31.10.2015

**(B) Details of transactions with above parties :**

Particulars	Companies in which company has the substantial interest	Other related parties	Key Management Personnel	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Sale of goods				
- Thirumalai Chemicals Limited	42,194			42,194
	(34,546)			(34,546)
Income from IT Enabled Services				
- LAPIZ Inc. USA	3,356,496			3,356,496
	(133,509,893)			(133,509,893)
Reimbursement of expenses paid				
- Mr. R. Sampath	-		-	-
	-		(2,961,900)	(2,961,900)
<b>Remuneration paid to</b>				
- Mr. V. Bharathram			4,648,000	4,648,000
			(3,450,663)	(3,450,663)
- Ms. Meera Parthasarathy		2,412,523		2,412,523
		(1,768,179)		(1,768,179)
<b>Remuneration to Directors:</b>				
- Mr. R. Sampath, Chairman & Managing Director			14,075,641 (10,073,299)	14,075,641 (10,073,299)
- Mrs. Indira Sundararajan, Vice Chairperson & Managing Director			15,699,687 (10,073,299)	15,699,687 (10,073,299)
- Mr. S. Sridhar, Joint Managing Director			9,171,811 (10,073,299)	9,171,811 (10,073,299)
- Ms. Tara Parthasarathy, Joint Managing Director			6,423,291 (133,054)	6,423,291 (133,054)
Reimbursement of expenses received				
- Thirumalai Chemicals Limited	-			-
	-			-
Rent paid to				
- Thirumalai Chemicals Limited	3,839,076			3,839,076
	(4,429,939)			(4,429,939)
Rendering of Services to				
- Thirumalai Chemicals Limited	226,710			226,710
	-			-



Particulars	Companies in which company has the substantial interest	Other related parties	Key Management Personnel	Total
Receiving of services from				
- Thirumalai Chemicals Limited	123,177			123,177
	(32,362)			(32,362)
Outstanding payables				
- Thirumalai Chemicals Limited	14,063			14,063
	(341,099)			(341,099)
- Reimbursement of legal expenses to Mr. R. Sampath			-	-
			(2,961,900)	(2,961,900)
Directors Remuneration Payables				
- Mr. R. Sampath, Chairman & Managing Director			9,507,900	9,507,900
			(5,215,776)	(5,215,776)
- Mrs. Indira Sundararajan, Vice Chairperson & Managing Director			9,999,688	9,999,688
			(5,486,973)	(5,486,973)
- Mr. S. Sridhar, Joint Managing Director			5,846,812	5,846,812
			(4,331,194)	(4,331,194)
- Ms. Tara Parthasarathy, Joint Managing Director			3,999,875	3,999,875
			(37,657)	(37,657)
Outstanding receivables	54,960			54,960
- Thirumalai Chemicals Limited	-	-		-
				-
- LAPIZ Inc. USA		-		-
		(14,149,559)		(14,149,559)
Bad Debts Written Off				
- LAPIZ Inc. USA		322,971		322,971
Donations paid		6,500,000		6,500,000
- Thirumalai Charity Trust		(5,750,000)		(5,750,000)
Outstanding deposits receivables				
- Thirumalai Chemicals Limited	1,400,000			1,400,000
	(1,400,000)			(1,400,000)

Sitting fees paid to Non Executive Directors Rs. 27,33,840 (Prev. Year Rs. 15,95,512) including Service Tax.



#### 6.4 AS 19 Details of Leasing arrangements

The Company has taken certain premises for office use and godown under cancellable / non-cancellable lease agreements. Some of these agreements have a price escalation clause. Details of Lease rental payments and future lease rental commitment under non cancellable lease are as under :

	2015-16	2014-15
Lease rental charged in the Statement of Profit & Loss	19,189,161	21,085,564
Future minimum lease commitment		
Payable not later than one year	19,071,192	14,630,464
Payable later than one year and not later than five years	61,087,436	75,424,274
Payable later than five years	12,537,270	12,537,270

#### 6.5 AS 20 Disclosure regarding earnings per share (EPS)

	2015-16	2014-15
The basic and diluted EPS is calculated as under:		
Profit attributed to equity shareholders (Rs.)	273,547,054	187,385,925
No. of equity shares (of Rs. 2 each)	29,200,000	29,200,000
Earnings per share	9.37	6.42

