

# PODDAR PIGMENTS

Ref: PPL/JPR/SECT/21-22

Dated : 16.08.2021

BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
25th Floor, Dalal Street, Fort,  
MUMBAI - 400 001

National Stock Exchange of India Ltd.,  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
MUMBAI - 400 051

Company Code : 524570

Company Symbol : PODDARMENT

**Re: Annual Report for the Financial Year 2020-21**

Dear Sir(s),

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find enclosed herewith Annual Report for the F. Y. 2020-21.

We hope you will find the above in order.

Thanking you,

Yours faithfully,  
For **PODDAR PIGMENTS LIMITED**

  
(Navin Jain)  
AVP (Legal) & Company Secretary

Encl: As above

**Poddar Pigments Limited**

Regd. Office & Works :

E-10-11 & F-14 to 16

RIICO Industrial Area, Sitapura

Jaipur - 302 022 Rajasthan, India.

Tel.: +91-141-2770202/03/287/291

Fax : +91-141-2771922

Email : jaipur@poddarpigmentsltd.com

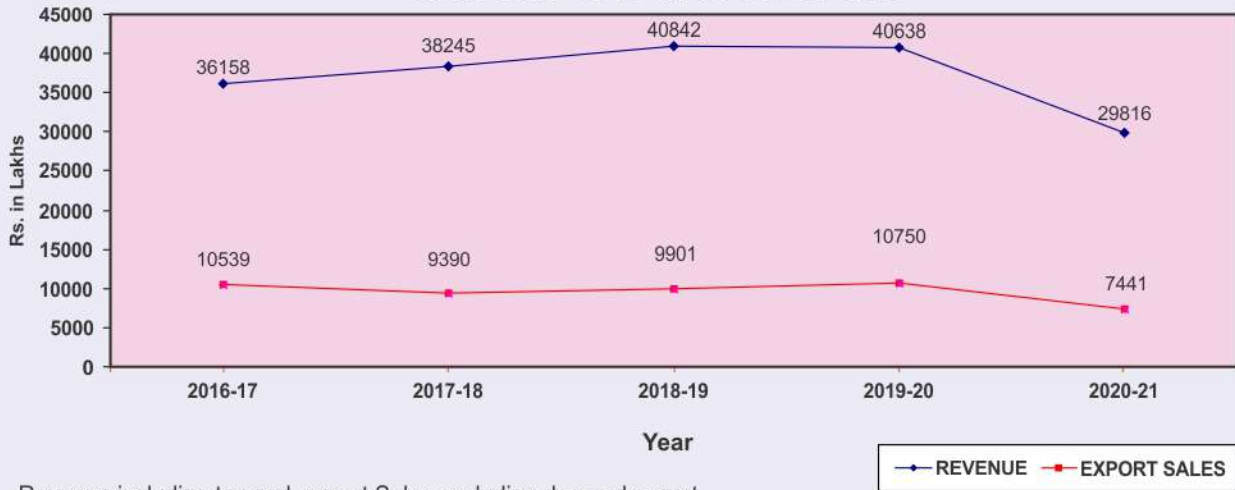
CIN : L24117RJ1991PLC006307

GSTIN : 08AAACPT125E1ZZ

# ANNUAL REPORT 2020-21

**PODDAR**  **R**  
P I G M E N T S

### REVENUE RECEIPTS & EXPORT

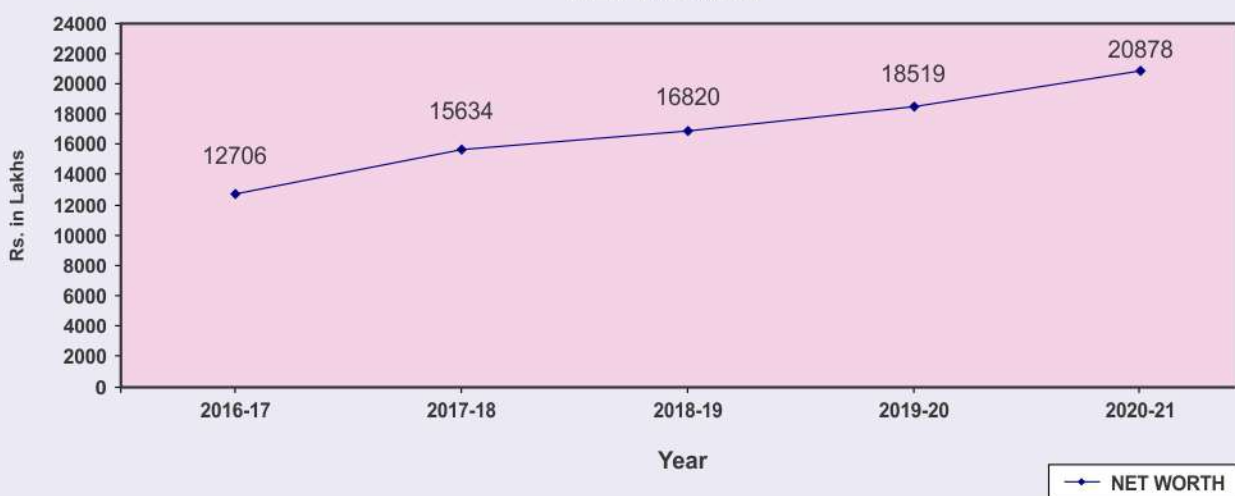


Revenue including tax and export Sales excluding deemed export.

### PBDIT, PBT & PAT



### NET WORTH



Net Worth exclude other comprehensive income.



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### **BOARD OF DIRECTORS**

Shri S.S.Poddar, Managing Director  
Shri Gaurav Goenka, JT. Managing Director  
Smt. Mahima P. Agarwal  
Smt. Lalitha Kumaramangalam  
Shri M.K.Sonthalia  
Shri N. Gopaldaswamy  
Shri M. Mahadevan

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### **AUDITORS**

M/s. M. L. Garg & Company  
Chartered Accountants  
New Delhi

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### **BANKERS**

State Bank of India  
Punjab National Bank  
ICICI Bank

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### **REGISTERED OFFICE & WORKS**

E-10, RIICO Industrial Area  
Sitapura, Jaipur-302 022 (Rajasthan)  
CIN: L24117RJ1991PLC006307  
Telephone : 0141-2770202- 203  
Email : jaipur@poddarpigmentsltd.com  
Website : www.poddarplgmentsltd.com

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## NOTICE

**NOTICE** is hereby given that the **THIRTIETH ANNUAL GENERAL MEETING** of the Members of the Company will be held **ON WEDNESDAY, SEPTEMBER 08, 2021 AT 11.00 A. M.** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business (es):

### ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Board of Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares for the Financial Year ended March 31, 2021.
3. To appoint a Director in place of Shri Gaurav Goenka (DIN: 00375811), Director, who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

4. To ratify the remuneration of Cost Auditors for the Financial Year 2021-22 and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolution:**

**"RESOLVED THAT**, under the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditors) Rule, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration to M/s K. G. Goyal & Associates, Cost Accountants, Jalpur, (Firm Registration Number 000024) as Cost Auditors appointed by the Board of Directors of the Company for the Financial Year 2021-22, fixed at Rs. 55000/- (Rupees Fifty-Five Thousand only) and Taxes as applicable be and is hereby ratified."

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

**"RESOLVED THAT** pursuant to the provisions of Section 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (The Act) and subject to statutory approvals, if any, consent of the Board be and is hereby accorded for payment of the overall Managerial remuneration as 15% of Net Profit of the Company in any year, over and above an additional remuneration payable to Mr. R.K. Sureka, Director & CEO during the Financial Year 2021-22 and the limit specified in section 197 read with Schedule V of the Companies Act 2013 subject to approval by the shareholders in their meeting."

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

**"RESOLVED THAT** pursuant to the provisions of section 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (The Act) and subject to statutory approvals, if any, consent of the company be and is hereby

accorded for payment of additional remuneration of Rs 3.70 Crores to Mr. R. K. Sureka, (DIN: 00058043) Director & CEO, during the Financial Year 2021-22 as a reward in recognition and in consideration of the services rendered by him during his employment with the Company for 27 years, which would be over and above and in addition to the managerial limit of 15% of net profit during the Financial Year 2021-22 and the limit specified in section 197 read with Schedule V of the Companies Act 2013.

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, M. Mahadevan (DIN: 00786991) who was appointed as an Independent Director of the Company in the Board Meeting held on July 31, 2021 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a second term upto 31st March, 2026".

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

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (The Act) and subject to statutory approvals, if any, consent be and is hereby accorded for extension of terms of appointment from 1st April 2022 to 30th September, 2024 and to fix the remuneration for a period of 3½ years i.e. remaining term of appointment from 01.04.2021 to 31.03.2022 and reappointment period from 1st April 2022 to 30th September, 2024, of Shri Gaurav Goenka (DIN: 00375811), Joint Managing Director on account of Basic Salary, Special Allowances, perquisites and an additional remuneration as mentioned below :-

#### 1. Remuneration:-

- (i) Basic Salary: Rs. 7.50 Lakhs Per Month
- (ii) Special Allowances Rs. 4.00 Lakhs per month
- (iii) Perquisites: In addition to the salary & Special Allowances, the following perquisites will be allowed:

The perquisites are classified into three categories 'A' 'B' & 'C' as below:





#### CATEGORY - A

- (a) Expenditure incurred on gas, electricity and water shall be paid/ reimbursed by the company.
- (b) Medical Expenses incurred for self and family in case of hospitalization.
- (c) Leave Travel Concession for self & family once in a year to any destination in India or Abroad.
- (d) Fee of Clubs /organization (subject to maximum 2 no's).
- (e) Premium for health Insurance, Personal Accident & Personal Life insurance.
- (f) Any other perquisites as per Company's Rules within the ceiling perquisite of Rs. 1.00 lakhs Per Month.

**Note:** All the perquisites will be interchangeable i.e. any excess in a particular perquisite may be permissible by a corresponding reduction in one or more of the other per-quisite(s) or the ceiling of perquisites may be reduced by corresponding increase in Basic Salary & Allowances.

#### CATEGORY -B

The following perquisites shall also be paid to the Joint Managing Director and these will not be included in the computation of the ceiling on perquisites mentioned above:

- (a) Company's contribution to Provident Fund & Superannuation Fund to the extent these singly or put together are not taxable under the Income Tax Act, 1961.
- (b) Gratuity in accordance with the Company's Rules.
- (c) Encashment of leave in accordance with the Company's Rules.

#### CATEGORY-C

- (a) Provision of car with driver for use on Company's business (not considered as a perquisite). The use of car for private purpose shall be billed by the Company to the Joint Managing Director.
- (b) Provision of telephone with internet connection at the residence of the Joint Managing Director at Company's cost (not considered as a perquisite). Personal long distance calls shall be billed by the Company to the Joint Managing Director.

#### 2. Other Terms for additional remuneration:

In addition to the Salary, Allowances and Perquisites, as specified above, the Joint Managing Director shall also be entitled to receive an additional remuneration as Commission at 1% of the Net Profits of the Company computed in the manner laid down in Section 196 of the Companies Act, 2013 as decided by the Nomination & Remuneration Committee and the Board of Directors.

Wherein any financial year during the tenure of Joint Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Joint Managing Director remuneration by way of Salary and Perquisites as

specified above as minimum remuneration, subject however to the provisions of Schedule V to the Companies Act, 2013 and such approvals as may be required.

In the event of any amendment in Schedule V of the Companies Act, 2013 the limit as specified in revised schedule shall be applicable.

The Board of Directors of the Company be and is hereby authorized to alter, vary and modify the terms and conditions of appointment of Shri Gaurav Goenka (DIN: 00375811) from time to time during the tenure of his appointment as Joint Managing Director of the Company including salary, Special Allowances, perquisites and additional remuneration.

However, the overall Managerial Remuneration shall not exceed 16% of net profit of the company in any year.

The Board of Directors of the Company be and is hereby authorized to settle any questions, doubts or difficulties and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution without being required to seek further approval of the Members and the approval of the Members shall be deemed to have been given thereto expressly by the authority of this resolution."

**Registered Office:**  
E-10,11 & F-14 to 16  
RIICO Industrial Area, Sitapura,  
Jaipur- 302 022  
Tel: 91 0141-2770202/203  
E-mail: jaipur@poddarpigmentsltd.com  
Website: www.poddarpigmentsltd.com  
CIN: L24117RJ1991PLC008307

**By order of the Board of Directors**  
**For Poddar Pigments Limited**  
Sd/-  
**NAVIN JAIN**  
AVP (Legal) &  
Company Secretary

**DATE: 31<sup>st</sup> July, 2021**

#### NOTES:

1. Given the outbreak of the COVID-19 pandemic, social distancing norms and continuing restrictions on the movement of persons at several places in the country and according to General Circulars No.14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020 and May 5, 2020 and January 13, 2021 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 30th AGM of the Company is being conducted through VC/OAVM Facility, which does not require the physical presence of the Members at a common venue, the deemed venue for the 30th AGM shall be the Registered Office of the Company.





2. The Explanatory Statement setting out material facts, under Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Special Business under Item Nos. 4,5,6,7 & 8 of the accompanying Notice is annexed herein.
3. The details required under Listing Regulations and Secretarial Standard-2 on General Meeting details pertaining to directors seeking appointment/re-appointment at the 30th AGM, is separately annexed. Directors seeking appointment/re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder. Profile of Shri Gaurav Goenka and Shri M. Mahadevan are required to be provided according to Listing Regulations, are furnished in the Corporate Governance Report published elsewhere in the Annual Report as well as at the end of the notice.
4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this 30th AGM is being held through VC/OAVM as per the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for the appointment of proxies by the members under section 105 of the Act will not be available for the 30th AGM and hence the Proxy Form and Attendance Slip are not annexed here. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed to participate in the 30th AGM and to register their e-Vote through VC/OAVM Facility.
5. The Members may join the 30th AGM through VC/ OAVM Facility by following the procedure mentioned below in the Notice which shall be kept open for the Members from 10.45 A.M. IST i.e. 15 (fifteen) minutes before the time scheduled to start the 30th AGM and the Company may close the window for joining the VC/OAVM Facility 15 (fifteen) minutes after the scheduled start time. Members may note that the VC/OAVM Facility, allows participation of the first 1,000 Members on a 'first-come-first-serve' basis. The large Shareholders (i.e. shareholders holding 2% or more), promoters, Institutional Investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. can attend the 30th AGM without any restriction.
6. The attendance of the Members participating in the 30th AGM through VC/OAVM Facility shall be counted to reckon the quorum under Section 103 of the Act.
7. Voting rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owners (in case of electronic shareholding) as on the cut-off date i.e. September 1, 2021

## **8. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

Given the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the Circulars issued by the MCA and SEBI Circular, the Annual Report for the year 2020-21 including Notice of the 30th AGM of the Company, inter alia, indicating the process and manner of e-voting - are being sent only by Email to all the Members whose Email IDs are registered with the Company/Registrar and Share Transfer Agent or with the respective Depository Participant(s) for communication purposes to the Members and all other persons so entitled.

Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the Circulars issued by MCA and SEBI Circular, the Annual Report including Notice of the 30th AGM of the Company will also be available on the website of the Company at [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com). The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of Registrar and Share Transfer Agent (RTA), Link Intime India Private Limited at <https://instavote.linkintime.co.in>.

9. The Register of Members and Share Transfer Books of the Company shall remain closed from September 2, 2021 to September 8, 2021 (both days inclusive).
10. Since the 30th AGM will be held through the VC/ OAVM Facility, the Route Map of the venue of the Meeting is not relevant.
11. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company/RTA, Link Intime India Private Limited.
12. In case of transfer of physical shares as applicable, the instrument of Share Transfer complete in all respect should be sent to reach the Registered Office of the Company or at the office of R&T Agent before the closure of the Register of Members as stated above.
13. All documents referred to in the accompanying Notice and the Explanatory Statement are available on the website of the Company at [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com) for inspection by the Members up to the date of 30th AGM.

During the 30th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act on website of the Company.





14. For receiving all communication (Including Annual Report) from the Company electronically:

- a) Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by writing to the Company with details of folio number and a self-attested copy of PAN card at [jalpur@poddarpigmentsltd.com](mailto:jalpur@poddarpigmentsltd.com) or to RTA, M/s Link Intime India Private limited (R&T) at [mlhelpdesk@linkintime.co.in](mailto:mlhelpdesk@linkintime.co.in).
- b) Members holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participant.

**An email-id registration form is enclosed in this notice.**

15. Members must quote their Folio No. /Demat Account No. and contact details such as e-mail address, contact no. etc. in all their correspondence with the Company/RTA.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of a Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.

17. Members who are yet to encash their earlier dividend warrants for FY 2013-14 and onwards are requested to contact the office of the Company Secretary & Compliance Officer/ Registrar and Transfer Agent (RTA) of the Company for revalidation of the dividend warrants/issue of fresh demand drafts. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 30, 2020 on the website of the Company [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com) and also on the website of the Ministry of Corporate Affairs.

Under the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, during the year, unclaimed final dividend amount of Rs.13,13,168/- of the Company for the FY ended March 31, 2013 has been transferred to Investor Education and Protection Fund (IEPF) established by the Central Government according to Section 125 of the Companies Act, 2013. The dividend for the financial year ended 31 March, 2014 and thereafter, which remain unclaimed for 7 years will be transferred by the Company to IEPF under Section 125 of the Companies Act, 2013 and the rules made thereunder as and when it becomes due. Those members who have not so far claimed their dividend for the subsequent financial years are also advised to claim it from the Company or the RTA of the Company.

18. Information regarding such unclaimed dividends when they become due for transfer to the IEPF is furnished in the Corporate Governance Report.

19. Compulsory transfer of Equity Shares to IEPF Authority:

According to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('Rules'), all shares on which dividend has not been claimed for seven consecutive years or more shall be transferred to IEPF Authority.

20. Claiming of Shares and Dividends which were transferred to IEPF :

No claim shall lie against the Company concerning such equity share post their transfer to IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application. The details of this are available at [www.iepf.gov.in](http://www.iepf.gov.in).

21. If the Dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on 23.09.2021 as under :

- a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited as on the close of business hours on 01.09.2021 :
- b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company or before the close of business hours on 01.09.2021.

22. Members who wish to obtain any information on the Company or view the financial statements for the financial year ended March 31, 2021 may visit the Company's website at [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com) or send their queries to [jalpur@poddarpigmentsltd.com](mailto:jalpur@poddarpigmentsltd.com) at least Ten (10) days before the date of the 30th AGM. The same will be replied to by/on behalf of the Company suitably.

23. In case of joint holders attending the 30th AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

**Registration of email ID and Bank Account details:**

- (a) In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent/RTA/Depositories, log in details for e-voting are being sent on the registered email address.
- (b) In case the shareholder has not registered his/her/their email address with the Company/its RTA/ Depositories and/or not updated the Bank Account mandate for receipt of earlier year dividends, the following instructions to be followed:
  - (i) Kindly log in to the website of the RTA, Link Intime India Private Ltd., [www.linkintime.co.in](http://www.linkintime.co.in) under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR





**(II) In the case of Shares held in Demat mode:**

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the Demat account as per the process followed and advised by the DP.

24. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amended vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

**25. VOTING**

In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide its Members with the facility to cast their votes either for or against each resolutions outlined in the Notice of the 30th AGM using electronic voting system ('remote e-voting') and e-voting (during the 30th AGM), provided by the RTA and the business may be transacted through such voting.

Only those Members who will be present in the 30th AGM through VC/OAVM facility and have not cast their vote on the

resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the 30th AGM.

The voting period begins on September 05, 2021 (9.00 AM IST) and ends on September 7, 2021 (5.00 PM IST). During this period, Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on September 01, 2021 may cast their votes electronically. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of 30th AGM and holds shares as of the cut-off date i.e. September 1, 2021, may obtain the login ID and password by sending a request at [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in). However, if a Member is already registered with the RTA for e-voting, then he/she can use the existing user ID and password/PIN for casting the vote.

**(A) THE INSTRUCTIONS FOR E-VOTING ARE AS FOLLOWS:**

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in Demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode can vote through their Demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email ID in their Demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in Demat mode/physical mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL	<ul style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. Enter your User ID and Password here.</li> <li>After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdEasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdEasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service</li> </ul>





Type of Shareholders	Login Method
<p><b>Individual Shareholders holding securities in Demat mode with CDSL</b></p>	<p>provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ul style="list-style-type: none"> <li>• Existing users who have opted for Easi /Easiest, can login through their user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi /Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login of Easi /Easiest the user will also be able to see the E-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>• Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP to the registered Mobile No. &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the E-Voting is in progress.</li> </ul>
<p><b>Individual Shareholders (holding securities in Demat mode) &amp; login through their depository participants</b></p>	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
<p><b>Individual Shareholders holding securities in Physical mode &amp; e-voting service Provider is LINKINTIME.</b></p>	<ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> <ul style="list-style-type: none"> <li>▶ Click on “Sign Up” under “SHARE HOLDER” tab and register with your following details: -               <ol style="list-style-type: none"> <li>A. <b>User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Follo Number registered with the Company.</li> <li>B. <b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li>C. <b>DOB/DOI:</b> Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)</li> <li>D. <b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.                   <ul style="list-style-type: none"> <li>• Shareholders/members holding shares in <b>physical form</b> but have not recorded ‘C’ and ‘D’, shall provide their Follo number in ‘D’ above</li> </ul> </li> </ol> </li> <li>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>▶ Click “confirm” (Your password is now generated).</li> </ul> </li> <li>2. Click on ‘Login’ under “SHARE HOLDER” tab.</li> <li>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.</li> <li>4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.</li> <li>5. E-voting page will appear.</li> </ol>





Type of Shareholders	Login Method
	<p>6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</p> <p>7. After selecting the desired option i.e. Favour/Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</p>

#### Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian/Mutual Fund/Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. along with attested specimen signature of the duly authorized representative(s) in PDF format in the 'Custodian/Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same.

**Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINK INTIME, have forgotten the password:**

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
  - In case shareholders/members is having valid email address, Password will be sent to his/her registered e-mail address.
  - Shareholders/members can set the password of their choice by providing the information about the particulars

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINK INTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions (FAQs)** and **InstaVote e-Voting manual** available at

of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

- The password should contain minimum 8 characters, at least one special character (@!#\$%^), at least one numeral, at least one alphabet and at least one capital letter.

**Individual Shareholders holding securities in Demat mode with NSDL/CDSL with forgotten password:**

- Shareholders/ members who are unable to retrieve User ID/Password are advised to use Forgot User ID and Forgot Password option available at abovementioned depository/ depository participants website.
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

<https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022-4918 6000.

**Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Launch your Internet browser and go to: <https://instameet.linkintime.co.in>





- ▶ Select the "Company" and "Event Date" and register with your following details: -
- A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
    - Shareholders/members holding shares in CDSL Demat account shall provide 16 Digit Beneficiary ID
    - Shareholders/members holding shares in NSDL Demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
    - Shareholders/members holding shares in physical form shall provide Folio Number registered with the Company
  - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. **Mobile No.:** Enter your mobile number.
  - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/InstaMEET website.

#### **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the company on the email id [njain@podderpigmentsltd.com](mailto:njain@podderpigmentsltd.com) for the Annual General Meeting.
2. Shareholders will get confirmation on first-cum-first serve basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

#### **Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. /Folio No. and OTP (received on the registered mobile number/registered email id) received during registration for InstaMEET and click on "Submit".

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under "Favour/Against".
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders / members have any queries regarding login/e-voting, they may send an email to [Instameet@linkintime.co.in](mailto:Instameet@linkintime.co.in) or contact Tel: 022-49186175.



### Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET for speaker shareholders

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html>

The screenshot displays the Webex website's download page. The top navigation bar includes the Cisco Webex logo, menu items for Solutions, Webex Devices, Plans & Pricing, and Learn, along with search, Host, Join, Sign In, and Start for Free buttons. The main content area is split into two sections: 'Webex Meetings' and 'Webex Teams'. The 'Webex Meetings' section lists features like HD video, flexible audio options, easy screen sharing, and multi-device access, with a 'Download for Windows' button highlighted by a black arrow. The 'Webex Teams' section lists features like one-on-one or group messaging, digital whiteboarding, rich content sharing, and video calling, also with a 'Download for Windows' button. Below the website, a three-step guide is provided: Step 1: Double-click the webexapp.msi file you downloaded; Step 2: The Webex Meetings setup wizard will launch. Follow the instructions to set up; Step 3: Once installed the app will launch automatically. At the bottom, a Windows file explorer window shows 'webexapp.msi (88.1 MB)' with a 'Run' button highlighted by a black arrow.





Step 1  
Double-click the  
webexapp.msi file  
downloaded

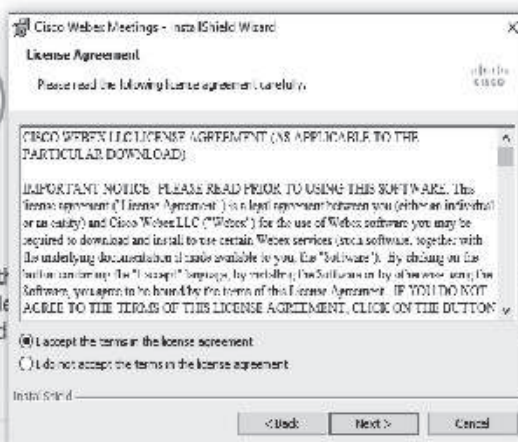


Step 3  
Once installed  
app will launch  
automatically.

To open the app double-click  
the Webex Meetings icon on your



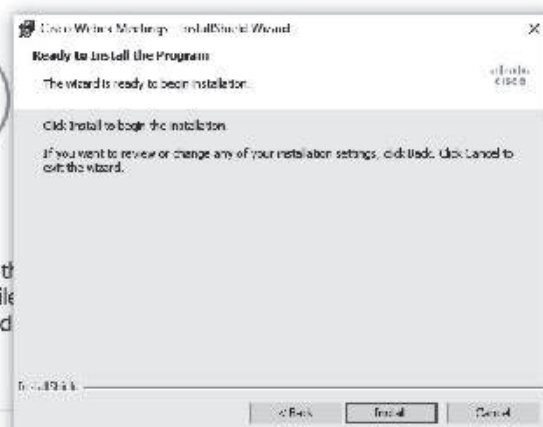
Step 1  
Double-click the  
webexapp.msi file  
downloaded



Step 3  
Once installed  
app will launch  
automatically.



Step 1  
Double-click the  
webexapp.msi file  
downloaded



Step 3  
Once installed  
app will launch  
automatically.



OR

- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

<b>Step 1</b>	<b>Enter your First Name, Last Name and Email ID and click on Join Now.</b>
<b>1 (A)</b>	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
<b>1 (B)</b>	If Webex application is not installed, a new page will appear giving you an option to either Add Webex extension to chrome or Run a temporary application. <b>Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now</b>

 **cisco** Webex

Event Information:

Event status:

Date and time:

Duration:

Description:

By joining this event, you are accepting the Cisco Webex [Terms of Service](#) and [Privacy Statement](#).



Event: Mumbai Time

Join Event Now

You cannot join the event now because it has not started.

First name:

Last name:

Email address:

Event password:

← Mention your First name, Last name and email address

Join Now

→ Join by browser *NEW*

If you are the host, [start your event](#).

26. Shri Babu Lal Patni, Practicing Company Secretary (Membership No. F2304) has been appointed as the Scrutinizer for the facilitation of a fair and transparent scrutiny of the e-voting and e-voting process at the 30th AGM.
27. The Scrutinizer shall count the votes cast during the 30th AGM and unblock the votes cast through remote e-voting immediately after the conclusion of voting at the 30th AGM. The scrutinizer will there after finalise (not later than 48 hours of the conclusion of the 30th AGM), a consolidated Scrutinizer's Report of the total votes cast in favour or against, to the Chairperson or a person authorised by him in writing, who shall countersign the same. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company ([www.poddarplgmentsltd.com](http://www.poddarplgmentsltd.com)) and the website of Link Intime India Private Limited (<https://instavote.linkintime.co.in>) immediately. The result will also be displayed on the Notice Board of the Company at its Registered Office. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and Bombay Stock Exchange Limited, where the shares of the Company are listed. The resolutions, if passed

by the requisite majority, shall be deemed to have been passed on the date of the 30th AGM i.e. September 08, 2021.

28. Under Section 72 of the Act, Form SH-13 will be used for nominations by members holding shares in physical format. Blank forms will be supplied by Link Intime on request. Members holding shares in dematerialized format may contact their respective Depository Participants to record their nomination.
29. For any investor related queries, you are requested to email [jalpur@poddarplgmentsltd.com](mailto:jalpur@poddarplgmentsltd.com).

#### ANNEXURE TO NOTICE

Explanatory Statement Under section 102 of the Companies Act, 2013

#### Item No. 4

Based on the recommendation of the Audit Committee, the Board of Directors has re-appointed M/s. K. G. Goyal & Associates, Cost Accountants, Jaipur as Cost Auditors for 2021-22 for a remuneration of Rs. 55,000/- (Rupees fifty five thousand only) and Taxes as applicable.

Certificate dated 01.04.2021 issued by the above firm regarding





their eligibility for appointment as Cost Auditors will be available for inspection on the website of the Company for inspection by the Members up to the date of 30th AGM.

As per Section 148 of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration, payable to the Cost Auditors is to be ratified by the Shareholders. Hence, this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial personnel or their relatives are interested in the above resolution.

The Board of Directors recommends the resolution for your approval.

#### **Item No. 5**

With the expansion of the manufacturing facility, there would be higher depreciation and interest leading to lower Profit Before Tax for the next couple of financial years and thereafter the profits would increase. The overall managerial remuneration that should not exceed 15% of net profit of the company in any year at their meeting dated 23.07.2019 for two financial years, namely FY 2019-20 and FY 2020-21 that were approved by the shareholders in their meeting dated 21.09.2019. Further, it was decided that the company will make a comprehensive review of the same after the end of FY 2020-21.

Accordingly, the remuneration committee meeting and Board have reviewed and recommended to approve overall Managerial Remuneration not to exceed 15% of net profit of the company in any year over and above an additional remuneration payable to Mr R.K. Sureka, Director & CEO during the Financial Year 2021-22 and the limit specified in section 197 read with Schedule V of the Companies Act 2013 subject to approval by the shareholders in their meeting by passing a special resolution.

The Resolutions and Explanatory Statement are to be treated as an abstract under Section 190 of the Companies Act, 2013.

None of the Directors, except Shri S. S. Poddar (DIN: 00058025), being the Managing Director, Shri Gaurav Goenka (DIN: 00375811), being the Joint Managing Director, Shri R.K. Sureka (DIN : 00058043) and Smt. Mahima P. Agarwal (DIN: 03588809), being relative of Shri S. S. Poddar (DIN: 00058025) and of Shri Gaurav Goenka (DIN: 00375811) are concerned or interested in this resolution.

The Resolution is therefore recommended by the Board of Directors to the shareholders to be passed as a Special Resolution set out at item No. 5 of the Notice for approval by the shareholders

#### **Item No. 6**

Shri R.K Sureka (DIN : 00058043), Director and CEO has resigned with effect from 1st August, 2021. Mr. R.K. Sureka had joined the Company as a full time employee in 1994. During this period, the Company has achieved substantial progress to move from its humble start to the present position. During the period of growth of the company, the contribution of Mr. R.K. Sureka is notable. Through his hard work and dedication, he had catered to the growth of the organization and was instrumental in assisting

the top management for laying a strong foundation for the company.

Accepting the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 31.07.2021 has approved to pay a reward of Rs 3.70 Crores as an additional remuneration to him in recognition and in consideration of his long association of 27 years with the company.

This remuneration, being a one-time managerial remuneration to a person in recognition of his long term employment, would be over and above and in addition to the overall limit of 15% of the net profit of the company for the financial year 2021-22 being considered by the shareholders in this Annual General Meeting. Payment above the limits specified in the Companies Act, 2013 requires approval of the shareholders through a special resolution. Therefore, shareholder consent by way of Special Resolution is required.

Shri R.K. Sureka may be deemed to be interested in this resolution. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise in this resolution.

The Resolution is therefore recommended by the Board of Directors to the Shareholders to be passed as a Special Resolution as set out in Item no. 6 of the Notice for approval by the shareholders.

#### **Item No. 7**

At the Annual General Meeting held on 9th August 2016, the members of the Company had appointed Shri M. Mahadevan (DIN: 00786991) as an Independent Director of the Company, to hold office upto the conclusion of 30th Annual General Meeting of the Company in the calendar year 2021. ("first term")

The Nomination and Remuneration Committee ("the NRCM") of the Board of Directors, on the basis of the report of performance evaluation, has recommended, at its meeting held on July 31, 2021, re-appointment of Shri M. Mahadevan (DIN: 00786991) as an Independent Director, for a second term of 5 (five) consecutive years, on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRCM, considers at its meeting held on July 31, 2021 that, given his background and experience and contributions made by him during his tenure, the continued association would be beneficial to the company and it is desirable to continue to avail his service as an Independent director.

Shri M. Mahadevan (DIN: 00786991) is Independent Director of the Company. It is proposed to re-appoint Shri M. Mahadevan (DIN: 00786991) as an Independent Director under Section 149 of the Act and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to hold office for a further period of 5 (five) consecutive years for a second term up to 31st March, 2026.





Shri M. Mahadevan (DIN: 00786991) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Shri M. Mahadevan (DIN: 00786991) for the office of Director of the Company.

The Company has also received declarations from Shri M. Mahadevan (DIN: 00786991) that he meets with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Shri M. Mahadevan (DIN: 00786991), fulfill the conditions for appointment as an Independent Director as specified in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Shri M. Mahadevan (DIN: 00786991) is independent of the management.

Brief resume of Shri M. Mahadevan (DIN: 00786991), nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given below. Copy of the respective draft letter for appointment of Shri M. Mahadevan (DIN: 00786991) as an Independent Director setting out the terms and conditions, is available for inspection by members at the Registered Office of the Company. This statement may also be regarded as a disclosure under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Resolution and Explanatory Statement is to be treated as an abstract under Section 190 of the Companies Act, 2013.

Shri M. Mahadevan (DIN: 00786991) is interested in the resolutions set out at Item Nos. 7 of the Notice with regard to appointment.

The relatives of Shri M. Mahadevan (DIN: 00786991) may be deemed to be interested in the resolution set out at Item Nos. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Resolution is therefore recommended by the Board of Directors to the shareholders to be passed as a Special Resolution set out at item Nos. 7 of the Notice for approval by the shareholders.

#### Item No. 8

The Promoter provides a proper and efficient succession in the management of the Company. As a prelude to the greater involvement from the promoter group, Shri Gaurav Goenka (DIN:

00375811), Joint Managing Director, a relative of Shri S.S. Poddar (DIN: 00058025), Managing Director was introduced into the affairs of the company. Shri Gaurav Goenka has been getting familiarized with the business under the guidance of Shri R. K. Sureka (DIN: 00058043), Director & CEO for over five years now.

Shri Gaurav Goenka (DIN: 00375811) was appointed as an Additional Director of the company on 28.05.2016 and confirmed as Director in the Annual General Meeting held on 09.08.2016. Further, Shri Gaurav Goenka (DIN: 00375811), Non-executive director, liable to retire by rotation of the Company, has been re-appointed on 28.09.2017.

The Board of Directors of the Company ("the Board"), at its meeting held on March 19, 2019 has, subject to approval of members, appointed Shri Gaurav Goenka (DIN: 00375811) as a Joint Managing Director for a period of Three Years from 01.04.2019 to 31.03.2022, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the "NRCM Committee") of the Board at its meeting held on March, 19, 2019.

It is proposed to seek members' approval for the extension of appointment period and revision of remuneration payable to Shri Gaurav Goenka (DIN: 00375811) as a Joint Managing Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

As required under Para (B) of Section-II of Part-II of the amended Schedule V to the Companies Act, 2013, the relevant details to be sent along with the notice calling the General Meeting is as under:

#### GENERAL INFORMATION

- Nature of Industry:** Masterbatch and Engineering Plastic Compounds.
- Date or expected date of commencement of commercial production:** The Company has already commenced commercial production from 1st March, 1995.
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- Financial performance based on given indicators:**

Particulars for the financial year ended 31.03.2021	Rs. in Lakhs
Total Revenue Receipts (Gross) including other income	29,816
Operating Profit (before finance cost, Depreciation & Tax)	3334
Profit Before Tax	3095

- Export Performance and net foreign exchange earnings and collaborations:**  
The earning in Foreign Exchange by Exports & others for the year ended 31.03.2021 was Rs. 6624.46 Lakhs.
- Foreign Investment of collaborators, if any:**  
Not Applicable.





## INFORMATION ABOUT THE JOINT MANAGING DIRECTOR :

### 1. Background, recognition and award details:

Shri Gaurav Goenka (DIN: 00375811), aged 46 years is the Director of Company since 28.05.2016. He is a B.SC.-Boston University. He has expertise in field of Garments Manufacturing, Real Estate Development and SAP implementation.

### 2. Past Remuneration :

The Last Remuneration of Shri Gaurav Goenka (DIN: 00375811) was approved by the members of the company at their Annual General Meeting held on 21.09.2019 with a Basic Salary of Rs. 7,50,000/- P.M.

### 3. Job Profile and his suitability:

Shri Gaurav Goenka (DIN: 00375811), Joint Managing Director of the Company is responsible for overall management of the Company. He is vested with substantial power of Management under the supervision, control and direction of the Board of Directors. He has been instrumental in deciding Company's policy planning, long term vision and is responsible to evolve strategies to combat competition and to attain targets of the Company besides Corporate Governance and ensuring co-ordination among Board.

### 4. Remuneration Proposed :

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on 31.07.2021 approved the terms of remuneration for a period of 3½ years i.e. 01.04.2021 to 31.03.2022 and an extension of the term of appointment from 1st April, 2022 to 30th September, 2024 of Shri Gaurav Goenka (DIN: 00375811) as under :

Remuneration:-

Basic Salary : Rs. 750000/- P.M.

Special Allowances : Rs. 400000/- P.M.

Perquisites : Rs. 100000/- P.M. The perquisites are classified into three categories 'A', 'B' & 'C' as mentioned in the resolution above.

Commission : 1% of the Net Profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 as decided by the Nomination and Remuneration Committee and the Board of Directors in their meeting.

### 5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person :

The executive remuneration in the industry has risen substantially over the past few years. Appreciating this, the Central Government had raised the ceiling specified in Schedule V dealing with the remuneration of

managerial person. The "Remuneration Committee" constituted by the Board in terms of the said Schedule perused the remuneration of managerial persons in the industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri Gaurav Goenka (DIN: 00375811), before approving the remuneration as proposed herein before.

### 6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any :

Besides the remuneration proposed, Shri Gaurav Goenka (DIN: 00375811), does not have any pecuniary relationship with the Company. Smt. Mahima P. Agarwal (DIN: 03586809) and Shri S. S. Poddar (DIN: 00058025), Directors of the Company, who are relatives of Shri Gaurav Goenka (DIN: 00375811), also do not have any pecuniary relationship with the Company.

## III OTHER INFORMATION :

### 1. Reasons of loss or inadequate profits :

The Masterbatch Industry is high-tech in nature and requires continuous R&D, both on the existing product lines as well as on new product development to not just maintain, but also to expand its market share. Increased competition in the industry, coupled with likely increase in cost of raw-materials and other inputs may create pressure on margins, resulting in inadequate profits as calculated in terms of Section 198 of the Companies Act, 2013 in the coming year.

### 2. Steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms :

With a view to improve overall profitability and the financial health of the Company, major steps have been taken, which inter-alia include reduction in interest costs, major marketing re-structuring for exports, reduction in production cost through implementation of energy saving measures, sourcing of cheaper raw materials, increase in productivity through better combination of product mix, increase in the product range to cater to the requirements of different segments and strengthening of the R&D division on continuous basis. The company expects increase in turnover and profits in the years to come.

The proposed remuneration of Shri Gaurav Goenka (DIN: 00375811) has been approved by the Nomination and Remuneration Committee in terms of Schedule V to the Companies Act at its meeting held on 31.07.2021. The Company has not made any default in payment of any of its debts specified or interest payable thereon for a continuous period of 30 days in the preceding financial year before the date of appointment of such managerial person. The Company has no deposit /outstanding deposit. The specified information required to be given





to the shareholders along with the Notice is given herewith in the preceding paragraphs.

Brief resume of Shri Gaurav Goenka (DIN: 00375811), nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given below. Copy of the draft letter for appointment of Shri Gaurav Goenka (DIN: 00375811) as a Joint Managing Director setting out the terms and conditions, is available for inspection by members at the Registered Office of the Company. This statement may also be regarded as a disclosure under the Securities and Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Resolution and Explanatory Statement are to be treated as an abstract under Section 190 of the Companies Act, 2013.

None of the Directors, except Shri Gaurav Goenka (DIN: 00375811), being the Joint Managing Director, Smt. Mahima P. Agarwal (DIN : 03588809) and Shri S. S. Poddar (DIN: 00058025) being relatives of Shri Gaurav Goenka (DIN: 00375811) are concerned or interested in this resolution.

The Resolution is therefore recommended by the Board of Directors to the shareholders to be passed as a Special Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

**Details of Directors Seeking appointment/re-appointment at the 30th Annual General Meeting [According to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on the General Meetings issued by the ICSI] :-**

Particulars	Shri Gaurav Goenka	Shri M. Mahadevan
DIN	00375811	00788991
Date of Birth and Age	01.06.1975 & 46 Years	07.04.1955 & 66 Years
Date of Appointment	28.05.2016	17.06.2016
Qualifications	B.Sc. - Boston University	Commerce Graduate
Experience and expertise in specific functional area	Garments Manufacturing, Real Estate Development and SAP Implementation.	Leading entrepreneur in hotel industry around the world. Has been in business of Hospitality and Catering over 30 years
Brief Resume	Resume is given in the Explanatory Statement and Corporate Governance forming part of Annual Report.	Resume is given in the Explanatory Statement and Corporate Governance forming part of Annual Report
Relationship with other Directors, Manager and Other Key Managerial Personnel of the Company	Daughter's husband of Shri S. S. Poddar, Managing Director	-
Nature of appointment/re-appointment	Retires by rotation and offers himself for re-appointment.	Re-appointment
Terms and Conditions of appointment/re-appointment	In terms of Section 152(6) of the Companies Act, 2013, appointed as Joint Managing Director at the Annual General Meeting held on September 21, 2019, is liable to retire by rotation and offers himself for re-appointment.	Appointment as a Non-Executive Independent Director
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Remuneration last drawn is Rs. 100.93 lakhs in FY 2020-21 and as per existing approved terms and conditions.	Sitting fees paid and details is given in Corporate Governance Report. As an Independent Director, he is entitled to sitting fees for attending meetings of the Board/Committee.
Shareholding in the Company	-	-
The number of meetings of the Board attended during the year	4 out of 4	3 out of 4





Directorships held in other public companies (excluding foreign companies and section 25 companies)	3	5
Memberships/ Chairmanships of committees of other public companies (Includes only Audit Committee and Stakeholders Relationship Committee)	NIL	NIL

**Registered Office:**  
E-10,11 & F-14 to 16  
RILCO Industrial Area, Sitapura,  
Jaipur- 302 022  
Tel: 91 0141-2770202/203  
E-mail: jaipur@poddarpigmentsltd.com  
Website: www.poddarpigmentsltd.com  
CIN: L24117RJ1991PLC006307

**By order of the Board of Directors  
For Poddar Pigments Limited**  
sd/-  
**NAVIN JAIN**  
AVP (Legal) &  
Company Secretary

**DATE: July 31, 2021**

**Registration / Updating of Email IDs and Bank Details**

Members are requested to support the "Green Initiative" by registering their Email address with the Company or Registrar if not already done.