#### Note 7: Other disclosures

Particulars	(Amount in Rupees)	
	2015-16	2014-15
<b>7.1 The Company has incurred Research and Development expenses as under:</b>		
<b>On Capital Account :</b>		
Lab Equipment	5,914,401	1,218,010
<b>On Revenue Account</b>		
Salaries & Allowances	5,537,844	5,672,247
Contributions to Provident fund and other funds	306,521	354,295
Chemicals and Consumables	1,340,184	3,268,847
Other expenses	153,904	87,266
Total	13,252,854	10,600,665

#### 7.2 Disclosures required as per Micro, Small and Medium Enterprises Development Act, 2006.

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the vendor information collected and available with the company

(i) Interest payable to the suppliers as at the end of the accounting year	Nil	Nil
(ii) The amount of interest paid by the buyer in terms of Sec. 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(iv) The amount of Interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil



- (v) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure u/s 23 of Micro, Small and Medium Enterprises Development Act, 2006 Nil Nil

### 7.3 Details of derivative instruments and unhedged foreign currency exposures of the Company is as under:

Particulars	2015-16		2014-15	
	Foreign Currency	Amt in Rs.	Foreign Currency	Amt in Rs.
Derivative instruments				
Forward exchange contracts outstanding at the year end for hedging accounts receivable	\$450,000	29,601,000	300,000	18,615,000
Unhedged Foreign Currency exposures				
Account Receivable	\$613,939	40,384,924	\$725,349	45,007,900
	€5,700	422,598	€20,500	1,370,220
	£13,001	1,223,649	£28,456	2,606,022
CAD	357	17,921	-	-
Accounts Payable	\$888,294	59,203,579	\$1,049,611	65,789,608

### 7.4 Expenditure towards Corporate Social Responsibility activities:

- a) Gross amount required to be spent by the Company during the year: Rs. 44,31,000/-  
b) Amount spent during the year: Rs. 65,00,000/- contributed to Thirumalai Charity Trust registered u/s 35AC of Income Tax Act 1961, engaged in rural healthcare, women empowerment, disability, de-addiction and village development, surrounding the manufacturing location of the company.

7.5 Due to closure of its operations by Lapiz Inc, USA, an associate of the company, the company received its share of distributable surplus and repatriated during the year and the resultant surplus arising out of it of Rs.15,56,224/- recognised in the profit and loss account. As there is no investments in the associate at the end of the financial year, no consolidated financial statements required to be presented for the current financial year.

7.6 Previous years figures have been regrouped / reclassified wherever necessary to correspond with the current years classification / disclosure.

As per our report of even date

For and on behalf of the Board of Directors

**For and on behalf of  
Brahmayya & Co.**  
Chartered Accountants  
Firm Regn. No. 000511S

**INDIRA SUNDARARAJAN**  
Managing Director  
DIN:00092203

**TARA PARTHA SARATHY**  
Joint Managing Director  
DIN:07121058

**T.R. MADHAVAN**  
Director  
DIN:00163992

**R. NAGENDRA PRASAD**  
Partner  
Membership No.203377

**S. RAMANAN**  
Chief Financial Officer

**KISHORE KUMAR SAHOO**  
Company Secretary

Mumbai  
27th May, 2016



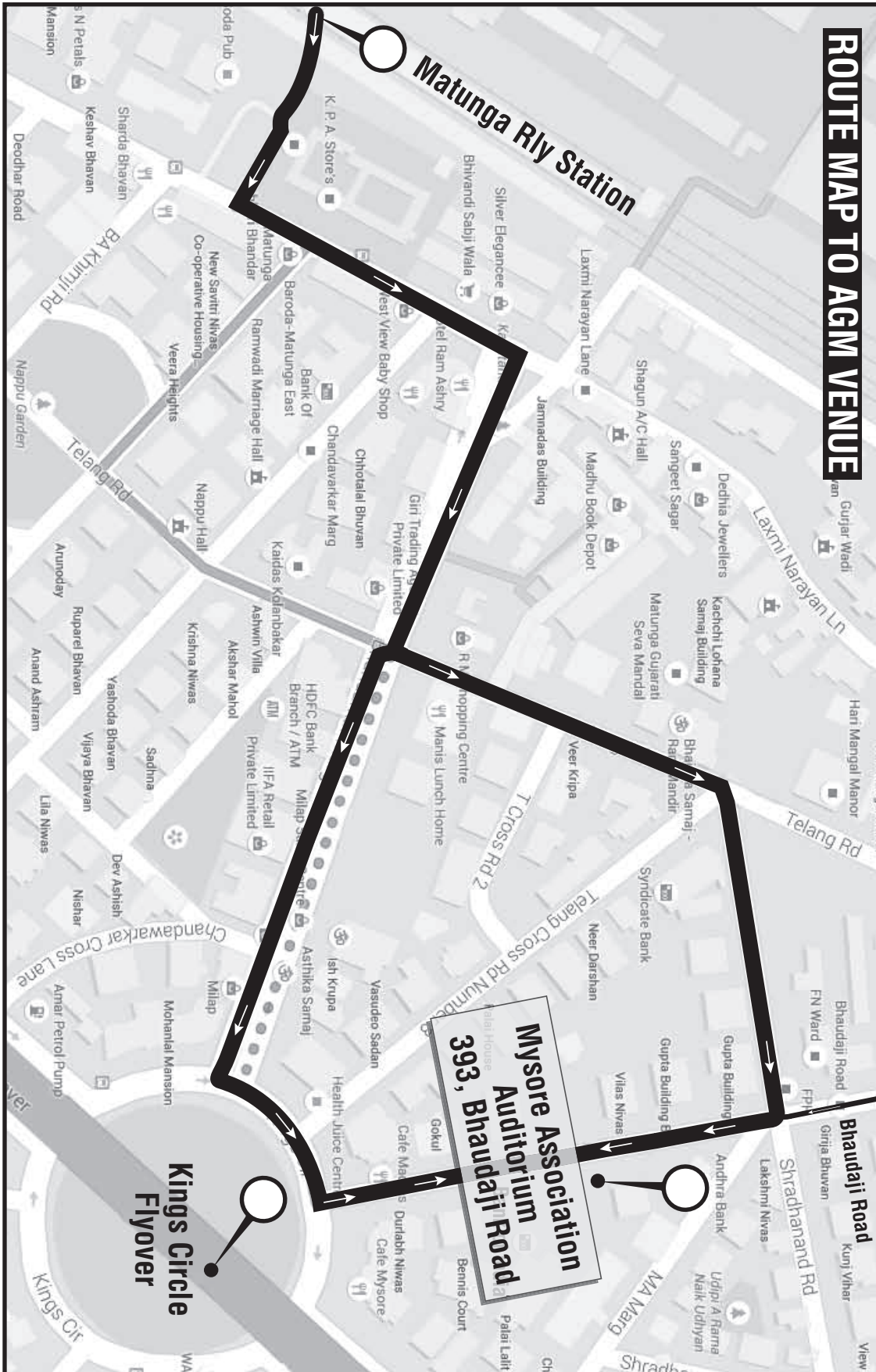


## FINANCIAL HIGHLIGHTS FOR 10 YEARS

(Rs. In lakhs)

Sl. No.	Particulars	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
1	Share capital	584	584	584	584	584	584	584	584	584	584
2	Reserves & surplus	10,869	9,364	8,633	8,048	7,604	7,253	6,573	7,415	6,706	6,205
3	Net Worth	11,453	9,948	9,217	8,632	8,188	7,837	7,157	7,999	7,290	6,789
4	Fixed Assets (Net)	5,454	3,969	4,215	4,296	4,526	4,072	2,973	3,196	2,243	2,122
5	Sales/ Other Income	22,522	17,389	15,328	14,394	13,825	12,372	10,839	11,125	8,832	8,139
6	Gross Profit before Interest & Depreciation	4,262	3,116	2,816	2,469	2,548	2,880	2,120	2,276	2,347	2,866
7	Interest & Finance Charges	(36)	(49)	(96)	(156)	(171)	(41)	(90)	(74)	(29)	(20)
8	Depreciation	(322)	(315)	(561)	(576)	(550)	(427)	(430)	(346)	(285)	(284)
9	Current Tax (incl. Fringe Benefit Tax)	(957)	(755)	(755)	(588)	(371)	(771)	(671)	(156)	(563)	(413)
10	Defered Tax	(212)	(122)	36	64	(86)	60	149	(278)	49	37
11	Net Profit after Tax	2,735	1,875	1,440	1,213	1,370	1,701	1,078	1,422	1,519	2,186
12	Dividend (incl. Dividend Tax)	1,230	1,054	854	769	1,018	1,021	1,021	683	1,025	1,170
13	Dividend (%)	175.00	150.00	125.00	112.50	150.00	150.00	150.00	100.00	150.00	175.00
14	*Earnings Per share (Rs)	9.37	6.42	4.93	4.15	4.69	5.83	3.69	4.77	5.22	6.88

\* EPS from 2005-06 computed on Rs.2 per share while for previous EPS is on Rs.10 per share.