Those Members who have changed their Email ID are requested to register their new Email ID with the company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is required to maintain Bank details of its Members for Payment of Unpaid Dividends etc. **Members are requested to register/update their bank details with the Company in case shares are held in physical form and with their Depository Participants as well as the Company where shares are held in dematerialized mode, to enable expeditious credit of the dividend to their bank accounts electronically through ACH / NECS.**



## E-MAIL REGISTRATION-CUM-CONSENT FORM

To,  
The Company Secretary,  
Poddar Pigments Limited,  
E-10/11& F 14 to 16, RIICO Industrial Area, Sitapura, Jaipur-302022

I/ We the members of the Company do hereby request you to kindly register/update my e-mail address with the Company. I/We, do hereby agree and authorize the Company to send me/us all the communications in electronic mode at the e-mail address mentioned below. Please register the e-mail address/mobile number mentioned below for sending communication through e-mail/mobile.

Folio No..... DP-ID..... Client ID:.....

Name of the Registered Holder (1st): .....

Name of the joint holder(s) (2nd): ..... (3rd): .....

Registered Address: .....

.....

Pin: .....

Mobile Nos. (to be registered): .....

Email Id (to be registered): .....

\_\_\_\_\_  
**Signature of the Shareholder(s)\***

\* Signature of all shareholders is required in case of joint holding.





## DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

Your Board of Directors are pleased to present the Thirtieth Annual Report and the Audited Financial Statements for the year ended 31st March, 2021.

### FINANCIAL RESULTS (Summary of key data)

Your Company's financial performance for the year ended 31st March, 2021 is summarized below:

(Rs. In Lakhs)

Particulars	2020-2021	2019-2020
Revenue Receipts (Gross)	29452	40197
Other Income	364	440
Total Revenue Receipts including other income	29816	40637
Less: GST	3382	4530
Revenue Receipts including other income (Net)	26434	36107
Profit before Finance Cost, Depreciation & Tax	3334	3204
Less: Finance Cost	28	30
Depreciation	211	292
Profit before tax	3095	2882
Less: – Current Tax	775	776
– Deferred Tax	(46)	(73)
– Adjustment of tax relating to earlier periods	-	54
Profit after tax	2366	2125
Balance brought forward from previous year	323	428
Other Comprehensive income/(loss) – (Net of Tax) realized / paid	(15)	(42)
Gain on sale of Equity Instrument	8	-
Profit available for appropriations	2682	2511
<b>APPROPRIATION</b>		
Final Dividend on Equity Shares	-	318
Tax on Final Dividend	-	68
General Reserve	2016	1804
Balance Carried to Balance Sheet	666	323

### RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The highlights of the Company's performance as compared to previous year are as under: -

- Profit Before Tax has increased to Rs. 3095 lakhs as against Rs. 2882 lakhs in the previous year.
- Profit After Tax has increased to Rs. 2366 lakhs as against Rs. 2125 lakhs in the previous year.

- Net Worth of the company has increased by 12.74% to Rs. 20678 lakhs excluding OCI.
- Revenue from operations (Gross) decreased to Rs. 29452 lakhs as against Rs. 40197 lakhs.

### REVIEW OF OPERATIONS

Your Company's Total Revenue Receipts (Gross) including other income during the year under review was Rs. 29,816 lakhs. The Net Profit after tax of the company increased by 11.34% as compared to previous year.

### COVID-19

The COVID-19 pandemic has affected operations of the company and its customers significantly due to lockdowns throughout the country and overseas. This is evident in the fall in revenues as seen in the Financial results. The management took all possible steps to safeguard the health and safety of its employees and other stakeholders. This response has reinforced customer confidence in our company and many of them have expressed their appreciation and gratitude for supporting their businesses under the most challenging conditions.

The Indian GDP, after a steep fall of 24.4% and 7.3% in Q1 and Q2 of FY 2020-21 respectively, has shown recovery with 0.4% growth in Q3. Based on this recovery trend, the GDP for 2021 is estimated to be contracting by nearly 8%, which is a clear outcome of the efforts undertaken in minimizing the impact of Covid-19 on the economy. However, the second wave of the Covid-19 pandemic struck India with unforeseen fury and threatens to compound the misery of repeated economic disruptions and slowdowns. The extent of economic loss will primarily depend on how fast the chain of infections can be broken and how effectively India manages to contain this with mass vaccination efforts.

### EXPORT

Your Company has achieved a direct export turnover (inclusive of export benefits) of Rs. 7441 lakhs. Your Company is expected to achieve higher export turnovers in the years to come.

### DIVIDEND

The Board has recommended a final dividend of Rs. 2.50 per equity share of the face value of Rs. 10/- each. The final dividend on equity shares, if approved by the Members, would involve a cash outflow of Rs. 265.25 Lakhs. The dividend, if declared, by the members at the forthcoming Annual General Meeting will be paid to all the eligible members on 15th day after the date of 30th Annual General Meeting.

### NEW PROJECT

The project is in construction stage. Covid-19 pandemic has affected/continues to affect the work adversely, resulting in delays in completion. However, all efforts are being made to minimize the delay in completion and the company expects to complete the project during the current financial year.





## MARKETING

Through consistent efforts towards achieving international quality standards, Your Company has created a good demand for its products. This has helped in facing competitive prices in both domestic and international markets. With sustained efforts, we expect further improvements in our performance in the current year. Your Company will continue to seek new markets while consolidating its hold over existing customers.

## RESEARCH AND DEVELOPMENT

Your Company has, over the years, invested significantly in its Research & Development (R&D) facility, as a key source of sustainable competitive advantage. The in-house R&D division of Your Company, located at Sitapura plant, is recognized by the Department of Science and Industrial Research (DSIR), Government of India. Details are appended to Annexure I of this Report.

Your Company considers R&D as an essential tool in developing innovative products and maintaining its technical advantage over competitors. R&D is central to achieving excellence in product quality with improved processes and optimization of available resources.

Your Company makes continuous efforts to adopt and implement new technologies and to improve the product-mix/process, to create higher value items at lower costs, to widen its range of new generation masterbatches and to facilitate the production of customized products. It strives to leverage modern advances in science and technology and blend the same with classical concepts of product development.

## QUALITY INITIATIVES

Your Company has established various quality initiatives to meet or exceed the expectations of its customers. It has invested in various pilot plants and state-of-the-art testing equipment to carry out all relevant tests for masterbatches, which support the smooth running of the customers' production processes.

Your Company receives continuous feedback through close interaction with your Company's customers and independent laboratories, which it takes on board for the continued optimization of its products and processes.

## STAR EXPORT HOUSE STATUS AND CRISIL RATING

Sustained exports have enabled your Company to maintain its Two Star Export House Status under the Foreign Trade Policy 2015-2020.

Your Company's Credit Rating is A/Stable/A1, assigned/reaffirmed by CRISIL for its working capital borrowings, which signifies a strong degree of safety with regard to timely payments.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per the provisions of the Act and the Articles of Association of the Company, Shri Gaurav Goenka (DIN : 00375811) retires by rotation at the ensuing 30th Annual General Meeting and being

eligible, has offered himself for re-appointment.

Shri R. K Sureka (DIN: 00058043), Director and CEO has resigned w.e.f. 1st August, 2021. The Board places on record a note of appreciation for the valuable services rendered by him during his long association with the Company.

The tenure of Shri M. Mahadeven (DIN: 00786991), Independent Director expires at the conclusion of the forthcoming Annual General Meeting. Based on the recommendation of Nomination and Remuneration Committee, the Board recommends his re-appointment for a further period of five years till the conclusion of 35th Annual General Meeting to be held in 2028.

Your Company has received declarations from all the Independent Directors of the company confirming that they meet the criteria of independence as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Disclosure relating to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed and marked as Annexure II to this Report.

## MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, Four Board Meetings and Four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. For further details, please refer to the report on Corporate Governance annexed to this Annual Report.

## CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

Your Company is in compliance with all the applicable provisions of Corporate Governance as stipulated under Chapter IV of the Listing Regulations. A detailed report on Corporate Governance and the Management Discussion and Analysis Report as required under the Listing Regulations is provided in a separate section and forms part of the Annual Report. The requisite Certificate from the Auditors of the company confirming compliance with the conditions of Corporate Governance is attached to the report of the Corporate Governance.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions that were entered into during the financial year under review were on an arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant Related Party Transactions made by your Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations.





All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive or when the need for them can be foreseen in advance.

None of the transactions entered into with related parties falls under the scope of Section 188(1) of the Act. Details of transactions with related parties as required under Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are provided in Note no. 33 to the Financial Statement and forms part of this Report. Your Company has adopted a Policy for dealing with Related Party Transactions. The Policy as approved by the Board may be viewed on the Company's website at the web link: [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com).

Further, the Company has not entered into any material related party transactions during the year under review. Accordingly, the disclosure of related party transactions as required under Section 134 (3) (h) of the Act, in form AOC-2 is not applicable to your Company.

#### **COMPLIANCE WITH THE CODE OF CONDUCT**

The Directors and Senior Management Personnel have reaffirmed their compliance with the code of conduct.

#### **FIXED DEPOSITS**

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

#### **EMPLOYEES**

The Information required under Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) & 5 (3) of the Company's (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in the Annexure III hereto forming part of the Report.

#### **SUCCESSION PLANNING**

Your Company has put in place a policy on succession to assess, develop and retain a talent pool of associates, in order to ensure a continuity of leadership for all critical positions.

#### **MECHANISM FOR EVALUATION OF BOARD**

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

The criteria cover various aspects for the evaluation of Independent Directors including participation at the Board/Committee meetings, effective use of knowledge and expertise, management of relationship with stakeholders, integrity and maintaining of confidentiality, unbiased behaviour and judgment, the exercise of objective independent judgment in

the best interest of the Company, ability to contribute to and monitor corporate governance practice and adherence to the code of conduct for Independent directors.

For the evaluation of the **Board**, aspects such as the development of suitable strategies and business plans, implementation of robust policies and procedures, size, structure and expertise of the Board are considered.

For the evaluation of the **Executive Directors**, aspects such as achievement of financial health and driving of overall progress balanced with the needs of shareholders, clients, employees and other stakeholders, in alignment with the vision and mission of Company are considered.

For the evaluation of **Non-Executive Directors**, aspects such as participation in the Board/Committee meetings, effective deployment of knowledge and expertise, Independence of behaviour and judgment are considered.

For the evaluation of the **Committees**, aspects such as discharge of its functions and duties as per its terms of reference, process and procedures followed for discharging its functions & effectiveness of suggestions and recommendations received are considered.

For the evaluation of the **Chairperson** of the Board, aspects such as managing relationships with the members of the Board and Management, providing ease of raising of issues and concerns by the Board members and promoting constructive debate and effective decision-making at the board are considered.

The evaluation process has been explained in the Corporate Governance Report section in this Annual Report. The Board has approved the evaluation results as collated by the Nomination and Remuneration Committee.

#### **AUDITORS AND AUDITORS' REPORT**

##### **Statutory Auditors**

At the 26th Annual General Meeting held on 26th September, 2017, M/s. M. L. Garg & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 26th Annual General Meeting until the conclusion of the 31st Annual General Meeting.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments under Section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

##### **Cost Auditors**

Complying with the provisions of Section 148 of the Companies Act, 2013 and the MCA General Circular No. 15/2011 dated April 11, 2011, (as amended vide General Circular No. 36/2012 dated 6th November, 2012) subject to the approval of the Central





Government, the Audit Committee has recommended and the Board of Directors had appointed M/s. K. G. Goyal & Associates, Cost Accountants, Jalpur being eligible and having sought the appointment, as Cost Auditors of the Company to carry out the Cost Audit of all the products manufactured by the Company for the year ended March, 2021. Your Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time.

#### **Secretarial Auditors**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Shri B. L. Patni, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed and marked as Annexure-IV to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **ENVIRONMENT, SAFETY, ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company accords high priority to health, safety and environment, particularly in and around its facilities. The Company considers it essential to protect the Earth and its limited natural resources as well as the health and well-being of every person. Safety awareness is provided through regular safety awareness programs, basic fire safety training, mock drills etc. As a part of safety management system, a comprehensive safety manual has been developed for use by the operating and safety personnel. There haven't been any accidents reported during the year under review.

Also, energy conservation is a key priority for your Company and it continuously strives to achieve this through process improvements and through the enhancement of equipment capabilities.

Particulars relating to Energy Conservation (Refer Annexure-V), Technology Absorption (Refer Annexure-VI) and Foreign Exchange Earnings and Outgo (Refer Annexure-VII), as required under section 134 of the Companies Act, 2013, are enclosed as a part of this report.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporate Social Responsibility is a commitment from the Company to improve the quality of life of the community and society at large. The Company believes in undertaking business in such a way that it leads not only to the overall development of all its stakeholders but also to the upliftment of the society.

The CSR policy was adopted by the Board of Directors on the recommendation of the CSR Committee. Report on CSR as Per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as Annexure VIII to this Report.

Your Company has spent Rs. 55.92 Lakhs under its Corporate Social Responsibility during the year.

#### **RISK MANAGEMENT**

Under Section 134(3)(n) of the Companies Act, 2013 & under regulations 21 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, the Company had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. The Risk Management Policy of the Company outlines different kinds of risks and risk-mitigating measures that are to be adopted by the Board. The company has adequate internal control systems and procedures to combat the risk. The Risk management procedure is reviewed by the Audit Committee and Board of Directors every quarter at the time of review of Quarterly Financial Results of the Company. This has also been covered in the Management Discussion and Analysis, forming part of this report.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

Your Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com).

#### **PREVENTION OF INSIDER TRADING**

Your Company has adopted a Code of Conduct for Prevention of Insider Trading to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information about the Company and during the period when the Trading Window is closed. All the Directors and the designated employees have confirmed compliance with the Code.

#### **INSURANCE**

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

Directors' & Officer's Liability (D & O) policy covers the Directors and Officers of the Company against the risk of third-party claims arising out of their actions/decisions in the normal course of discharge of their duties, which may result in financial loss to any third party.

#### **INTERNAL FINANCIAL CONTROLS**

Your company has well established systems & rules for ensuring the orderly and efficient conduct of business, including adherence to company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparations of reliable financial statements.





Required system, to carry out risk assessment for identifying the risks along with its possible magnitude that need to be mitigated to determine the risk in each process and then to develop and design internal control to mitigate each risk, is in existence.

Your company has a well-tested ERP system with the requisite internal control to ensure financial safety as well as a timely preparation of reliable financial statements.

#### **REPORTING OF FRAUDS:**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and the rules made thereunder.

#### **PARTICULARS OF LOAN, GUARANTEE AND INVESTMENT**

During the year, your Company has not given any long-term inter-corporate deposit. The details of the investments made by company are given in Notes no. 4 & 8 in the financial statements.

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

In accordance with section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT 9 is available on the Company's website at <https://www.poddarplgmentsltd.com>.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Based on the framework of the Internal Financial Controls and compliance systems established and maintained by the company, the work performed by the Internal, Statutory, Cost and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board believes that the Company's Internal Financial Controls were adequate and effective during the financial year 2020-21.

Accordingly, under Section 134 (3) (c) and 134(5) of the Act, based upon the certification from SMPs, the Board of Directors, to the best of their knowledge and ability, confirm:

- a) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that the Company has selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent, to give a true and fair view of the state of affairs of the Company as of 31st March, 2021 and of the profit of the Company for the period ended on that date;
- c) that the Company has taken proper and sufficient care to ensure the maintenance of adequate accounting records as per the provisions of the Companies Act, 2013 for safeguarding its assets and for preventing and detecting fraud and other irregularities;

- d) that the Annual Accounts have been prepared on a 'going concern' basis;
- e) that the Company has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and
- f) that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

##### **1. Transfer of Unclaimed Dividend to IEPF:**

As required under Section 124 of the Act, the Unclaimed Final Dividend amount aggregating to Rs 13,13,168/- pertaining to the financial year ended on 31st March, 2013 lying with the company for seven years were transferred during the financial year 2020-21, to the Investor Education and Protection Fund (IEPF) established by the Central Government on 24.10.2020.

##### **2. Transfer of Shares to IEPF:**

As required under Section 124 of the Act, the company has transferred 298463 equity shares related to interim dividend, 21223 Equity Shares related to final dividend for FY 2010-11, 17615 Equity Shares related to final dividend for FY 2011-12 and 25900 Equity Shares related to final dividend for FY 2012-13 which has not been claimed by the members for seven consecutive years or more, have been transferred by the company to the Investor Education and Protection Fund (IEPF). Out of that 700 equity shares has been claimed by shareholders from IEPF authority. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

3. Shareholders/claimants whose shares, unclaimed dividend, have been transferred to the aforesaid IEPF Suspense Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) along with requisite fee as decided by the IEPF Authority from time to time.
4. Further, the Company shall be transferring the unclaimed Dividend for the financial year 2013-2014 to the IEPF Account on or before September 30, 2021. The Company shall also be transferring the shares, on which the dividend has remained unclaimed for seven consecutive years, to the IEPF Account simultaneously on the same date. The Company has sent individual letters to the shareholders for claiming the said dividend and has also advertised the same in the newspapers as per the Rules. Members are therefore requested to ensure that they claim the dividends referred above, before they are transferred to the said Fund.





5. Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our company website at <https://www.poddarplgmentsltd.com>. The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

#### **SECRETARIAL STANDARDS**

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

#### **GENERAL**

Your Directors state that no disclosure or reporting is required during the year under review as there were no transactions on the following items:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Any Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
3. Employees' Stock Options Scheme (ESOS).
4. Holding or Subsidiary or Associate Company.
5. Significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

6. Issue of any sweat equity shares.
7. Initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.
8. There is no change in nature of business of the Company

Your Directors further state that during the year under review no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No material changes and commitments have occurred, after the close of the year till the date of this report, which affect the financial position of the Company.

#### **ACKNOWLEDGEMENT**

The Management is grateful to the various government and semi-government authorities, bankers, investors, marketing dealers, suppliers, vendors and customers for their valued support and cooperation.

The Directors also wish to place on record their appreciation for the dedication and excellent contribution of the employees in realizing and achieving the objectives of the Company. The enthusiasm of the executives, staff and workers has enabled the company to remain consistently on its growth path.

**For and on behalf of the Board of Directors**

**PLACE: CHENNAI**  
**DATE : 31st JULY, 2021**

S/d  
**M. K. Sonthalia**  
**DIRECTOR**  
(DIN: 00021297)

S/d  
**Gaurav Goenka**  
**JOINT MANAGING DIRECTOR**  
(DIN: 00375811)





## ANNEXURE TO THE DIRECTORS' REPORT

Annexure	Content
I.	Research and Development ( R&D)
II.	Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013.
III.	Information as per section 197 (12) read with Rules 5(2) and 5(3) of the Company's (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013.
IV.	MR-3 Secretarial Audit Report
V.	Particulars of Energy Conservation
VI.	Technology Absorption, Adaptation and Innovation
VII.	Foreign Exchange Earned and Outgo
VIII.	Annual Report on Corporate Social Responsibility

### I RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D was carried out by the Company.
  - i Development of various color and additive masterbatches for different end-users as per the requirements of the fibre & plastic industries.
  - ii Development of Polyethylene based Algacide and Fungicide Masterbatches
  - iii Improved FR Masterbatch for Polyester and PP yarn/fibre.
  - iv Development of Hydrophilic Masterbatch for PP non-woven fabrics.
  - v Development of Soft-Feel Masterbatch for PP nonwoven fabrics.
2. Benefits derived as a result of the above R&D.
  - I Development of new products have generated additional business and increased customer base.
  - II Development of a new range of application masterbatches currently not manufactured in the country
  - III Offering process flexibility and cost-effective solutions.
  - iv Productivity enhancement, optimized cost, improved quality and reduction in environmental pollution by offering alternatives for dyed yarns & textiles.
3. Future plan of action
  - i To continue efforts towards the development of various colors and additive masterbatch and also a new range of functional masterbatches, conforming to the customer requirements.  
Also, to develop a versatile product range of masterbatches to meet newer market requirements.

- II To provide customer-valued solutions with the best products and services to make your company the first choice for masterbatches.
- III Continuous updating of technology, R & D and monitoring facilities reckoning with latest development in the field of masterbatches, compounding and other such related areas.

### 4. Expenditure on R&D

(a) Capital	Rs. NIL
(b) Recurring	Rs. 418.08 lakhs
(c) Total	Rs. 418.08 lakhs
(d) Total R&D expenditure as a percentage of revenue receipt (Net of GST and other income)	1.60 %

### II DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under: -

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2020-21 (Rs.)	% Increase in Remuneration in the Financial Year 2021-21	Ratio of remuneration of each Director to median remuneration of employees
1.	Shri S.S.Poddar, Managing Director	1,64,46,398	2.00	36.44
2.	Shri Gaurav Goenka Joint Managing Director	1,00,93,003	0.13	22.38
3.	Shri R.K.Suraka, Director & CEO	1,79,06,854	0.04	39.67
4.	Smt. Mahima P. Agarwal Non-Executive Director	40,000	100	0.09
5.	Shri M.K.Senthalla Non-Executive Independent Director	60,000	100	0.13
6.	Shri N.Gopalaswamy Non-Executive Independent Director	45,000	28.57	0.10
7.	Sh. M. Mahadevan Non-Executive Independent Director	45,000	200	0.10





Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2019-20 (Rs.)	% Increase in Remuneration in the Financial Year 2019-20	Ratio of remuneration of each Director to median remuneration of employees
8.	Smt. Lalitha Kumaramangalam Non-Executive Independent Director	40,000	0	0.09
9.	Shri B. K. Bohra Chief Financial Officer	51,11,363	(7.73)	Not Applicable
10.	Shri Navin Jain AVP (Legal) & Company Secretary	40,77,800	(1.82)	Not Applicable

- (ii) The median remuneration of employees of the Company during the financial year was Rs. 4,51,380/-.
- (iii) In the financial year, there was a decrease of 2.76% in the median remuneration of employees.
- (iv) There were 309 employees on the rolls of Company as on March 31, 2021.
- (v) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

### III INFORMATION AS PER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Under the provision of Section 136 (1) of the Companies Act, 2013 all reports and accounts are sent to all the shareholders of the Company, except the annexure in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the names of the top ten employees. Any shareholder, interested in inspecting this report, can visit our registered office or write to the Company Secretary for a copy of it.