**The Akshaya Vidya Trust**

# The Akshaya Vidya Trust

Vedavalli Vidyalaya Senior Secondary School, Walaja (CBSE) 1994

Vedavalli Higher Secondary School, Walaja (State Board) 1999

Vedavalli Vidyalaya Nursery & Primary & Senior Secondary School, Ranipet (CBSE) 2003

## Two decades in Education

For over 20 years, the Akshaya Vidya Trust has ensured a happy learning environment for children through the three Vedavalli Vidyalaya Schools at Walajapet and Ranipet. With Theme-based learning in KG, Activity-based learning in Primary and Middle, and seminars and presentations in High school, students at Vedavalli are taken through a well-connected, holistic curriculum.

Our academics are supplemented by co-scholastic programmes; teachers are encouraged to innovate activities to motivate students to learn. Class libraries were introduced nearly immediately after the inception of the school to encourage children to read different books. To ensure that students are exposed to different professions, our alumni address the students during assembly on career options. The students from Classes 9-12 also go through a career guidance programme which gives them a comprehensive report on their aptitude versus their interest. This year some of our alumni addressed the parents on the different opportunities available.

New programmes which inculcate creative thinking and skill development in students are introduced every year. Programmes are started keeping in mind the different abilities and interests of the children. This year, we had special weeks which focused on Fun with Math, Traditional games (gilli, pallanguzhi, lagori and others), Tamil Week and Performing Arts. Guest speakers are invited to these special weeks to address and interact with the children. Integrated methods of learning have always been a part of teaching at Vedavalli. This year we had a whole month dedicated to integrated learning for classes 4-8. Some mixed age groups were also created to ensure peer learning.

Our Schools are equipped with Science, Math and English labs. We have equipped the English Lab with a TV and headphones with a range of cds, reading cards, books and games to enhance Listening, Reading and Writing skills. Additional activities in Math lab have been added. Every class from KG - Class 12 goes on a short trip to get exposure to how things work. Weaving units, agricultural land, brick kiln, factory visits are some places the middle and high school students are taken to. Students with difficulties are addressed by an inhouse counselor. Our students are taught about health and physical fitness. Athletics and sports are as important as academics. Students are trained for district and cluster sport events.

Teaching isn't bound to the four walls of the class as we understand that children learn in different ways. Our teachers too are sent for workshops and seminars to update themselves in methodology and content. There is a Teacher Training Programme offered at Vedavalli in which our trainees are taught well-tested methodologies, class-room delivery, content up gradation and communication. In the course of our efforts to give a good education to children, we are proud to have developed some excellent teachers.

For more information & details, please visit [www.vedavallividyalaya.org](http://www.vedavallividyalaya.org)





# Thirumalai Charity Trust

## Ranipet



On a foundation of more than 3 decades of service to the rural community, the Thirumalai Charity Trust setup the Thirumalai Mission Hospital in 2010.

Our hospital was started to create a relevant model of healthcare by integrating the community and hospital services. Our approach includes quality healthcare with care and compassion for all, patient and family education on the disease and its complications, and a thoughtful follow up system.



Starting with two floors of in-patient and out-patient services, and one medical officer, we have now expanded to four floors with many departments. We have a team of twelve well qualified, experienced consultants in general medicine, emergency care, intensive medical care, general surgery, obstetrics and gynaecology, paediatrics, orthopaedics, ENT, dentistry and de-addiction departments.



We reach out to 1,20,000 people in 35,000 families in 315 villages and 50 panchayats in Vellore district of Tamilnadu. Our community programmes are strengthened by providing access to hospital services; exceptional problems in maternal and child health, and conditions such as diabetes, hypertension, osteoporosis, cancer in women, arthritis and alcoholism get the needed attention with education, identification, counseling, and referral and follow up. Nearly 75,000 beneficiaries have been served in 2015-16.



In the hospital, we have treated over 25,000 patients in out-patient services and 550 patients as inpatients. We have expanded our hospital to include a new Emergency Wing with an Intensive Medical Care facility. We are pioneering research for certain conditions. Our E.N.T. service is now upgraded with a unique audio lab facility.

We have screened more than 6000 women for cervical and breast cancer and 4000 people for osteoporosis. Each of the departments offers camp services for the rural people. These services are offered completely free. Those identified with problems are carefully monitored and given suitable cost effective treatment.



We are continuously expanding our building, programmes and personnel. We are also reaching out to people who want to be involved in our efforts to serve the community. We are fortunate to have the ongoing support of many companies such as yours, and of foundations and individuals.

For more information and details, please visit:  
[www.thirumalaicharitytrust.org](http://www.thirumalaicharitytrust.org) / [www.thirumalaimissionhospital.org](http://www.thirumalaimissionhospital.org)