### IV SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

To,  
The Members,  
**Poddar Pigments Limited**  
E-10-11, F-14-16, RIICO Industrial Area  
Sitapura, Jaipur-302022

I have conducted the secretarial audit pursuant to Section 204 of the Companies Act, 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by **Poddar Pigments Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Poddar Pigments Limited's 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Poddar Pigments Limited ("the company") for the financial year ended on 31st March, 2021 according to the provisions of:

- i) The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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")
  - 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, 2015;





- c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) \*The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) 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;
- g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

\*No event took place under these regulations during the audit period.

- vi) I have been informed that no other sector/industry specific law is applicable to the Company.
- vii) I have examined compliance with the applicable clauses of the Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by The Institute of Company Secretaries of India, with which the Company has complied with.
- viii) I have also examined compliance with the applicable clause of the Listing Agreement entered with BSE & NSE.
- ix) I have also examined compliance with the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that during the period, under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. to the extent applicable, as mentioned above.

**I further report that:**

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to be expressing an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and 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. I believe that the processes and practices, I have followed, provide a reasonable basis of my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures 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.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, a Woman Director 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 accordance 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 sent at least seven days in advance, and a system exists 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 meetings duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and process in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit period there were no other specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

S/d

**Name of the Company Secretary  
In Practice : BABU LAL PATNI**

**Place : Kolkata  
Dated : 20th April, 2021**

**FCS No. : 2304  
C.P. No. : 1321  
UDIN : F002304C000134326**





## V ENERGY CONSERVATION

### (I) Steps taken for impact on conservation of energy:

- Installation of energy efficient LED lights in place of conventional lights.
- Installation of new energy efficient Screw compressor and changes incorporated in the compressed air distribution system of plant.
- Installation of new energy efficient Air washer units.

### (II) Steps taken by the company for utilizing alternate sources of energy: NIL

### (III) Capital investment on energy conservation equipment:

Total investment on energy conservation: Rs. 5,60,000/-

The Company continues to accord high priority to the conservation of energy on an ongoing basis.

## VI TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

### 1 Efforts, in brief, made towards technology absorption, adaptation and innovation.

- Improvement and benchmarking of existing products to match International standards. Adoption of state-of-the-art technology practices to meet the stringent industry requirements & quality norms. Indigenization of products hitherto being imported in the industry. New mixing & improved masterbatch preparation techniques to help improve environment, productivity & quality. Continuous efforts to update, optimize, review and adopt the latest technologies and process improvement techniques.

### 2 Benefits derived as a result of the above efforts.

- Achievement of superior quality & cost-effective production resulting in improved realization of finished goods.
- Introduction of new functional products.
- Leadership position in the market.
- Technology upgradation.

3 Technology imported during last five years.	NIL
(I) Technology Imported for manufacture	N.A.
(II) Year of Import	N.A.
(III) Has technology been fully absorbed?	N.A.

## VII FOREIGN EXCHANGE EARNED AND OUTGO

(Rs. In Lakhs)

	2020-21	2019-20
1 Foreign Exchange Earned	6624.46	7871.92
2 Foreign Exchange Outgo	6489.43	9459.88

## VIII Annual Report on Corporate Social Responsibility

### 1. Brief outline on CSR Policy of the Company.

The CSR Committee and Board of Directors have approved the CSR Policy of the Company in their meeting held on 18.10.2014 and reviewed & updated in their meeting held on 24.05.2019 as per Companies (Corporate Social Responsibility Policy) Rules, 2014 under section 135 of the Companies Act, 2013. The Policy of the Company is available on the website of the company [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com)

### 2. Composition of CSR Committee:

Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Shri S. S. Poddar	Chairman of the Meeting and Managing Director	4	2
Shri Gaurav Goenka (w.e.f. 31.06.20)	Member- Joint Managing Director	4	2
Shri R. K. Sureka (upto 31.06.20)	Member- Director & CEO	4	2
Smt. Lalitha Kumaramangalam	Member - Non Executive & Independent Director	4	4

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com)

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : NA

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any :

S.No.	Financial Year	Amount available for set-off from preceding financial years (In Rs)	Amount required to be set off for the financial year, if any (In Rs)
-	-	-	-



6. Average net profit of the company as per section 135(5) :

Net Profit for the F.Y	Profit before tax (PBT) Amount (Rs. In Lakhs)	PBT as per Section 198 of Companies Act, 2013. Amount (Rs. In Lakhs)
2017-18	2832	2667
2018-19	2361	2497
2019-20	2882	3220
Average net profit	2692	2795

7. (a) Two percent of average net profit of the company as per section 135(5) : Rs. 55.90 lakhs  
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years : NIL  
 (c) Amount required to be set off for the financial year : NIL  
 (d) Total CSR obligation for the financial year (7a+7b-7c) : Rs. 55.90 lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(6)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
55,92,000/-	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (In Rs.)	Amount spent in the current financial year (In Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (In Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (In Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation Through implementing agency	
				State	State. District			Name	CSR registration number
1	Education	Promoting Education	No	Tamil Nadu	Chennai	22,000/-	No	Rajammal Trust for Special Children	-
2	Spread of free Sanskrit education	Promoting education including special education	No	Puducherry	Puducherry	2,00,000/-	No	Vraja Trust	-





3	Education	Promoting education	Yes	Rajasthan	Jaipur	25,00,000/-	No	Adarsh Shiksha Samiti	-
4	Library and Gaushala	Promoting Education and Animal Welfare	No	U.P.	Gorakhpur	5,00,000/-	No	H.P.Smarak Samiti	-
5	Education	Promoting Education	No	Tamil Nadu	Chennai	4,00,000/-	No	Jaigopal Garodia Vivekananda Vidalla Trust	-
6	Health care	Promoting health care	No	Tamil Nadu	Chennai	2,00,000/-	No	Ramnath Goenka Charitable Trust	-
7	Education	Promoting Education	No	Tamil Nadu	Chennai	2,00,000/-	No	The Spastics Society of Tamil Nadu (SPASTN)	-
8	Animal welfare	Animal welfare	Yes	Rajasthan	Jaipur	70,000/-	No	Raksha	-
9	Education	Promoting Education	Yes	Rajasthan	Tonk	15,00,000/-	No	Banasthall Vidyapith	-
	TOTAL					65,92,000/-			

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : NIL

(f) Total amount spent for the Financial Year (6b+8c+8d+8e) : 55.92 lakhs

(g) Excess amount for set off, if any – NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (In Rs.)	Amount spent in the reporting Financial Year (In Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (In Rs.)
				Name of the Fund	Amount (In Rs)	Date of transfer	
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (In Rs.)	Status of the project - Completed /Ongoing
-	-	-	-	-	-	-	-	-



10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

**(Asset-wise details). NA**

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

S/d  
**GOURAV GOENKA**  
**(JOINT MANAGING DIRECTOR)**  
(DIN: 00375811)

S/d  
**S. S. PODDAR**  
**(MANAGING DIRECTOR AND CHAIRMAN OF CSR COMMITTEE)**  
(DIN: 00058025)

#### **DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

The Company had framed a Code of Conduct for the Members of the Board of Directors and the Senior Management Personnel of the Company pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to strengthen corporate governance practices in the Company. They have affirmed their compliance with the said code.

**FOR PODDAR PIGMENTS LIMITED**

**Date : 31<sup>st</sup> July, 2021**

S/d  
**GOURAV GOENKA**  
**(JOINT MANAGING DIRECTOR)**  
(DIN: 00375811)





## MANAGEMENT DISCUSSION AND ANALYSIS

### Economic Overview

#### Global Economy

In the year 2020, the world experienced a crisis like no other and it is expected to continue in 2021. The Governments took bold steps to save lives and the economy with nearly USD 12 trillion in fiscal and about USD 7.5 trillion monetary actions. The World Bank estimated a 4.3% contraction of the global economy in 2020. The pandemic has caused a heavy toll on life and livelihood and pushed millions into poverty. This may impact economic activities and the income level for some time. Assuming a successful rollout of the vaccines, the World Bank indicated that the global economy will expand by 4% in 2021, provided the rollout is widespread. Meanwhile, the output in developed economies, which had shrunk by 5.4% in 2020, is projected to recover by 3.3% in 2021. However, the latest surge of Covid-19 infection in the leading economies may dent the growth yet again to some extent.

#### Indian Economy

The pandemic hit the economy when the growth was declining. The Government's action on managing the pandemic as well as the economy helped to arrest the de-growth to 9.6% for the financial year (FY) 2020-21. This is a significant improvement considering the 23.9% shrinkage which was recorded in GDP for April-June quarter. Considering the positive sentiments of the last two quarters of FY 2020-21, the World Bank estimates that the Indian economy will recover by 5.4% in FY 2021-22. This was mainly on account of the announcements of special economic packages by the Government of India to the tune of Rs. 21 Lacs Crores to support various sectors of the Indian economy. However the Indian economy has contracted at 8% during FY 2020-21 as per the second advance estimates by NSO (National Statistical Office).

However, the surge in Covid-19 positive cases and the rising death toll since April 2021 may slow down the economy again and may adversely impact the forecasted growth.

#### Financial and Operational Performance

Your Company registered a sale of Rs. 29452 Lakhs for the year ended 31.03.2021, as against Rs. 40197 Lakhs in the previous year. As per the Government of India's directive for a total lockdown starting March 23, 2020, Your Company had to shut down its business operations temporarily. This was in compliance with the directives issued by MHA as a precautionary measure against the COVID-19 pandemic. During the first 6 months of the year, the operations of the company were either completely or partially affected due to this. However, manufacturing activities returned to substantial normalcy during the second half of the year. In addition, your Company achieved ISO 9001:2015 standards, reflecting its commitment towards quality and customer satisfaction. Other financial details are as given in the Directors' Report.

### Industry Structure and Developments

Your Company manufactures color & additive Masterbatches for dope-dyeing man-made fibres (MMF), various plastic applications and engineering plastics & compounds. These are essential products required for textile and plastic products. Your Company also produces a whole host of smart products, which impart various forms of functionality to the end products, be it textiles or plastics. This is a promising product segment for the future unlike most other competitors who are not present in all segments.

Due to an increase in domestic consumption, India is fast emerging as one of the focus destinations for plastics and downstream players worldwide. In India we have approx. 51,000 plastic processing units employing more than 65 Lac people across the Country.

There is a tremendous potential for growth in the sector, catalyzed by drivers such as a growing middle-class, higher disposable incomes and urbanization. Improved standards of living have led to an increase in consumption of a wide range of consumer goods from packaged foods to automobiles. Investments in infrastructure and agriculture have also fuelled the demand for plastics and related products in India. Hence, it is rational to expect the demand for plastic products to further increase in the future.

The Government of India is playing its part in encouraging investments into the petrochemical sector, with a view to double the per capita consumption of Polymers to 20 kg a person by 2022. Currently, the average per capita consumption of polymers in India is 10kgs - a small number when compared to the world average of 32kgs. Further, although India's population is comparable to China, its polymer demand is only one-fifth that of China. This hints at a strong growth potential for the Indian plastics industry.

Sectors such as automobiles, consumer goods, infrastructure and irrigation are expected to drive the growth. Further, the packaging industry has witnessed a complete replacement of the old age products with the new ones.

#### Applications in Textiles

Your company's major product range comprises of masterbatches for the polyester textile segment.

While cotton is typically more comfortable in hot and humid weather, recent technological-developments in fabrics made with manmade fibres have bridged this gap, with added other advantages like strength, elasticity, color, absorption etc. Cotton will continue to be a crucial raw material for the textile industry; however, supply side pressures and price volatility will make it a challenge to satisfy the growing demand in future, which in turn will increase the bias towards synthetic fibres,





especially polyester.

The consumption of polyester fibers is gaining momentum due to factors such as the fluctuation in cotton prices, increased presence & sourcing by global brands where polyester fibre dominates, growth of women's wear segment, growth of value retail etc. The major raw material used in the global textile industry is polyester and cotton, while fibres like nylon, viscose are growing fast. Polyester is expected to dominate global textiles in the foreseeable future in almost all end-use categories. Within man-made fibres, polyester has a huge share of 76%. Fibres like nylon, acrylic and polyolefin are more expensive and used mainly for specialized applications like technical textiles. In recent years, polyester has shown an impressive growth at around 7.6% CAGR and has gradually eaten into the share of cotton.

The following key trends have been identified in the fashion industry:

- Increased emphasis on fitness and health as more and more people are opting for sports and physical exercises due to which they look for comfort along with performance.
- Fashion cycles are very short; brands frequently introduce new products and styles in the market.
- Consumer has become demanding and is seeking good quality at affordable prices.
- With increasing awareness about environmental issues, the concern of sustainability is growing.

Owing to the above trends in the global market, polyester has proved to be a cost-effective and adaptable fibre type, and has increasingly picked up the bulk of new business growth. It is recyclable and can be blended with other fibres like cotton and spandex for performance requirements. Polyester provides a combination of comfort and performance as it can be easily processed to improve the fibre properties. That is why, it has wide acceptance in various end use categories like sportswear, leisurewear, women dresses, home textiles, automotive, carpet, other industrial segments etc.

India's economy has been one of the best performing economies in the last decade and is expected to maintain a high growth rate over the next 10-15 years. In addition, Indian consumers' affinity towards brands and organized retailing is increasing, which is helping the growth of all products including textiles and apparel. The increased per capita income level has also helped to make these products affordable to a wider section of the population.

A large number of technical textile products are consumed by industries like automotive, healthcare, infrastructure, oil & petroleum, etc. With increase in investments in these industry sectors and increased awareness level of the workers of those sectors regarding personal safety, consumption of technical textiles is increasing rapidly. The Indian technical textiles market is expected to expand to USD23.3 billion by 2027.

**Increased awareness about hygiene & safety:** The increased consumer awareness is supporting the growth of technical textile materials like baby diaper, sanitary napkins, wipes, high visibility clothing etc. in domestic markets.

### Impact of COVID-19

The COVID-19 pandemic has brought us face to face with unimaginable circumstances. The pandemic has shaken up the human race and nearly all global economies.

Almost all major economies, including China, USA, India and many European nations, have been under complete or partial lockdown since beginning of CY 2020. Although opening up after lockdown resumed since May 7, 2020, normalcy hasn't been restored in most parts of the world. Moreover, with the emergence of the second wave of the pandemic in the first quarter of FY 2022, normalcy was further pushed out for most parts of the country.

The outbreak of COVID-19, saw a slowdown in the industry all across the globe. Furthermore, the global demand growth of polymers and textiles is expected to remain subdued in the near future.

The domestic as well as global demand for textile and plastic products have come to a grinding halt due to the panic created by the COVID-19 outbreak. Due to the lockdown, all sorts of textile and plastics-related factories were closed and are now gradually starting to reopen. The business community is on tenterhooks on account of cash-crunches, supply-chain disturbances and manpower-related issues.

The apparel industry has been severely hit all over the world. Retail stores have been closed and almost all buyers have been cancelling or postponing orders, owing to pre-existing inventory. As it appears, they may not place orders in the next few months as well. The labour situation, in this scenario, is extremely dire. The daily wage worker, who forms about 80 per cent of the workforce in garment factories, is out of work and probably back in their hometown. India's major export destinations - USA, S.E. Asia and Europe, are the worst affected. It is tough to say when these countries will return to normal life, and even if they do, how soon will consumers start spending is uncertain.

According to a recent survey by the International Textile Manufacturers Federation (ITMF), on an average 8% of orders have dropped worldwide and the expected turnover this calendar year will be down by nearly 10% over 2019 figures. The fall in orders ranges from 4% in South America to 13.33% in Africa.

The results show that, on an average, companies in all regions are expecting their turnovers in 2021-22 to be significantly lower.

Even ahead of the pandemic, the global polyester sector was impacted by the USA - China trade war and bore further damage by the COVID-19 outbreak in the later part of the year. As the outbreak spread across China and many nations across the globe, governmental restrictions to contain the outbreak were imposed. Consequently, the demand for polyester weakened.





As we are still reeling under the impact of the pandemic, it is difficult to predict the full extent of the impact the industry will have to endure.

#### **Managing the Black Swan event at your Company:**

Since the announcement of the lock down, Your Company's operations were shut down on 22nd March' 20. We have resumed operations on 07th May' 2020 and since then, the plant has been operating effectively. All guidelines, as issued by the government, are being strictly followed w.r.t. health, hygiene and safety of the employees.

Industrial relations between the employees and the management are excellent, hence the impact of non-availability of manpower as seen with most of the industries is not being faced by Your Company. As a result, the production operations are running at around 70% of normal capacity. Once all the customers return to their full production capacity, your company's operations will resume full capacity too.

Since Your Company has a very broad product mix for various applications of masterbatches in the textile and plastics segments, we have been able to achieve sales of around 70% of pre Covid-19 sales and hope to increase it in the coming months.

Digital communication by way of video conferencing, email, telephone have been strengthened and communication with all partners, customers and suppliers have been established successfully by this mode.

Continuous interaction and monitoring of the suppliers are being done so that the supply chain is not disturbed.

#### **Opportunities post Covid-19**

India is not only the second biggest manufacturer of textiles, apparel and technical textiles, but also offers diversified product baskets across the value-chain at a competitive price. India has a robust end-to-end textile and apparel value-chain covering fibre to retail. This sector accounts for around 2% of India's GDP and around 13 percent of India's export earnings. The design capabilities and flexibility of textile production lines have made India a sought after sourcing base for value-added products and textile products of smaller lot sizes.

The Indian polyester industry will find itself at an advantageous position with the growth of consumer demand and a strong manufacturing base, enabling India to serve as a regional polyester manufacturing hub. India enjoys a comparative advantage in terms of skilled manpower and cost of production, relative to other major textile producing regions.

The health-care and hygiene sectors have witnessed a spike in demand due to the COVID-19 crisis with increased usage of medical textiles and non-woven products.

India depends significantly on raw material imports for high-value-added synthetic products. With supply chain disruption in China, the global textile industry is expected to experience a vacuum for these raw materials in the post COVID-19 era. Indian textile

players stand to gain owing to the abundance of natural raw materials, a young workforce and end-to-end value chain capabilities.

Long before COVID-19, US fashion brands and retailers have begun to reduce their exposure to sourcing from China, especially since October 2019 due to concerns about the US-China tariff war. China's lost market shares have been picked up mostly by other Asian suppliers. Also the current situation presents an opportunity for India as it helps brands reduce their dependence on China.

Other advantages of India such as an English-speaking industry representation, unbiased legal systems and a wide scale proven democracy have all provided India with a chance to score more than its nearest competitor China.

As food and clothing will continue to remain key purchases, there is always hope for this industry.

With your Company being the pioneer in India for development and manufacturing of masterbatches for the textile segment and having a strong customer base in domestic as well as export market, it is expected that we can gain from these developments.

#### **Under the new normal, our focus is as follows:**

- Continuous research & development, to stay tuned to the changing needs of consumers.
- Promote sales of various functional products that have been developed e.g. anti-microbial properties, flame-retardant, soft to touch, hydrophilic, UV resistance, etc. which will be in greater demand
- Operational excellence, Innovation and cost management.
- Working capital and inventory management.
- To manage near-term risks
- Build upon new opportunities in the new normal world.
- Ensure customer demand is being met at all times.
- Successful implementation of the ongoing capacity expansion at the new site.

Your Company's thrust on the continuous development of new and innovative products and market-focused application development will enable it to stay ahead of the competition.

Your Company has also made in-roads into some of the world's largest masterbatch markets. The growth from export sales is expected to be around 10% per annum for the next few years.

Your Company also manufactures color and antimicrobial masterbatches for the PPE kits and other industries and expect good sales in the coming months.

In order to serve this growing market, your Company had planned in the last financial year for an expansion with a new site and has continued the construction of the factory post COVID-19, which will add an enhanced capacity of approx. 20-25%.





Demand in Asia is likely to be healthy, led by India and China, as the economies emerge from the COVID-19 crisis.

FY 2020-21 showed lower sales due to COVID-19. Your Company is confident in achieving sales matching pre COVID-19 levels in the FY 2021-22 and is optimistic of enhancing that further in FY 2022-23.

Hence, it can be stated that in the coming years, with the growing demand for masterbatches and the strategies being adopted, Your Company is headed towards excellent growth and better all-round performance.

### **Opportunities and Threats**

#### **Key Opportunity:**

Due to the low per capita polymer and polyester consumption in India, this segment is likely to experience an increase in demand. Your Company is a pioneer in the manufacture of masterbatches for the synthetic fibre industry, based on polyesters, nylons and polypropylenes, for specialty and general purpose applications such as automotives, carpets, home-furnishings, apparels, non-woven fabrics, technical fibres, etc. It is expected that the demand for Your Company's products will grow manifold with the increased requirements of the polyester fibre industry.

#### **Key Threats & Risks:**

**Demand Risk:** Recession in the user industries may affect demand for the products. Product changes, high fluctuation in the prices of raw materials, competition from domestic and global players and changes in the demand-supply environment may increase the pressure on margins. With continuous improvements in technology, new product developments and cost effective measures, Your Company is confident that it will successfully meet these challenges.

**Foreign Exchange Risk:** Fluctuations in foreign currencies also play a major role in the profitability of Your Company. It suitably hedges the differential short-term exposure between export and import to appropriately manage the currency risk.

**Competitor Risk:** The market is highly competitive with no fiscal barriers and no barrier to entry for new players. To address this risk, Your Company deploys multi-pronged plans for continuous improvements in the area of cost, quality, and customer service and brand equity.

The major risks prevalent in this industry are the high fluctuation in the prices of raw materials, technology obsolescence, competition from global players and further aberration in the custom duties in the coming years under WTO obligations. These can create pressures on the margins and thereby affect the performance of Your Company. Furthermore, low economic growth can affect sales and margins. Your company is taking due care against the prevailing risks in the industry by adopting new technologies, introducing innovative Masterbatches through its regular R&D, reduction in material costs, re-engineering business and manufacturing processes and much

more. Foreseeable risks to the Company's assets are adequately covered by comprehensive insurance policies.

Your Company has well designed strategies to identify and mitigate operational, financial, reporting and legal compliances.

### **Internal Control Systems and Their Adequacy**

Your Company has internal control procedures commensurate with the Company's size and nature of business. Your Company has an in-house team that carries out internal audits and ensures that all transactions are appropriately authorized, recorded and reported. Exercises for safeguarding assets and protection against unauthorized use are undertaken from time to time. There are well-established policies and procedures in place across Your Company. The objective of these procedures is to ensure the efficient use and protection of your Company's resources, accuracy in financial reporting and due compliance of statutes and Company procedures. The Internal Audit reports, the progress in implementation of recommendations and actions taken contained in such reports and the adequacy of internal control systems are reviewed by the Audit Committee of the Board in its periodical meetings. The same are also examined by the Statutory Auditors in course of their Audit procedures.

### **Human Resources**

The talent base of Your Company during the year 2020-21 was 309 (excluding casual). The Board of Directors expresses its appreciation for the sincere efforts made by the employees of your Company at all levels during the year.

Your directors believe and affirm the importance of developing human resources, which is the most valuable asset of your Company and the key element in bringing all round improvements and achieving growth. The human resource philosophy and strategy of your Company has been designed to attract and retain the best talent.

In practice, it creates and nurtures a work environment that keeps employees engaged & motivated. Employee relations during the year under review were peaceful. The contribution and co-operation received from employees across all levels was excellent and the same has been appreciated & supported by the management through its continuous & systematic training programs.

### **Corporate Social Responsibility**

The management of Your Company is of the opinion that the company's contribution to the society should be of its own volition and not out of compulsion. Hence, even before it was mandated by law, the company had initiated measures over the past several years, to help the underprivileged sections of the society. The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been made and further details on CSR activities is annexed and marked as Annexure VIII to the Directors Report.





### Key Performance Indicators

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous Financial Year) in key financial ratios, along with detailed explanations therefore, including:

There have been significant changes in the Financial Ratios of the Company. The key Financial Ratio are as below:-

SN	Particulars	31.08.2021	31.03.2020	Explanation for change
1	Interest coverage ratio	112.55	96.72	Decrease in Interest and Increase in profit.

### Forward-looking Statements

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements addressing expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. Your Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statement. Your Company assumes no responsibility to publicly modify or revise any such statements on the basis of subsequent developments, information or events.

For and on behalf of Management Team

DATE : 31st July, 2021  
PLACE : CHENNAI

S/d  
M. K. Sonthalla  
DIRECTOR  
(DIN: 00021297)

S/d  
Gaurav Goenka  
JOINT MANAGING DIRECTOR  
(DIN: 00375811)





## REPORT ON CORPORATE GOVERNANCE

[According to Regulation 34.3 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors of the Company have consistently endeavored to maintain high standards of Corporate Governance over the years. Given below is the report on Corporate Governance:

### 1 Company's Philosophy on Code of Governance

Your Company is committed to implement sound corporate governance practices with a view to bring about transparency in its operations and to maximize shareholder value. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Compliance of applicable statutes;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of Promoters, Executive and Independent Directors on the Board.

### 2 Board of Directors

The composition of Board, with reference to number of Executive, Non-Executive and Independent Directors, meets the requirement of Code of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has an adequate representation of Professionals, Qualified, Non-Executive and Independent Directors.

The present strength of Board is Eight (8) Directors. The Board comprises of three (3) executive and five (5) non-executive Directors representing the optimum combination of professionalism, knowledge and business experience.

#### 2.1 Composition of the Board:

In the Year 2020-21, four Board meetings were held on 29.06.2020, 31.08.2020, 06.11.2020 and 06.02.2021.

Details of composition of the Board, category, attendance of Directors at Board Meetings and last Annual General Meeting, number of other directorships and committee memberships are given below:

Sl. No	Name of the Director	Category of Directorship @	No. of Board meeting attended out of 4 held	Attendance at last AGM held on 30.09.2020	No. of other Directorships as on 31.03.2021			No. of committees in which Chairman/Member of other companies as on 31.03.2021				
					No.	Name of Listed company	Category	Number	Chairman	Name of Listed company	Category	
(i)	SHRI S. S. PODDAR, MANAGING DIRECTOR	\$	4	YES	2	-	-	-	-	-	-	-
(ii)	SHRI GALRAV GOENKA, (JOINT MANAGING DIRECTOR	**	4	YES	3	-	-	-	-	-	-	-
(iii)	SHRI R. K. SUREKA DIRECTOR & CEO	#	4	YES	1	-	-	-	-	-	-	-
(iv)	SMT. MAHIMA P. AGARWAL	*	4	YES	1	-	-	-	-	-	-	-
(v)	SHRI N. GOPALASWAMY	&	4	YES	1	-	-	-	-	-	-	-
(vi)	SHRI M.K. SONTHALIA	&	4	YES	10	-	-	-	-	-	-	-
(vii)	SHRI M. MAHADEVAN	&	3	YES	5	-	-	-	-	-	-	-
(viii)	SMT. LALITHA KUMARAMANGALAM	&	2	YES	-	-	-	-	-	-	-	-





@ Category of Directors:

- \$ Executive Promoter Director
- # Executive Director and resigned w.e.f. 01.08.2021
- \* Non-Executive Director and relative of Shri S. S. Poddar, Managing Director
- & Non-Executive Independent Director
- \*\* Executive Director and relative of Shri S. S. Poddar, Managing Director

**2.2 Composition of Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee consists of Smt. Lalitha Kumaramangalam (Chairperson), Shri M. Mahadevan, Shri N. Gopalaswamy, and Shri M. K. Sonthalia.

During the year ended 31.03.21, one meeting of the Nomination and Remuneration Committee was held on 18.06.20. The details of the constituents and attendance of the members at the Nomination and Remuneration Committee meeting are as follows:

Name of Members	Designation	No. of Meetings Attended
Smt. Lalitha Kumaramangalam	Chairperson - Non Executive & Independent Director	-
Shri M. K. Sonthalia	Member - Non Executive & Independent Director	1
Shri N. Gopalaswamy	Member- Non Executive & Independent Director	1
Shri M. Mahadevan	Member - Non Executive & Independent Director	1

**2.3 Remuneration to Executive Directors:**

The remuneration of Executive Directors is being determined by the "Nomination & Remuneration Committee" subject to the approval of the Board & the Company in General Meeting and such other authorities as may be necessary. The details of remuneration paid to Executive Directors during the year ended 31.03.21 are as follows:

Particulars	Shri S. S. Poddar, Managing Director	Shri Gaurav Goenka, Joint Managing Director	Shri R. K. Sureka, Director & CEO
Salary and Allowances	90,00,000	90,00,000	125,00,000
Contribution to Provident Fund	10,80,000	10,80,000	9,00,000
Value of other perquisites as per Income Tax Rules	29,88,791	13,003	15,06,354
Commission on Profit	33,97,607	-	30,00,000
<b>Total (Rs.)</b>	<b>1,64,46,398</b>	<b>100,93,003</b>	<b>1,79,06,354</b>

**2.4 Terms of Contract:**

Name of Director	Date of appointment	Expiry of contract	Severance fees	Notice Period
Shri S. S. Poddar	01.10.2019	30.09.2024	-	-
Shri Gaurav Goenka	01.04.2019	31.03.2022	-	-
Shri R. K. Sureka	01.10.2018	30.09.2021*	-	-

\* Resigned w.e.f. 01.08.2021

**2.5 Remuneration to Non-Executive Directors :**

No remuneration except sitting fee is paid to the Non-Executive Directors. During the year, a sum of Rs.170000/- was paid to the Non-Executive Directors for Board meetings attended by them, Rs.45000/- was paid to the Non-Executive Directors for Audit Committee meetings attended by them and Rs.15000/- was paid to the Non-Executive Directors for Performance Evaluation Committee meetings attended by them.





## 2.6 Shareholding of the Non-Executive Directors In the Company as on 31.03.21 :

None of the Non-Executive Directors, other than Smt. Mahima P. Agarwal who holds 605000 Equity Shares of the Company, hold any shares in the Company's Capital.

## 2.7 Information placed before the Board of Directors :

Your Company places before the Board all the information as required vide SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 2.8 Evaluation of Board Members:

Board monitors and reviews the evaluation criterion, as framed for the Board Members. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of executive/non-executive/Independent directors. Each Board member evaluates the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the whole Board and its various committees.

Independent directors have three key roles- governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include: -

- Ability to contribute to and monitor our corporate governance practices.
- Active participation in long-term strategic planning.
- Attendance and participations in meetings and timely inputs on the minutes of the meetings.
- Adherence to ethical standards & code of conduct of Company and disclosure of non-independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
- Objective evaluation of the Board's performance, rendering independent, unbiased opinion.
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguarding of confidential information

## 2.9 The details of familiarization programs imparted to Independent directors are given below :

The KMP of the Company makes presentations under provisions of Companies Act, 2013 and as per Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Independent Directors on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seeks their opinions and suggestions on the same. The Directors are briefed on their specific responsibilities and duties that may arise from time to time. The Independent Directors are presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on Performance Evaluation, Policy on material events, Succession Policy, Whistle blower policy, Risk Management Policy and Corporate Social Responsibility policy. The Directors are also briefed about the changes in Companies Act, 2013 and rules made thereunder as well as in the SEBI/Regulations. Details of the familiarization program are available on the website: <http://www.poddarpigmentsltd.com/Investors.html>.

## 2.10 Chart or a matrix setting out the skills/expertise/competence of the board of directors:

Sr. No.	Areas of expertise Required	Description	Skill areas actually available with the Board	Names of directors who have such skills / expertise / competence
1	Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats; Develop effective strategies in the context of the Company's strategic objectives, relevant policies and priorities.	Yes	Shri S. S. Poddar, Shri Geurav Goenka, Shri R. K. Sureka, Shri N. Gopalaswamy, Shri M. K. Sonthalla, Shri M. Mahadevan, Smt Mahima P. Agarwal, Smt. Lalitha Kumaramangalam





Sr. No.	Areas of expertise Required	Description	Skill areas actually available with the Board	Name of directors who have such skills / expertise / competence
2	Governance, Risk and Compliance	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.	Yes	Shri S. S. Poddar, Shri Gaurav Goenka, Shri R. K. Sureka, Shri N. Gopalaswamy, Shri M. K. Sonthalia, Shri M. Mahadevan, Smt. Lalitha Kumaramangalam & Smt. Mahima P. Agarwal.
3	Financial	Comprehensive understanding of financial accounting, reporting and internal controls and analysis	Yes	Shri S. S. Poddar, Shri Gaurav Goenka, Shri R. K. Sureka, Smt. Lalitha Kumaramangalam & Smt. Mahima P. Agarwal.
4	Sales, Marketing & Brand building	Experience in developing policies to grow sales and market share, create brand awareness and brand equity, and enhance enterprise reputation on a sustainable basis.	Yes	Shri S. S. Poddar, Shri Gaurav Goenka, Shri R. K. Sureka, Smt. Mahima P. Agarwal & Smt. Lalitha Kumaramangalam

### 2.11 Confirmation:

In the opinion of the board, the Independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent from the management.

### 2.12 During the Financial Year 2020-2021, none of the Independent Director have resigned from the Company before the expiry of their tenure.

### 3. Audit Committee:

The Audit Committee consists of Smt. Lalitha Kumaramangalam (Chairperson), Shri M.K. Sonthalia, Shri R.K. Sureka and Shri M. Mahadevan (w.e.f. 31.08.2020).

During the year ended 31.03.21, four meetings of the Audit Committee were held on 29.06.20, 21.08.20, 06.11.20 and 06.02.21. The details of the attendance of the members at the Audit Committee and constituents of the Committee are as follows :

Name of Members	Designation	No. of Meetings Attended
Smt. Lalitha Kumaramangalam	Chairperson- Non Executive & Independent Director	4
Shri M. K. Sonthalia	Member- Non Executive & Independent Director	3
Shri R. K. Sureka (Resigned w.e.f. 1.08.2021)	Member- Director & CEO	3
Shri M. Mahadevan (Appointed w.e.f. 31.08.2020)	Member- Non Executive & Independent Director (w.e.f. 31.08.2020)	2

The Heads of Finance Function and Internal Audit are permanent invitees to the Meeting. The Statutory Auditors are also invited and the partner(s) of the Statutory Auditors attend the meetings.

Minutes of each Audit Committee Meeting are placed before Board and are noted in the subsequent Board Meeting. The terms of reference of the Committee are in line with the requirements of the code. The brief terms of reference of the Audit Committee include:

- Review of the Company's financial reporting process and financial statements.
- Review of accounting and financial policies and practices.





- c) Review of Internal control and Internal audit systems and their adequacy & stiff arrangement.
- d) Discussion with Internal Auditors on any significant findings and follow-up thereon.
- e) Reviewing the Company's financial and risk management policies and mitigation.
- f) Reviewing the Quarterly and Annual Financial Statements before submission to the Board.
- g) Recommending the appointment and removal of Statutory Auditors, audit fee and payment for any other services.
- h) To discuss post-audit observations with the statutory auditors.
- i) To review the compliance of all statutes as applicable to the company and to review the legal cases filed by or against the company.
- j) To frame and to review Risk Management Policy.
- k) To review forex exposure.

#### 4 Stakeholders Relationship Committee:

The Stakeholders Relationship Committee comprises of three Executive Director namely, Shri S. S. Poddar, Shri Gaurav Goenka & Shri R. K. Sureka, and two Non -Executive Directors namely Smt. Lalitha Kumaramangalam (Chairperson) & Smt. Mahima P. Agarwal.

The Committee met 9 times during the financial year ended March 31, 2021.

During the year ended 31.03.21, meetings of the Stakeholders Relationship Committee were held on 12.08.20, 01.10.20, 31.10.20, 12.11.20, 30.11.20, 17.12.20, 07.01.21, 22.01.21 and 05.02.21. The details of the attendance of the members at Stakeholders Relationship Committee and constituents of the Committee are as follows :

Name of Members	Designation	No. of Meetings Attended
Smt. Lalitha Kumaramangalam	Chairperson - Non Executive Director & Independent Director	1
Smt. Mahima P. Agarwal	Member - Non Executive Director	8
Shri S. S. Poddar	Member - Managing Director	9
Shri Gaurav Goenka	Member – Joint Managing Director	9
Shri R. K. Sureka (Resigned w.e.f. 01.08.2021)	Member- Director & CEO	1

The Committee, in addition to considering share transfer matters, also oversees redressal of shareholders' and investors' complaints/grievances and recommends measures to improve the level of investor services, besides discharging such other related functions, which may be referred to it by the Board from time to time. Your company is making all attempts to ensure that correspondences are expeditiously attended to the full satisfaction of the Shareholders.

#### Details of Pending Complaints :

Complaint Received from	No. of Complaints Received	No. of Complaints pending
SEBI	NIL	NIL
Stock Exchanges	NIL	NIL
Investors	NIL	NIL
Govt. Authorities	NIL	NIL

No Share is pending for transfer for more than 15 days.

#### Compliance Officer:

Shri Navin Jain, AVP (Legal) & Company Secretary is the compliance officer.





## 5 Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of two Executive Director namely, Shri S. S. Poddar (Chairperson), Shri R. K. Sureka (upto 31.08.20), Shri Gaurav Goenka (w.e.f. 31.08.20) and one Non-Executive Director namely, Smt. Lalitha Kumaramangalam. The Committee met 4 times during the financial year ended March 31, 2021.

During the year ended 31.03.21, Four Meetings of the CSR Committee were held on 29.06.20, 21.08.20, 06.11.20 and 06.02.21. The details of the attendance of the members and the constituents of the Committee are as follows :

Name of Members	Designation	No. of Meetings Attended
Shri S. S. Poddar	Chairman of the Meeting and Managing Director	2
Shri R. K. Sureka (Resigned w.e.f. 31.08.20)	Member- Director & CEO (upto 31.08.20)	2
Smt. Lalitha Kumaramangalam	Member - Non Executive & Independent Director	4
Shri Gaurav Goenka (Appointed w.e.f. 31.08.20)	Member- Joint Managing Director (w.e.f. 31.08.20)	2

## 6 Performance Evaluation Committee

The Performance Evaluation committee consists of Smt. Lalitha Kumaramangalam, Shri M. Mahadevan, Shri N. Gopalaswamy and Shri M. K. Sonthalla. The Committee met once during the Financial Year ended March 31, 2021. During the year ended 31.03.21, a meeting of the Performance Evaluation Committee was held on 18.06.20. The details of the attendance of the members and constituents of the Committee are as follows :

Name of Members	Designation	No. of Meetings Attended
Shri M. K. Sonthalla	Member- Non Executive & Independent Director	1
Shri N. Gopalaswamy	Member- Non Executive & Independent Director	1
Smt. Lalitha Kumaramangalam	Member - Non Executive & Independent Director	-
Shri M. Mahadevan	Member - Non Executive & Independent Director	1

## 7 Key Managerial Personnel and Senior Managerial Personnel Certification:

Necessary certifications, according to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been obtained and placed before the Board.

## 8 General Body Meetings:

Annual General Meetings

Venue and time for last three Annual General Meetings:

Financial Year	Venue	Date	Time	Details of Special Resolution Passed
2017-2018	Crowne Plaza, Sitapura Industrial Area, Tonk Road, JAIPUR	20.09.2018	11.00 A.M.	1. For an increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities in connection with loans to Persons/Bodies Corporate. 2. For Revision of remuneration and Re-appointment of Director & CEO
2018-2019	Crowne Plaza, Sitapura Industrial Area, Tonk Road, JAIPUR	21.09.2019	10.30 A.M.	1. For appointment of Joint Managing Director for a period of three years. 2. For revision in remuneration and re-





Financial Year	Venue	Date	Time	Details of Special Resolution Passed
				appointment of Managing Director for a period of five years. 3. For Managerial Remuneration In excess of the limits specified in Section 197 of the Companies Act, 2013. 4. For re-appointment of Shri M.K. Sonthalia (DIN:00021297) as an independent Director for a further period of five years (second term). 5. For re-appointment of Shri N. Gopalaswamy (DIN: 00017659) as an Independent Director for a further period of five years (second term).
2019-2020	Through Video Conference at Regd. Office at RIICO Industrial Area, Sitapura, Jalpur.	30.09.2020	11.00 A.M	-

No Special Resolution was passed through Postal Ballot during the FY2020-21. None of the businesses proposed to be transacted in the ensuing AGM required passing a special resolution through Postal Ballot.

## 9 Disclosures:

### a) Disclosure regarding materially significant related party transactions :

Related-party transactions have been given in Note No.33 to the Financial Statement of Notes on Accounts. Adequate care was taken to ensure that the potential conflict of interest did not harm the interest of the company at large.

### b) Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity:

Particulars	2020-21 (Rs. in lakhs)	2019-20 (Rs. in lakhs)
Rent Paid to M/s G K S Holdings Pvt. Limited	18.00	18.00
Rent / Electricity Expenses received from M/s G K S Holdings Pvt. Limited	0.52	0.61
Rent / Electricity Expenses received from M/s GKS Logistics Pvt. Ltd.	1.04	1.22

### c) Disclosure regarding certain non-compliance:

There was no instance of non-compliance or penalty, 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.

## 10 Communication to Share Holders :

Effective communication of information is an essential component of Corporate Governance.

Rather than sending Half Yearly reports to shareholders, Your Company sends the Annual Report regularly.

The quarterly, half yearly and Annual results of the Company are published in a leading English National Newspaper - The Business Standard (all editions) and in Hindi Local Newspaper - Nafa Nuksan (Jalpur edition). The results are also sent to the Stock Exchanges as per the requirements of Listing Regulations.

Your Company's website is [www.poddarplgimentsltd.com](http://www.poddarplgimentsltd.com). The Quarterly Financial Results of Your Company are available on the websites of the Stock Exchanges - Mumbai [www.bseindia.com](http://www.bseindia.com), and National Stock Exchange of India Ltd., [www.nseindia.com](http://www.nseindia.com) and also on the website of SEBI [www.sebi.gov.in](http://www.sebi.gov.in).

As per the requirements of Listing Regulations, all the data related to Quarterly, Half Yearly, Annual Financial Results, Shareholding Pattern etc., are uploaded on <http://listing.bseindia.com> and <https://www.connect2nse.com>

No presentation was made to the Institutional Investors or the analysts during the year ended 31.03.21.

Management Discussions and Analysis Report form a part of this Annual Report.





## 11 General Shareholders Information:

11.1	AGM : Date, Time through VC	8th September, 2021, 11.00 A.M.
11.2	Financial Calendar (Tentative)	Financial Year: 1st April, 2021 to 31st March, 2022 Results for the quarter ending: June 30, 2021 - Last week of July, 2021 September 30, 2021 - Second week of November, 2021 December 31, 2021 - Second week of February, 2022 March 31, 2022 - Fourth week of May, 2022
11.3	Date of Book Closure	01.09.2021 to 08.09.2021
11.4	Final Dividend Payment Date	23.09.2021
11.6	Listing on Stock Exchanges and their Code	

Name of Stock Exchanges	Code
The Bombay Stock Exchange	524570
The National Stock Exchange	PODDARMENT

The listing fee for the F.Y. 2021-22 has already been paid to The Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd, Mumbai. The ISIN number INE371C01013 are allotted under NSDL and CDSL for Demat of shares of the company.

### 11.6 Market Price Data : High, Low during each month in Financial Year 2020-2021

Period	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2020	158.85	112.10	159.00	110.40
May, 2020	152.85	127.10	152.95	128.95
June, 2020	174.00	137.10	174.00	137.00
July, 2020	199.00	150.70	197.40	150.00
August, 2020	226.00	170.00	226.50	172.00
September, 2020	215.00	176.05	215.00	176.00
October, 2020	197.40	175.50	197.95	173.75
November, 2020	197.05	168.00	196.65	166.20
December, 2020	200.90	171.00	200.50	172.40
January, 2021	206.00	181.45	206.95	181.10
February, 2021	218.00	181.65	218.40	181.10
March, 2021	211.00	162.50	211.00	184.85

11.7	Performance in comparison to Broad based Indices such as BSE, Sensex, CRISIL Index etc.	Not linked to Sensex/Index
11.6	Registrar and Transfer Agents	M/S Link Intime India Private Ltd. C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400083 Tel No : 022 49186000 Fax : 022 49186060 Email : <a href="mailto:mt.helpdesk@linkintime.co.in">mt.helpdesk@linkintime.co.in</a>





**11.9 Shares Transfer System**

Share Transfer request(s) received in physical form are not allowed w.e.f. 01.04.2019.

All request for de-materialization of shares, which are found to be in order, are generally processed within twenty-one days.

**11.10 Reconciliation of Share Capital Audit**

As directed by Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital audit is being carried out at the specified period, by the practicing Company Secretary. The findings of the Reconciliation of Share Capital audit were entirely satisfactory.

**11.11 Distribution of Shareholding as on 31.03.21 :-**

No. of equity shares held	No. of shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	8689	92.8907	1088377	10.2580
501-1000	384	4.1052	305767	2.8819
1001-2000	132	1.4112	200521	1.8899
2001-3000	54	0.5773	136717	1.2886
3001-4000	22	0.2352	78198	0.7182
4001-5000	20	0.2138	91709	0.8644
5001-10000	20	0.2138	149670	1.4107
10001 & above	33	0.3528	8581040	80.8884
<b>Grand Total</b>	<b>9354</b>	<b>100.0000</b>	<b>10610000</b>	<b>100.0000</b>

**Shareholding Pattern:-**

Particulars	No. of shareholders	% of Shareholders	No. of Shares	% of Shareholding
Domestic Companies (Promoters)	1	0.0107	4502892	42.4401
Resident Individuals (Promoters)	4	0.0428	2120766	19.9884
Resident Individuals (other than Promoters)	8911	95.2641	2749369	25.9130
Domestic Companies (other than Promoters)	78	0.8339	501171	4.7236
Non Resident Indians	132	1.4111	52955	0.4991
Mutual Funds/ FIs	3	0.0321	31632	0.2982
Foreign Portfolio Investors (Corporate)	1	0.0107	102353	0.9647
Investor Education And Protection Fund	1	0.0107	382501	3.4166
Others	223	2.3839	186361	1.7563
<b>Total</b>	<b>9354</b>	<b>100.0000</b>	<b>10610000</b>	<b>100.0000</b>

**11.12 Nomination Facility**

Shareholders holding physical shares may, if they so desire, send their nominations in prescribed Form SH-13 of the Companies (Share Capital and Debentures) Rules, 2014 to the Registrars & Transfer Agents of the Company. Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the nomination facility.





- 11.13 Unclaimed Dividend** The dividends which remain unclaimed for seven years is transferred to Investor Education and Protection Fund established by the Central Government under Section 124 of the Companies Act, 2013. Accordingly, the company transferred the unpaid or unclaimed final dividend for F.Y. 2012-13 to the Investor Education and Protection Fund (IEPF) on 24.10.2020.

Shareholders, who have not claimed their dividend till date for the following period, may approach us or our registrar for issue of duplicate warrants/demand drafts in place of the dividend warrant.

Year	Type of dividend	Date of declaration	Amount outstanding as on 31st March, 2020	Due for transfer on
2013-14	Final	23.08.2014	14,49,104	30.09.2021
2014-15	Final	11.09.2015	16,48,479	18.10.2022
2015-16	Interim	15.03.2016	16,19,283	22.04.2023
2016-17	Interim	12.02.2017	16,85,553	19.03.2024
2016-17	Final	28.09.2017	7,04,641	05.11.2024
2017-18	Final	20.09.2018	30,26,343	27.10.2025
2018-19	Final	21.09.2019	15,78,240	28.10.2026

- 11.14 Dematerialization of Shares & Liquidity** 95.38 % of shares have been dematerialized as on 31st March, 2021

- 11.15 Outstanding GDR/ADR/Warrants or any Convertible Instruments, Conversion date and likely impact on equity.** Nil

- 11.16 Brief Resume of Director being re-appointed**

Particulars	Shri Gaurav Goenka	Shri M. Mahadevan
Date of Birth	01.06.1975	07.04.1955
Date of Appointment	28.05.2016	17.06.2016
Qualifications	B.Sc. Boston University	Commerce Graduate
Expertise in specific functional area	Garments manufacturing, Real Estate Development and SAP Implementation	Leading entrepreneur in hotel industry around the world. Has been in business of Hospitality and Catering over 30 years

- 11.17 Plant Location and Address for Correspondence** E-10,11, F-14 to 16, RIICO Industrial Area, Sitapura, Jaipur-302 022.  
Telephone : (0141) 2770202,2770203  
Email : jaipur@poddarpigmentsltd.com  
njain@poddarpigmentsltd.com

- 11.18 List of credit Rating obtained by the Company** The Company's Credit Rating is A/Stable/A1, assigned by CRISIL for its working capital borrowings, which signifies a strong degree of safety concerning timely payments.





## 12. Other Disclosure:

- |             |   |   |
|-------------|---|---|
| <b>12.1</b> | Certificate from a company secretary in practice  | As required by Clause 10 (f) of Part C under Schedule V of the Listing Regulations, the Company has received a certificate dated 20.04.2021 from Shri Babulal Patni, Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. |
| <b>12.2</b> | Acceptance of recommendation of any committee of the board which is mandatorily required, in the relevant financial year  | The Board has accepted all the recommendations of the committees  |
| <b>12.3</b> | Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part. | Company has paid Rs. 300000/- to M/s M. L. Garg & Co., Statutory Auditor for Audit Fee and Rs. 37571/- for reimbursement during the F.Y. 2020-21  |
| <b>12.4</b> | Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013  | <ul style="list-style-type: none"><li>a. number of complaints filed during the financial year – NIL</li><li>b. number of complaints disposed of during the financial year - NIL</li><li>c. number of complaints pending as on end of the financial year - NIL</li></ul>   |

**For and on behalf of the Board of Directors**

**PLACE : CHENNAI**  
**DATE : 31.07.2021**

S/d  
**M. K. Sonthella**  
**DIRECTOR**  
(DIN:00021297)

S/d  
**GAURAV GOENKA**  
**JOINT MANAGING DIRECTOR**  
(DIN: 00375811)





## ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

### PRACTISING COMPANY SECRETARY'S CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

**BABU LAL PATNI**  
COMPANY SECRETARY

51, NALINI SETT ROAD  
5TH FLOOR, ROOM NO 19  
KOLKATA – 700 007  
TEL NO: 2259-7715/6  
Email Id: patnibl@yahoo.com

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

To,  
The Members of  
Poddar Pigments Limited  
E-10-11, F-14-16 RIICO Industrial Area,  
Sitapura, Jalpur 302022

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Poddar Pigments Limited having CIN L24117RJ1991PLC006307 and having registered office at E-10-11, F-14-16 RIICO Industrial Area, Sitapura, Jalpur 302022 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate. In accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment In Company
1.	MR. NAGARAJAN GOPALASWAMY	00017659	01/07/1994
2.	MR. MANOJ KUMAR SONTALIA	00021297	28/02/1994
3.	MR. SHIV SHANKAR PODDAR	00058025	28/02/1994
4.	MR. RAMESH KUMAR SUREKA	00058043	30/05/1999
5.	MR. GAURAV GOENKA	00375811	28/05/2016
6.	MR. MAHADEVAN	00786991	17/06/2016
7.	MS. MAHIMA PODDAR AGARWAL	03588809	25/07/2011
8.	MS. LALITHA KUMARAMANGALAM	08259526	18/10/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Dated: 20.04.2021

S/d  
Name of the Company Secretary in Practice: **BABU LAL PATNI**  
FCS : 2304  
C. P. No.: 1321  
UDIN : F002304C000134359





## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
PODDAR PIGMENTS LIMITED

1. We, **M.L. GARG & COMPANY, CHARTERED ACCOUNTANTS**, the Statutory Auditors of **PODDAR PIGMENTS LIMITED** (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (l) of regulation 48(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Management's Responsibility

2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with conditions of the Corporate Governance stipulated in the Listing Regulations.

### Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
4. We have examined relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control of Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (l) of regulation 48(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2021.
7. We 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.

PLACE: NEW DELHI  
DATE : 31<sup>ST</sup> JULY, 2021

FOR M.L. GARG & CO.  
CHARTERED ACCOUNTANTS  
FRN 001604N

S/d  
(M.L. GARG)  
PARTNER  
M. NO. 008850  
UDIN : 21008850AAAADE8176





## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF PODDAR PIGMENTS LIMITED

#### I. Report on the Audit of the Financial Statements FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

##### 1. Opinion

- A. We have audited the accompanying Financial Statements of **Poddar Pigments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes In Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").
- B. 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### 2. Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independent requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

##### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no matter which is required to be described as key audit matter to be communicated in our report.

##### 4. Information Other than the Financial Statements and Auditor's Report Thereon

- A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon. Our opinion on the standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### 5. Management's Responsibility for the Financial Statements

- A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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.
- B. In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless





management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

## **6. Auditor's Responsibilities for the Audit of the Financial Statements**

- A. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
  - i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(f) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- C. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.
- D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **II. Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit 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 Including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- D. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
- E. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- H. 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, as amended 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.
  - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

PLACE OF SIGNATURE : NEW DELHI  
DATE : 26<sup>TH</sup> JUNE, 2021

FOR M.L. GARG & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 001604N

S/d  
(M.L. GARG)  
PARTNER  
M. NO. 008850  
UDIN : 21008850AAAABQ6797





## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PODDAR PIGMENTS LIMITED**

**(Referred to in paragraph (II 1F) under 'Report on other Legal and Regulatory Requirements' 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")**

We have audited the Internal financial controls over financial reporting of **Poddar Pigments Limited** ("the Company") as of March 31, 2021 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**

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". 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**

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.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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**

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**

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**

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, 2021, 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"

**PLACE OF SIGNATURE : NEW DELHI  
DATE : 28<sup>TH</sup> JUNE, 2021**

**FOR M.L. GARG & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 001604N**

**S/d  
(M.L. GARG)  
PARTNER  
M. NO. 008850  
UDIN : 21008850AAAABQ8797**





## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure "B" referred to in paragraph (II) 2 of our report of even date to the members of Poddar Pigments Limited on the Financial Statements for the year ended 31st March, 2021.

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of fixed assets has been carried out by the Company and no material discrepancies were noticed on such verification. There is structured programme for verification to cover the entire assets over a period of 3 years. In our opinion the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- (c) Title deeds of immovable properties of the company are held in the name of the Company.
- ii) (a) The Inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion, no material discrepancies were noticed on physical verification of inventories.
- iii) According to the information and explanations given to us, the Company has, during the year, not granted any loans, secured or unsecured to companies firm, Limited liability partnerships firms or other parties covered in the register maintained under section 189 of the companies Act, 2013. Accordingly paragraph 3(III) of the Order is not applicable to the Company.
- iv) According to the information and explanation given to us, the company has no investment, Loans and guarantees which required compliance of provisions of section 185 and 186 of the Companies Act, 2013, and hence paragraph of 3 (iv) of the Order is not applicable to the Company.
- v) The Company has not accepted any deposits during the year and hence paragraph 3(v) of the Order is not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records of the Company under clause (d) of Sub Section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We are, however, not required to and have not carried out any detailed examination of such accounts and records with a view to determining whether they are accurate or complete.
- vii) (a) According to the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, Goods & Service tax, duty of custom, cess and other statutory dues wherever applicable.

According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as on the last date of the financial year for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the details of dues in respect of income tax and Service tax which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Sl No.	Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act	Disallowance of Expenses	9.24	AY 2007-08	ITAT

- viii) Based on our audit procedures and according to the information given by the management, the company has not defaulted repayment in respect of any loans or borrowings from any financial institution, bank, government or dues to debenture holders during the year.
- ix) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the financial year and has not done any initial public offer or further public offer (including debt instrument) nor term loans and hence paragraph 3(b) of the Order is not applicable to the Company.
- x) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management, we report that no fraud by the Company or any fraud on the company by its officer or employees has been noticed or reported during the course of our audit.





- x) The managerial remuneration has been paid / provided (by the Company) are in compliance with Section 197 read with schedule V to the Companies Act, 2013.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence paragraph 3 (xi) of the Order is not applicable to the Company.
- xiii) As explained to us and as per the records of the company, in our opinion the transactions with the related parties are in compliance with Section 177 and Section 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standard.
- xiv) According to the records of the company, it has not made any preferential allotment of shares or private placement of shares or fully/partly convertible debentures during the year under report. Accordingly paragraph 3 (xiv) of the Order is not applicable to the Company.
- xv) During the year, the Company has not entered into any non-cash transaction with Director or person connected with him. Hence paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and hence paragraph 3 (xvi) of the Order is not applicable to the Company.

**PLACE OF SIGNATURE : NEW DELHI**  
**DATE : 26<sup>TH</sup> JUNE, 2021**

**FOR M.L. GARG & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN 001804N**

S/d  
**(M.L. GARG)**  
**PARTNER**  
**M. NO. 008850**  
**UDIN : 21008850AAAABQ8797**





## Balance Sheet as at 31<sup>st</sup> March, 2021

(Rs. In lakhs)

Particulars	Notes No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	2	3,424.97	3,578.14
Capital work in progress	2	3,821.04	804.29
Intangible Assets	3	25.81	33.01
<b>Financial Assets</b>			
Investments	4	4,657.66	1,737.74
Other Financial Assets	5	105.83	105.83
Other Non -Current Assets	6	502.10	1,509.13
<b>Total Non Current Assets</b>		<b>12,537.41</b>	<b>7,766.14</b>
<b>CURRENT ASSETS</b>			
Inventories	7	4,322.16	6,077.99
<b>Financial Assets</b>			
Investments	8	4,249.73	3,288.37
Trade receivables	9	4,077.82	4,062.06
Cash and cash equivalent	10	781.00	1,033.49
Other Bank Balances	11	117.14	130.51
Other Financial Assets	12	91.80	100.46
Current Tax Assets ( Net)	13	58.23	40.47
Other Current Assets	14	489.54	600.51
<b>Total Current Assets</b>		<b>14,187.42</b>	<b>14,333.86</b>
<b>Total Assets</b>		<b>26,724.83</b>	<b>22,100.00</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	15	1,061.00	1,061.00
Other Equity	16	23,234.77	17,756.47
<b>Total Equity</b>		<b>24,295.77</b>	<b>18,817.47</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred Tax Liabilities (Net)	17	359.60	410.82
<b>Total Non Current Liabilities</b>		<b>359.60</b>	<b>410.82</b>
<b>CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Trade payables	18	-	-
Total Outstanding Dues of Micro Enterprises & Small Enterprises		-	-
Total Outstanding Dues of Creditors Other than Micro Enterprises & Small Enterprises		1,191.84	1,665.78
Other-Financial Liabilities	19	679.14	736.62
Provisions	20	7.78	106.13
Other Current Liabilities	21	190.70	363.26
<b>Total Current Liabilities</b>		<b>2,069.46</b>	<b>2,871.71</b>
<b>Total Equity and Liabilities</b>		<b>26,724.83</b>	<b>22,100.00</b>

Company overview, basis of preparation & significant accounting policies & the accompanying notes (Notes no. 1 to 39) are integral part of the financial statements.

As per our report of even date  
For M.L. GARG & COMPANY  
CHARTERED ACCOUNTANTS  
ICAI'S FRN 001604N

S/d  
M.L. GARG  
PARTNER  
Membership No. 008850  
PLACE : New Delhi  
DATE : 26th June, 2021

S/d  
NAVIN JAIN  
AVP (LEGAL) &  
COMPANY SECRETARY

S/d  
B.K. BOHRA  
CFO

For and on behalf of the Board of Directors

S/d  
R.K. SUREKA  
DIRECTOR & CEO  
DIN : 00059043

S/d  
S.S. PODDAR  
MANAGING DIRECTOR  
DIN : 00059025





## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2021

(Rs. In lakhs)

Particulars	Notes No.	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>INCOME</b>			
Revenue from operations (Gross)	22	29,451.72	40,197.10
Less- GST		(3,381.82)	(4,530.19)
Revenue from Operations ( Net )		26,069.90	35,666.91
Other Income	23	363.81	440.40
<b>Total Revenue</b>		<b>26,433.71</b>	<b>36,107.31</b>
<b>EXPENSES</b>			
Cost of materials consumed	24	17,989.99	28,445.05
Changes In Inventories of finished good & work-in-progress	25	94.30	484.45
Employee benefits expense	26	2,555.70	2,669.45
Finance costs	27	27.74	30.11
Depreciation and amortization expense	2	210.59	282.50
Other expenses	28	2,480.88	3,303.87
<b>Total expenses</b>		<b>23,339.20</b>	<b>33,225.43</b>
<b>Profit/(loss) before tax</b>		<b>3,094.51</b>	<b>2,881.88</b>
<b>Tax expense</b>			
(1) Current tax		774.80	775.50
(2) Deferred tax (Credit)		(46.05)	(73.14)
(3) Adjustment of tax relating to earlier periods		-	54.15
<b>Total Tax Expenses</b>		<b>728.75</b>	<b>756.51</b>
<b>Profit for the year</b>		<b>2,365.76</b>	<b>2,125.37</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit &amp; loss</b>			
a) Remeasurement of defined benefit obligations		(20.57)	(59.81)
Income tax relating to these Items		5.18	17.42
b) Change in fair value of investment in equities carried at fair value through OCI		3,127.93	(4,747.50)
Income tax relating to these Items		-	(1.85)
<b>Other Comprehensive Income for the year, net of tax</b>		<b>3,112.54</b>	<b>(4,788.24)</b>
<b>Total Comprehensive Income for the year</b>		<b>5,478.30</b>	<b>(2,662.87)</b>
<b>Earnings per share</b>			
Basic (Rs.)		22.30	20.03
Diluted (Rs.)		22.30	20.03

Company overview, basis of preparation & significant accounting policies & the accompanying notes (Notes no. 1 to 39) are integral part of the financial statements.

As per our report of even date  
For M.L. GARG & COMPANY  
CHARTERED ACCOUNTANTS  
ICAF'S FRN 001604N

S/d  
M.L. GARG  
PARTNER  
Membership No. 008850  
PLACE : New Delhi  
DATE : 28th June, 2021

S/d  
NAVIN JAIN  
AVP (LEGAL) &  
COMPANY SECRETARY

S/d  
B.K. BOHRA  
CFO

For and on behalf of the Board of Directors

S/d  
R.K. SUREKA  
DIRECTOR & CEO  
DIN : 00058043

S/d  
S.S. PODDAR  
MANAGING DIRECTOR  
DIN : 00058025





## Statement of Cash Flow for the Year ended 31<sup>st</sup> March, 2021

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	3,084.51	2,881.88
<b>Adjustments for:</b>		
Depreciation and Impairment of property, plant and equipment	210.59	292.50
Actuarial (loss)/gains on defined benefit obligations	(20.57)	(59.81)
Net (Gain)/Loss on disposal of property, plant and equipment	(0.33)	1.16
Unrealized (Gain)/ Loss on Exchange-Net	(30.96)	(107.18)
Net (Gain)/ Loss on sale of Investments	(68.11)	(39.58)
Income from Investment (non trade) Dividend	-	(3.16)
Interest Income	(5.56)	(47.08)
Finance costs	27.74	30.11
Gain/ Loss on fair valuation of investment through FVTPL	(53.66)	(3.24)
Liabilities written back	(2.93)	(26.57)
<b>Cash generated from operations before working capital changes</b>	<b>3,149.73</b>	<b>2,919.03</b>
<b>Working capital adjustments:</b>		
(Increase)/decrease in trade receivables	8.48	770.05
(Increase)/decrease in non current financial assets	-	(29.44)
(Increase)/decrease in non current assets	(36.80)	0.73
(Increase)/decrease in other current financial assets	8.66	(19.87)
(Increase)/decrease in other current assets	110.96	(323.62)
(Increase)/decrease in Inventory	755.82	(161.82)
Increase/(decrease) in other current financial liabilities	(41.15)	204.98
Increase/ (decrease) in other current liabilities	(172.58)	133.74
Increase/(decrease) in trade payables	(467.22)	219.93
Increase/(decrease) in non current provisions	(98.35)	98.35
<b>Cash generated from operations</b>	<b>3,217.77</b>	<b>3,812.06</b>
Income tax paid	792.56	753.20
<b>Net cash flows from operating activities (A)</b>	<b>2,425.21</b>	<b>3,058.86</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITY</b>		
Proceeds from sale of property, plant and equipment	0.81	13.75
Purchase of property, plant and equipment	(1,825.74)	(1,842.63)
Purchase of Intangibles Assets	-	(9.50)
(Purchase)/Sale of current Investment	(838.60)	(991.70)
Interest received	5.56	47.08
Short Term Loan Given	-	180.00
Dividend Received	-	3.16
(Purchase)/Sale of non-current Investments	8.00	0.05
<b>Net cash flows used in Investing activities (B)</b>	<b>(2,649.97)</b>	<b>(2,599.79)</b>





(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>C. CASH FLOW FROM FINANCING ACTIVITY</b>		
Interest Paid	(27.74)	(30.11)
Dividends paid to equity holders	-	(318.30)
Dividend Distribution Tax	-	(65.43)
Net cash flows from/(used In) financing activities ( C)	(27.74)	(413.84)
Net increase in cash and cash equivalents(A+B+C)	(252.50)	45.23
Cash and cash equivalents at the beginning of the year	1,033.49	988.26
Cash and cash equivalents at the year end	780.99	1,033.49

**Notes:**

- (i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- (ii) Cash and cash equivalent includes:
- |   |        |          |
|---|--------|----------|
| In Current Account including cash in hand | 182.94 | 250.07   |
| In EEFC Account                           | 598.06 | 783.42   |
| Cash and cash equivalents at year end     | 781.00 | 1,033.49 |
- (iii) Previous year figures have been regrouped/rearranged to make them comparable, wherever considered necessary, with those of the current year.

As per our report of even date  
For ML GARG & COMPANY  
CHARTERED ACCOUNTANTS  
ICAF'S FRN 001604N

S/d  
M.L. GARG  
PARTNER  
Membership No. 009850  
PLACE : New Delhi  
DATE : 26th June, 2021

S/d  
NAVIN JAIN  
AVP (LEGAL) &  
COMPANY SECRETARY

S/d  
B.K. BOHRA  
CFO

For and on behalf of the Board of Directors

S/d  
R.K. SUREKA  
DIRECTOR & CEO  
DIN : 00059043

S/d  
S.S. PODDAR  
MANAGING DIRECTOR  
DIN : 00058025





## STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2021

### A. Equity Share Capital

For the year ended 31 <sup>st</sup> March, 2021		(Rs. In lakhs)
Balance as at 1 <sup>st</sup> April, 2020	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2021
1,061.00	-	1,061.00

For the year ended 31 <sup>st</sup> March, 2020		(Rs. In lakhs)
Balance as at 1 <sup>st</sup> April, 2019	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2020
1,061.00	-	1,061.00

### B. Other Equity

For the Period ended 31<sup>st</sup> March, 2021 (Rs. In lakhs)

Particulars	Reserve and surplus			Remeasurement of Defined Benefit Plan	Equity Instruments through OCI	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings			
Balance at the beginning of the 1 <sup>st</sup> April, 2020	159.00	16,976.00	323.28	-	298.19	17,756.47
Profit for the period	-	-	2,365.76	-	-	2,365.76
Other comprehensive income	-	-	-	(15.39)	3,127.98	3,112.54
<b>Total Comprehensive Income for the Year</b>	<b>159.00</b>	<b>16,976.00</b>	<b>2,689.04</b>	<b>(15.39)</b>	<b>3,428.12</b>	<b>23,234.77</b>
Final dividend	-	-	-	-	-	(318.30)
Dividend distribution tax on Final dividend	-	-	-	-	-	(65.43)
Transferred to retained earnings	-	-	(15.39)	(15.39)	-	-
Gain on sale of mutual fund against deferred tax provision	-	-	-	-	-	-
Gain on sale of equity instrument (Net of tax)	-	-	8.00	-	8.00	-
Transferred to General Reserve	-	2,015.90	(2,015.90)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>159.00</b>	<b>18,991.90</b>	<b>665.75</b>	<b>-</b>	<b>3,418.12</b>	<b>23,234.77</b>

For the year ended 31<sup>st</sup> March, 2020 (Rs. In lakhs)

Particulars	Reserve and surplus			Remeasurement of Defined Benefit Plan	Equity Instruments through OCI	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings			
Balance at the beginning of the 1 <sup>st</sup> April, 2019	159.00	15,172.30	427.73	-	5,044.04	20,803.07
Profit for the period	-	-	2,125.37	-	-	2,125.37
Other comprehensive income	-	-	-	(42.39)	(4,746.86)	(4,788.24)
<b>Total Comprehensive Income for the Year</b>	<b>159.00</b>	<b>15,172.30</b>	<b>2,569.10</b>	<b>(42.39)</b>	<b>298.19</b>	<b>18,140.20</b>
Final dividend	-	-	(318.30)	-	-	(318.30)
Dividend distribution tax on Final dividend	-	-	(65.43)	-	-	(65.43)
Transferred to retained earnings	-	-	(42.39)	(42.39)	-	-
Transferred to General Reserve	-	1,803.70	(1,803.70)	-	-	-
<b>Balance as at March 31, 2020</b>	<b>159.00</b>	<b>16,976.00</b>	<b>323.28</b>	<b>-</b>	<b>298.19</b>	<b>17,756.47</b>





## Notes to the financial statements for the Year ended 31<sup>st</sup> March, 2021

### Note No. 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Corporate Information

Poddar Pigments Limited (the Company) is a public limited company domiciled in India, incorporated under the provisions of Companies Act, 1956 and presently being governed by the Companies Act 2013. Its shares are listed on Bombay Stock Exchange and National Stock Exchange of India. The Company is a manufacturer of Color & Additive Master batches for dope dyeing of man-made fibers, various plastic applications.

These financial statement have been authorised for issue with a resolution of the Board of Directors on 26th June, 2021.

#### Basis of preparation

##### A Statement of Compliance

Company has adopted Indian accounting Standard (Referred to as "Ind AS") as notified by Companies (Indian Accounting Standards) Rules 2015 (as amended) read with Section 133 of the Companies Act, 2013 with effect from 1 April 2017.

For all periods up to and including for the year ended 31 March 2021, the company's financial statements prepared complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The accounting policies are applied consistently to all the periods presented in the financial statements.

##### B Basis of Measurement

The Financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS.

The standalone financial statements are presented in Indian Rupees (Rs), which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakh (Rs. 00,000) and two decimals thereof, except as stated otherwise.

##### C Use of Estimates

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period in which the same is determined.

##### D Basis of classification Current and non-current

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

#### Significant accounting policies

##### A Property Plant & Equipment

###### A.1 Initial recognition and measurement

An item of property, plant and equipments recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful lives, they are recognized separately. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized. Property, Plant and Equipments which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-in-Progress' includes value of Machinery lying at Bonded warehouse as at year end.

The company had applied for the one time transition exemption of all considering the cost of the transition date i.e. 01 April 2016 as the deemed cost under Ind-AS. Hence, regarded thereafter as historical cost.

###### A.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

### A.3 Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

### A.4 Depreciation/amortization

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of Property, Plant and Equipment. Leasehold lands are amortized over the lease term unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Depreciation on property, plant and equipment except leasehold land is provided on their estimated useful life as prescribed by Schedule II of Companies Act, 2013.

## B Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

## C Intangible assets and intangible assets under development

### C.1 Recognition and measurement

Intangible assets are recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be

measured reliably.

### C.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### C.3 Amortization

Intangible assets having definite life are amortized on straight line method in their useful life.

## D Inventories

Inventories are valued 'at lower of cost or net realizable value' except stock of residual products and scrap which are valued at net realizable value. The cost is computed on the weighted average basis. In case of finished goods and stock in process, cost is determined by considering material, labour, related overheads and duties thereon.

## E Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

## F Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### F.1 Financial assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

#### F.1.1 Initial recognition and measurement

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs are attributable to the acquisition or issue of the financial asset, otherwise charged to Statement of Profit & Loss.

#### F.1.2 Subsequent measurement

Financial assets are subsequently classified and measured at:

- Financial assets at amortised cost
- Financial assets at fair value through profit and loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI).





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### a) Trade Receivables

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses wherever applicable. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### b) Debt Instruments

#### I) Measured at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met: (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

#### II) Measured at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met: (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and

foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### III) Measured at FVTPL (Fair value through profit or loss)

Debt instruments does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. The Company elects to classify the debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

#### c) Equity Instruments

All investments in equity instruments measured at fair value.

Equity instrument valued at FVTOCI, and all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment as the company transfers cumulative gain or loss within the equity.

Equity instruments if classified as FVTPL category are measured at fair value i.e. at NAV with all changes recognized in the profit and loss.

### F.1.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset.





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### F.1.4 Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition in Statement of Profit & Loss other than financial assets in FVTPL category.

For recognition of impairment loss on financial assets other than Trade receivables, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide impairment loss. However, if credit risk is increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-Month ECL.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### F.2 Financial liabilities

#### F.2.1 Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### F.2.2 Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying

amounts approximate fair value due to the short maturity of these instruments. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### F.2.3 Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### F.3 Derivative financial instruments

The Company uses forwards to mitigate the risk of changes in exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

### G Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

### H Impairment of Non-Financial Assets

The Company, in accordance with the Indian Accounting Standard (Ind AS) 36 "Impairment of Assets", has adopted the practice of assessing at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, then the company provides for the loss for impairment of Assets after estimating the recoverable amount of the assets.

### I Provisions & Contingent Liabilities

#### (I) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

#### (II) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognized in financial statements but are disclosed, if any.

### J Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and it is probable that future economic benefits will flow to the entity. Amount of sales are net of goods and service tax, sale returns, trade discounts and rebates but inclusive of excise duty. Revenue from sale of

products is recognized when the significant risks and rewards of ownership of the products have been transferred to the buyer, and the amount of revenue can be measured reliably.

Company continues to account for export benefits on accrual basis based upon the concept of accrual in the year of utilisation of advance licences.

Dividend income is recognized when the right to receive the income is established.

Interest Income is recognised, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

### K Foreign Currency Conversions/Transactions

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transactions. Gains and losses arising out of subsequent fluctuations are accounted for on actual payments or realisations as the case may be. Monetary assets and liabilities denominated in foreign currency as on Balance Sheet date are translated into functional currency at the exchange rates prevailing on that date and Exchange differences arising out of such conversion are recognised in the Statement of Profit and Loss.

### L Income Taxes

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to any business combination or to an item which is recognised directly in equity or in other comprehensive income.

#### a) Current Tax

Current tax expense is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961 and judicial interpretations thereof as at the Balance Sheet date and takes into consideration various deductions and exemptions to which the Company is entitled to as well as the reliance placed by the Company on the legal advices received by it.

#### b) Deferred Tax

Deferred tax charge or credit reflects the tax effects of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably certain (as the case may be) to be realized.





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation law. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is recognised in other comprehensive income or directly in equity, respectively.

### M Employee Benefits

#### (I) Defined Contribution Plan

Employee benefits in the form of Provident Fund (with Government Authorities) are considered as defined contribution plan and the contributions are charged to the statement of Profit & Loss of the year when the contributions to the respective funds are due.

#### (II) Defined Benefit Plan

Retirement benefits in the form of Gratuity and Long term compensated leaves are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Other short term absences are provided based on past experience of leave availed.

Actuarial Gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

All other expenses related to defined benefit plans are recognized in Statement of Profit and Loss as employee benefit expenses.

### N Borrowing Cost

General and Specific Borrowing Cost that are directly attributable to the acquisition or construction or production of qualifying assets are capitalized as part of the cost of such assets upto the date when such assets are ready for intended use. Qualified assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are charged as expenses in the year in which they are incurred. Investment income earned on the temporary investment of specific borrowings

pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

### O Earning Per Share

Basic Earning Per Share is calculated by dividing the net profit for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

### P Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements. If the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the period of lease term.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate of the company.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

### Q Research & Development

Research and development costs are recognized as expense in the period in which it is incurred. The company does not incur any development expenditure which are eligible for capitalisation under Para 57 of Ind AS 38.

### R Statement of Cash Flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 2 : NON CURRENT ASSETS : PROPERTY, PLANT AND EQUIPMENT

As at 31<sup>st</sup> March, 2021

(Rs. In lakhs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 1 <sup>st</sup> April 2020	Additions	Disposals	As at 31 <sup>st</sup> March 2021	As at 1 <sup>st</sup> April 2020	Depreciation charged during the year	Deductions	As at 31 <sup>st</sup> March 2021	Net Carrying Amount as on 31.03.21	Net Carrying Amount as on 31.03.20
Leasehold Land	44.24	-	-	44.24	2.36	0.59	-	2.95	41.29	41.88
Freehold Land	1,196.77	-	-	1,196.77	-	-	-	-	1,196.77	1,196.77
Factory Buildings	324.57	-	-	324.57	58.40	18.13	-	73.63	251.04	266.17
Non Factory Building	577.65	-	-	577.65	42.96	10.76	-	53.72	523.93	534.69
Plant and Machinery	2,251.30	11.84	-	2,262.94	922.17	137.50	-	1,069.67	1,203.27	1,329.12
Furniture and Fittings	102.13	2.32	-	104.45	51.98	9.68	-	61.66	42.79	50.15
Vehicles	190.48	32.76	3.82	219.42	52.71	23.12	3.34	72.49	146.93	137.77
Office Equipments	52.54	5.90	0.08	58.36	32.95	6.54	0.08	39.41	18.95	19.59
Total	4,739.68	52.62	3.90	4,788.40	1,168.53	203.38	3.42	1,363.43	3,424.97	3,576.14
Capital Work- In-Progress	804.29	2,816.76	-	3,621.04	-	-	-	-	3,621.04	804.29
Total	5,543.97	2,869.37	3.90	8,408.44	1,168.53	203.38	3.42	1,363.43	7,046.01	4,380.43

As at 31<sup>st</sup> March 2020

(Rs. In lakhs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 1 <sup>st</sup> April 2019	Additions	Disposals	As at 31 <sup>st</sup> March 2020	As at 1 <sup>st</sup> April 2019	Depreciation charged during the year	Deductions	As at 31 <sup>st</sup> March 2020	Net Carrying Amount as on 31.03.20	Net Carrying Amount as on 01.04.20
Leasehold Land	44.24	-	-	44.24	1.77	0.59	-	2.36	41.88	42.47
Freehold Land	1,196.77	-	-	1,196.77	-	-	-	-	1,196.77	1,196.77
Factory Buildings	324.57	-	-	324.57	43.27	15.13	-	58.40	266.17	261.30
Non Factory Building	577.65	-	-	577.65	32.20	10.76	-	42.96	534.69	546.45
Plant and Machinery	2,170.70	81.18	0.58	2,251.30	708.75	215.42	-	922.17	1,329.12	1,463.95
Furniture and Fittings	101.42	0.71	-	102.13	38.91	13.07	-	51.98	50.15	62.51
Vehicles	167.89	26.10	23.51	190.48	38.89	23.00	9.16	52.71	137.77	149.00
Office Equipments	47.59	4.88	0.03	52.54	25.22	7.76	0.03	32.96	19.59	22.47
Total	4,650.93	112.67	24.12	4,739.68	887.01	285.73	16.10	1,163.63	3,576.14	3,763.92
Capital Work- In-Progress	32.53	771.76	-	804.29	-	-	-	-	804.29	32.53
Total	4,683.46	884.63	24.12	5,543.97	887.01	285.73	16.10	1,163.63	4,380.43	3,796.45



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Notes:

2.1 Plant & Machinery and Office Equipment include Rs. 1531.63 Lakhs (P.Y. Rs. 1531.63 Lakhs) being R & D Equipment out of which Rs. Nil (P.Y. Rs. 16.38 Lakhs) were purchased during the year.

2.2 Amount in Plant & machinery included Rs. Nil (P.Y. Rs. 64.79 Lakhs) mandatory Capital Spare capitalised.

### Note No. 3 : NON CURRENT ASSETS: INTANGIBLE ASSETS

As at 31<sup>st</sup> March, 2021

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 1 <sup>st</sup> April 2020	Additions	Disposals	As at 31 <sup>st</sup> March 2021	As at 1 <sup>st</sup> April 2020	Depreciation charged during this year	Deductions	As at 31 <sup>st</sup> March 2021	Net Carrying Amount as on 31.03.21	Net Carrying Amount as on 31.03.20
Computer Software	45.50	-	-	45.50	12.49	7.20	-	19.69	25.81	33.01
Total	45.50	-	-	45.50	12.49	7.20	-	19.69	25.81	33.01

As at 31<sup>st</sup> March, 2020

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 1 <sup>st</sup> April 2019	Additions	Disposals	As at 31 <sup>st</sup> March 2020	As at 1 <sup>st</sup> April 2019	Depreciation charged during this year	Deductions	As at 31 <sup>st</sup> March 2020	Net Carrying Amount as on 31.03.20	Net Carrying Amount as on 01.04.19
Computer Software	36.00	9.50	-	45.50	5.72	6.77	-	12.49	33.01	30.28
Total	36.00	9.50	-	45.50	5.72	6.77	-	12.49	33.01	30.28





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 4 : NON CURRENT FINANCIAL ASSETS : INVESTMENTS

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Equity Instruments ( fully paid-up-unless otherwise stated)		
Quoted (designated at fair value through other comprehensive Income )		
50,00,000 Nos ( P.Y.50,00,000 Nos.) Equity Share of Rs. 10/- of Hindustan Oil Exploration Company Limited	4,857.50	1,737.50
	<u>4,857.50</u>	<u>1,737.50</u>
Unquoted Equity Instruments ( fully paid-up-unless otherwise stated)		
Unquoted at cost		
NIL (PY 80000 Nos.) Equity Share of Rs 0.10 of Chennai Super Kings Cricket Limited	-	0.08
	<u>-</u>	<u>0.08</u>
Investment in Government Securities		
Unquoted (measured at amortised cost)	0.16	0.16
6 Years National Savings Certificates	0.16	0.16
	<u>0.16</u>	<u>0.16</u>
<b>TOTAL</b>	<b>4,857.66</b>	<b>1,737.74</b>
Aggregate amount of Quoted Investments (Cost)	1,439.38	1,439.38
Aggregate amount of Quoted Investment (Market Value)	4,857.50	1,737.50
Aggregate amount of Unquoted Investment	0.16	0.24

Note 4.1 Investment has been valued as per accounting policy as mentioned in para F.1.2c

### Note No. 5 : NON CURRENT ASSETS - OTHER FINANCIAL ASSETS

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Security Deposits	105.83	105.83
<b>TOTAL</b>	<b>105.83</b>	<b>105.83</b>

### Note No. 6 : NON CURRENT ASSETS - OTHER NON CURRENT ASSETS

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Capital Advances	459.47	1,503.10
Advances other than Capital Advances:		
Advance against supply of Goods and Services	28.56	0.18
Balances with Government & Statutory Authorities	5.67	5.67
Others	8.41	0.18
<b>TOTAL</b>	<b>502.10</b>	<b>1,509.13</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 7 : CURRENT ASSETS - INVENTORIES

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Raw Materials	2,951.30	3,587.93
Work-In-Progress	200.01	276.92
Finished Goods	670.88	688.27
Consumable Stores	499.97	524.87
<b>TOTAL</b>	<b>4,322.16</b>	<b>5,077.99</b>

### Note No. 8 : CURRENT FINANCIAL ASSETS - INVESTMENT

(Rs. In lakhs)

Particulars	Number of Unit Current year/ (previous year)	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Unquoted (measured at fair value through profit or loss)</b>			
<b>Investment in Mutual Fund</b>			
SBI Treasury Advantage Fund-Regular Plan-Growth	10,999.14 (10,999.14)	269.58	250.85
UTI Treasury Advantage Fund-Institutional Plan-Growth	22,293.17 (22,293.17)	583.11	548.13
Nippon India Equity Hybrid Fund -Monthly dividend Plan	}	-	114.25
Nippon India Equity Hybrid Fund-Segregated portfolio-1- Monthly dividend Plan		0.17	0.17
Nippon India Equity Hybrid Fund-Segregated portfolio-2- Monthly dividend Plan		-	-
SBI Short Term Debt Fund Regular Growth	11,369,535.55	2,844.91	-
SBI Liquid Fund Regular Plan-Growth	- (76,769.96)	-	2,374.97
SBI-Saving Fund Regular- Growth	1,694,629.02	551.96	-
<b>TOTAL</b>		<b>4,249.73</b>	<b>3,288.37</b>
Aggregate amount of Unquoted Investment (Cost)		4,096.93	3,200.00
Aggregate amount of Unquoted Investment (NAV)		4,249.73	3,288.37

Note no 8.1 Investment have been Valued as per Accounting Policy of the Company as mentioned in F.1.2c

Note no 8.2 Investment are Unquoted and valued at Net Assets Value

### Note No. 9 : CURRENT FINANCIAL ASSETS - TRADE RECEIVABLE

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Trade Receivables		
a) Trade Receivable considered good- Secured	1,089.94	652.84
b) Trade Receivable considered good- Unsecured	2,987.88	3,409.22
<b>TOTAL</b>	<b>4,077.82</b>	<b>4,062.06</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 10. CURRENT FINANCIAL ASSET- CASH AND CASH EQUIVALENT

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Balances with Banks:		
In Current/Cash Credit Account	182.94	248.05
EEFC Account	598.06	783.42
Cash In Hand	-	2.02
<b>TOTAL</b>	<b>781.00</b>	<b>1,033.49</b>

### Note No. 11 : CURRENT FINANCIAL ASSET - BANK BALANCES OTHER THAN CASH & CASH EQUIVALENT

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Bank balance in Unpaid Dividend Account	117.14	130.51
<b>TOTAL</b>	<b>117.14</b>	<b>130.51</b>

### 12. CURRENT FINANCIAL ASSET- OTHER CURRENT FINANCIAL ASSETS

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Advance recoverable in cash or kind or for value to be received		
Discount & Commission Receivable	53.13	63.54
Misc. Receivable	14.95	15.89
Advance to Employee (Refer Note no 12.1)	5.62	5.19
Advance against expenses	-	3.19
Security Deposit with Shipping Line	11.50	7.20
Other Claims Receivable	6.60	5.45
<b>TOTAL</b>	<b>91.80</b>	<b>100.46</b>

Note No.12.1 Advance given to employees are measured at amortised cost.

### 13. CURRENT ASSETS - CURRENT TAX ASSETS (NET)

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Advance Tax	3,246.27	2,460.27
Tax deducted at Source	22.41	14.86
Less: Provision For Tax	(3,209.45)	(2,434.65)
<b>TOTAL</b>	<b>58.23</b>	<b>40.47</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### 14. CURRENT ASSET- OTHER CURRENT ASSETS

Particulars	(Rs. In lakhs)	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Advances to Suppliers	96.11	232.37
Statutory and Other Receivables	381.61	356.81
Others	11.82	11.33
<b>TOTAL</b>	<b>489.54</b>	<b>600.51</b>

### Note No. 15 : EQUITY SHARE CAPITAL

Particulars	(Rs. In lakhs)	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Authorised Share Capital</b>		
1,25,00,000 (Previous year 1,25,00,000 ) Equity Shares of Rs. 10/- each	1,250.00	1,250.00
	<u>1,250.00</u>	<u>1,250.00</u>
<b>Issued, Subscribed and Paid-up Share Capital</b>		
1,06,10,000 (Previous year 1,06,10,000) Equity Share of Rs. 10/- each fully paid up	1,061.00	1,061.00
	<u>1,061.00</u>	<u>1,061.00</u>

#### 15.1 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

#### 15.2 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e., Ordinary Shares having par value of Rs.10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

#### 15.3 Details of Equity Shareholders holding more than 5% shares in the Company.

Name of the Shareholder	As at 31 <sup>st</sup> March 2021		As at 31 <sup>st</sup> March 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
G.K.S Logistic Private Limited	4,502,892	42.44%	4,502,892	42.44%
Kusum Poddar	884,766	8.34%	884,766	8.34%
Mahima Poddar Agarwal	605,000	5.70%	605,000	5.70%
Rochna Poddar	590,000	5.56%	590,000	5.56%





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 16 : OTHER EQUITY

(Rs. In lakhs)

Particulars	Refer Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
General Reserve	16.1	18,991.80	16,976.00
Capital Redemption Reserve	16.2	159.00	159.00
Retained Earnings	16.3	865.75	323.28
Other Reserves	16.4	3,418.12	298.19
<b>TOTAL</b>		<b>23,234.77</b>	<b>17,756.47</b>

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>16.1 General Reserve</b>		
Balance at the beginning of the year	16,976.00	15,172.30
Add: Transferred from Retained Earnings	2,015.90	1,803.70
<b>Balance at the end of the year</b>	<b>18,991.80</b>	<b>16,976.00</b>
<b>16.2 Capital Redemption Reserve</b>		
Opening Balance	159.00	159.00
Add: Addition during the year	-	-
<b>Balance at the end of the year</b>	<b>159.00</b>	<b>159.00</b>
<b>16.3 Retained Earnings</b>		
Balance at the beginning of the year	323.28	427.73
Add: Profit for the year	2,365.76	2,125.37
Gain on sale of equity instrument	8.00	-
	2,697.04	2,553.10
Less: Appropriation		
Final Dividend	-	318.30
Dividend Distribution Tax on Final Dividend	-	65.43
Transferred to General Reserve	2,015.90	1,803.70
	2,015.90	2,187.43
Items of other comprehensive income recognised directly in retained earnings	-	-
Net actuarial gain/(loss) on defined benefit plan, net of tax	(15.39)	-42.39
<b>Balance at the end of the year</b>	<b>865.75</b>	<b>323.28</b>
<b>16.4 Other Reserves</b>		
Equity Instrument through Other Comprehensive Income		
Balance at the beginning	298.19	5,044.04
Add/(Less): Change In Fair Value	3,127.93	(4,745.85)
Add/(Less): Transferred to retained earnings on disposal of Equity instrument	(8.00)	-
<b>Balance at the end of the year</b>	<b>3,418.12</b>	<b>298.19</b>
<b>Total Other Equity</b>	<b>23,234.77</b>	<b>17,756.47</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### 16.5 Events occurring after the Balance Sheet date:

Dividends Proposed to be distributed

The Board has recommended dividend of Rs 2.50 per share (Previous year Rs. Nil per share ) payable subject to the approval of shareholders in the ensuing Annual General Meeting.

Total outgo on this accounts will be Rs 265.25 lakhs ( previous year Rs. Nil)

### Note No. 17 : NON CURRENT LIABILITIES- DEFERRED TAX LIABILITIES (NET) (Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Arising on account of:</b>		
Accelerated Depreciation on Property Plant & Equipments Including Research & Development Equipments	329.73	396.85
Fair Valuation of Mutual Funds	38.46	25.79
	<u>368.19</u>	<u>422.58</u>
Less: Deferred Tax Assets		
<b>Arising on account of:</b>		
Section 43B of Income-tax Act, 1961	8.59	11.76
	<u>8.59</u>	<u>11.76</u>
<b>Deferred Tax Liabilities (Net)</b>	<u>359.60</u>	<u>410.82</u>

### Note No. 18 : CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES (Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Trade Payables for goods and services		
Total outstanding dues of micro and small enterprises (Refer note 18.1)	-	-
Others- Trade Payables for goods and services	1,191.84	1,665.78
<b>TOTAL</b>	<u>1,191.84</u>	<u>1,665.78</u>

### 18.1 Details of supplier covered under the Micro, Small and Medium Enterprises Development Act, 2006 and which have furnished the information regarding filing of necessary memorandum with appointed authority is as under:-

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
	-	-





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

### Note No. 19 : OTHER CURRENT FINANCIAL LIABILITIES (Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Unpaid and unclaimed dividends (Note no. 19.1)	117.14	130.51
Security Deposits Dealer (Unsecured)	82.75	83.25
Security Deposits Other (Unsecured)	59.49	26.74
Employees related Liabilities	63.28	95.48
Discount/Commission Payable	184.52	211.66
Expenses Payable	171.78	188.70
Others	0.18	0.18
<b>TOTAL</b>	<b>679.14</b>	<b>736.52</b>

19.1 There are no outstanding dues to be deposited into the Investor Education and Protection Fund as the stipulated period is not yet over.

### Note No. 20 : CURRENT LIABILITIES - PROVISION (Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Provision for Employee Benefits	7.78	106.13
<b>TOTAL</b>	<b>7.78</b>	<b>106.13</b>

### Note No. 21 : CURRENT LIABILITIES - OTHER CURRENT LIABILITIES (Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Statutory dues	35.96	33.45
TDS Payable	37.45	42.79
Others advances from customer	117.30	287.04
<b>TOTAL</b>	<b>190.70</b>	<b>363.28</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 22 : REVENUE FROM OPERATIONS

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Sale of Products (Gross)(net of Rebate &amp; Discounts)</b>	<b>29,124.49</b>	<b>39,610.03</b>
Less-GST	(3,381.82)	(4,530.19)
	<b>25,742.67</b>	<b>35,079.84</b>
<b>Other Operating Revenue</b>		
Incentives & Subsidies		
Export Benefits	318.84	574.46
Miscellaneous Sale	8.99	12.61
	<b>327.23</b>	<b>587.07</b>
<b>TOTAL</b>	<b>26,069.90</b>	<b>35,666.91</b>

#### 22.1 Details of Sale of Products

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Special Master Batches	25,666.37	35,074.00
Others	76.30	5.84
<b>TOTAL</b>	<b>25,742.67</b>	<b>35,079.84</b>

22.2 Sales are net of rebate and discounts.

22.3 Miscellaneous sales includes sale of Production Waste

### Note No. 23 : OTHER INCOME

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Interest Income</b>		
On Short Term Loan	-	17.00
On Others	4.62	5.99
<b>Dividend Income</b>	-	3.16
<b>Net Gain/ (Loss) on sale of Investments</b>		
On Long-term Investments	70.31	-
On Current investments	69.11	39.58
<b>Gain/(Loss) on fair valuation of Investment at FVTPL</b>	<b>63.65</b>	<b>3.24</b>
<b>Other Non Operating Income</b>		
Gain on sale/discard of PPE (Net of Loss)	0.33	-
Excess Provision /liabilities no longer required written back	2.93	26.57
Net Gain/(Loss) on Foreign currency transaction and translation	121.76	305.16
Insurance and Other Claims (Net)	15.85	3.51
Miscellaneous	25.25	36.19
<b>TOTAL</b>	<b>363.81</b>	<b>440.40</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 24 : COST OF MATERIALS CONSUMED

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Raw Material Consumed (Refer Note No.- 24.1 & 24.2)	17,969.99	26,445.05
<b>TOTAL</b>	<b>17,969.99</b>	<b>26,445.05</b>

#### 24.1 Details of Raw Material Consumed

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Polymer Resins	5,263.71	7,278.58
Pigments	12,025.36	18,037.05
Waxes	406.07	745.63
Others	274.86	383.79
<b>TOTAL</b>	<b>17,969.99</b>	<b>26,445.05</b>

#### 24.2 Details of Imported & Indigenous Raw Material Consumed:

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> March, 2020	
	Amount	%	Amount	%
Imported	7,600.21	42.29%	10,506.63	39.73%
Indigenous	10,369.78	57.71%	15,938.42	60.27%
<b>TOTAL</b>	<b>17,969.99</b>	<b>100.00%</b>	<b>26,445.05</b>	<b>100.00%</b>

### Note No. 25 : (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Inventories at the beginning of the year</b>		
Finished Goods	888.27	1,128.91
Work-In-Progress	276.92	320.73
	<b>965.19</b>	<b>1,449.64</b>
<b>Inventories at the end of the year</b>		
Finished Goods	670.88	688.27
Work-In-Progress	200.01	276.92
	<b>870.89</b>	<b>965.19</b>
<b>TOTAL</b>	<b>94.30</b>	<b>484.45</b>



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 26 : EMPLOYEE BENEFITS EXPENSE

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Salaries ,Wages & Allowances etc.	2,387.15	2,484.02
Contribution to Provident and Other Funds	139.77	141.40
Staff Welfare Expenses & other benefits	28.78	44.03
<b>TOTAL</b>	<b>2,555.70</b>	<b>2,669.45</b>

### Note No. 27 : FINANCE COST

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Interest Expenses</b>		
To Banks on Working Capital Loans	2.93	4.50
On Security Deposits and Others	7.04	10.22
<b>Other Borrowing Costs</b>		
Other Financial Charges	17.77	15.39
<b>TOTAL</b>	<b>27.74</b>	<b>30.11</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 28 : OTHER EXPENSES

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Manufacturing Expenses</b>		
Stores, Spare Consumed	120.28	162.89
Packing Material Consumed	121.41	163.47
Power & Fuel	424.27	579.08
Repairs to Buildings	10.75	13.65
Repairs to Machinery	25.83	25.71
Water Charges	4.55	7.31
Other Manufacturing Expenses	7.27	9.31
	<u>714.36</u>	<u>961.42</u>
<b>Selling Expenses</b>		
Commission on Sales	241.51	432.30
Sales Promotion Expenses	10.08	13.25
Transport & Forwarding Expenses	327.38	412.42
	<u>578.97</u>	<u>857.97</u>
Bad debts	-	35.30
R & D Expenses (Refer Note No.- 28.3)	418.08	521.15
<b>Administration Expenses</b>		
Bank Charges	21.06	31.27
Insurance	57.63	62.96
Rent	27.75	27.63
Repairs & Maintenance	30.98	29.78
Rates & Taxes	7.88	12.95
Advertisement	3.23	3.90
Directors' Fees	2.30	1.40
Auditors' Remuneration (Refer Note No. - 28.1)	3.38	3.47
Charity & Donation	5.00	-
Corporate Social Responsibility Expenses (Refer Note No. - 28.2)	55.92	80.62
Loss on sale/discard of PPE (Net)	-	1.18
Travelling Expense	76.36	184.11
Printing & Stationary	7.76	14.30
Legal & Professional Expenses	197.39	197.36
Other Expenses	273.03	277.22
	<u>769.47</u>	<u>928.03</u>
<b>TOTAL</b>	<u><u>2,480.88</u></u>	<u><u>3,303.87</u></u>



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### 28.1 Payment to Statutory Auditors:

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Audit Fees	3.00	3.00
Reimbursements	0.38	0.47
<b>TOTAL</b>	<b>3.38</b>	<b>3.47</b>

### 28.2 Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of Companies Act, 2013 read with Schedule VII

Total expenditure required to be spent on CSR	55.90	53.84
- Expenditure incurred during the year towards CSR	55.92	80.62
- Unspent amount (Excess spent )	(0.02)	(26.78)

### 28.3 Details of Research & Development Expenses:

(Rs. In lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Material Consumed	50.28	76.12
Salary, Wages and Bonus	310.49	348.20
Power & Fuel Expenses	35.57	52.85
Others (Net of Sales realisation)	21.74	43.98
<b>TOTAL</b>	<b>418.08</b>	<b>521.15</b>

### Note No. 29 : Disclosure as per Ind AS 2 'Inventories'

Inventory Consumed of Rs 252.68 Lakhs (PY Rs. 341.47 Lakhs) have been recognised as expense. The details are as under:

(Rs. In lakhs)

Particulars	2020-21	2019-20
Fuel & Oil	10.99	15.11
Packing Material	121.41	163.47
Store & Spares	120.28	162.89
<b>TOTAL</b>	<b>252.68</b>	<b>341.47</b>

### Note No. 30 : Disclosure as per Ind AS 12 'Income Tax'

#### a) Tax Expense

- i) The company decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/re-measured using the new tax rate
- ii) Income Tax recognised in statement of profit & loss.





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

(Rs. In lakhs)

Particulars	31.03.2021	31.03.2020
<b>Current Tax Expenses</b>		
Current year	774.80	775.50
Adjustment for earlier year	-	54.16
Total current Tax expenses	774.80	829.65
Deferred Tax Expenses	(46.05)	(73.14)
<b>Total Tax expenses</b>	<b>728.75</b>	<b>756.51</b>

### ii) Income tax recognised in other comprehensive income (Rs. In lakhs)

Particular	31 <sup>st</sup> March, 2021			31 <sup>st</sup> March, 2020		
	Gross amount	Tax (expense)/ Benefit	Net of tax	Gross amount	Tax (expense)/ Benefit	Net of tax
-Net actuarial gain/(loss) on defined benefit plan	(20.57)	5.18	(15.39)	(58.81)	17.42	(42.39)
- Net gain/(loss) on fair value of equity Instrument	3,127.93	-	3,127.93	(4,747.50)	1.65	(4,745.85)

### iv) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate (Rs. In lakhs)

Particulars	31.03.2021	31.03.2020
Profit before tax	3,094.51	2,881.88
Tax using the domestic tax rate of 25.168% (Previous Year 29.12%)	779.00	839.20
<b>Tax effect of :</b>		
Non deductible tax expenses including effect of deferred tax	73.69	111.45
Deductible tax expenses including weighted deductions	(77.89)	(175.15)
<b>Total tax expenses in the statement of profit and loss</b>	<b>774.80</b>	<b>775.50</b>

### v) Movement in Deferred Tax Balances

31 <sup>st</sup> March, 2021		(Rs. In lakhs)		
Particulars	Net balance 01.04.2020	Recognised in Profit & Loss	Recognised in OCI	Net balance 31.03.2021
Difference in written down value as per the books of accounts and Income Tax	396.85	(67.12)	-	329.73
Fair valuation of Mutual fund	25.73	12.73	-	38.46
Others	-	-	-	-
<b>Tax assets/liabilities</b>	<b>422.58</b>	<b>(54.39)</b>	-	<b>368.19</b>
Less : Deferred Tax Assets	(11.76)	3.17	-	(8.59)
<b>Net tax (assets) / liabilities</b>	<b>410.82</b>	<b>(51.22)</b>	-	<b>359.60</b>



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

31 <sup>st</sup> March, 2020	(Rs. In lakhs)			
Particulars	Net balance 01.04.2019	Recognised In Profit & Loss	Recognised In OCI	Net balance 31.03.2020
Difference in written down value as per the books of accounts and Income Tax	490.57	(93.72)	-	396.85
Fair valuation of Mutual fund	23.03	2.70	-	25.73
Others	1.65	-	(1.65)	-
<b>Tax (assets)/liabilities</b>	<b>515.25</b>	<b>(91.02)</b>	<b>(1.65)</b>	<b>422.58</b>
Less : Deferred Tax Assets	(12.22)	0.46	-	(11.76)
<b>Net tax (assets)/liabilities</b>	<b>503.03</b>	<b>(90.56)</b>	<b>(1.65)</b>	<b>410.82</b>

### Note No. 31 : Disclosure as per Ind AS 19 ' Employee Benefit'

#### A) Defined contribution plan

During the year company has recognised the following amounts in the statement of profit and loss. (Rs. In lakhs)

Particulars	2020-21	2019-20
Benefits (Contributed to)		
Provident fund	108.06	109.70
Employee state Insurance	5.70	7.43
Employees pension scheme 1995	35.43	35.60
<b>TOTAL</b>	<b>149.19</b>	<b>152.73</b>

#### B) Defined benefits plan

##### Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of 5 years or more is entitled to gratuity at 15 day salary (15/26 \* last drawn basic salary) for each completed year for five years or more on superannuation, resignation, termination, disablement or on death.

##### Leave encashment

The company has a policy to pay leave encashment. Every employee is entitled to claim leave encashment after his/her retirement/termination which is calculated based upon no. of leaves not availed.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation :

(Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present Value of obligation as at the beginning of the period	809.96	175.93	691.55	188.81
Current service cost	62.68	14.87	45.98	13.85
Interest cost	53.70	10.50	52.63	14.37
Past Service Cost	-	-	-	-
Actuarial (gain)/loss	18.56	23.08	52.77	(33.50)
Benefit paid	(22.25)	(4.74)	(32.97)	(7.60)
<b>Present value of obligation as at period ended</b>	<b>922.64</b>	<b>219.64</b>	<b>809.96</b>	<b>175.93</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Changes in the Fair Value of Plan Assets

(Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Fair value of plan assets, at the beginning of the period	699.31	181.24	686.51	177.27
Actual Return on plan assets	44.95	11.04	45.71	11.94
Fund charges	(0.60)	(0.40)	(0.51)	(0.50)
Employer's contributions	148.71	0.16	0.57	0.13
Benefits paid	(22.25)	(4.74)	(32.97)	(7.60)
<b>Fair value of plan assets, end of the year</b>	<b>870.12</b>	<b>187.30</b>	<b>699.31</b>	<b>181.24</b>

### Amount recognized in the balance sheet consists of:

(Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of defined benefit obligation	922.64	219.64	809.96	175.93
Fair value of plan assets	870.12	187.30	699.31	181.24
<b>Net liability</b>	<b>(52.52)</b>	<b>(32.34)</b>	<b>(110.65)</b>	<b>5.31</b>
<b>Amounts in the balance sheet:</b>				
Current Liability	223.58	44.72	143.98	2.41
Non-current liabilities	689.06	167.36	665.98	173.52
<b>Net liability</b>	<b>892.64</b>	<b>202.08</b>	<b>809.96</b>	<b>175.93</b>

### Total amount recognized in profit or loss consists of:

(Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Total Service Cost	62.68	14.87	45.98	13.85
Interest Income	-	-	0.38	0.88
<b>Net Interest</b>	<b>62.68</b>	<b>14.87</b>	<b>46.36</b>	<b>14.73</b>

### Amount recognized in other comprehensive income consists of:

(Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Actuarial Gain/(Loss) on Obligation	(18.55)	-	(52.77)	-
Actuarial Gain/(Loss) on Assets	(2.02)	-	(7.04)	-
<b>Total Actuarial Gain/(Loss) recognised in (OCI)</b>	<b>(20.57)</b>	<b>-</b>	<b>(59.81)</b>	<b>-</b>



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Actuarial Gain/(Loss) on obligation consists:

(Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	0.49	0.11
Actuarial gain/(loss) arising from changes in financial assumptions	47.98	6.69	4.99	35.49
Actuarial gain/(loss) arising from changes in experience adjustments on plan liabilities	(29.43)	16.39	47.29	(69.09)
<b>Total Actuarial Gain/(Loss)</b>	<b>18.55</b>	<b>23.08</b>	<b>52.77</b>	<b>(33.49)</b>

### Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets: (Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligation as at period ended	922.64	219.64	809.96	175.99
Fair value of plan assets at period end	870.12	187.30	699.31	181.24
Unfunded status excess of Actual over estimated.	(52.52)	(32.34)	(110.65)	5.31
<b>Assets/(Liabilities) recognized in the Balance Sheet</b>	<b>(52.52)</b>	<b>(32.34)</b>	<b>(110.65)</b>	<b>5.31</b>

### C) Defined benefit Obligation

#### I) Actuarial assumption

The following were the principal actuarial assumption at the reporting date.

Particulars	31.03.2021	31.03.2020
Discount rate*	6.76%	6.63%
Expected return on plan assets**		
Salary escalation rate**	7.90%	6.90%
Valuation Methodology	Projected Unit Credit Method	Projected Unit Credit Method

\* The discount rate assumed is 6.76% which is determined by reference to market yield at the balance sheet date on government bonds.

\*\* The expected rate of return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of assets management and historical return from plan assets.

\*\* The estimates of future salary increase considered in actuarial valuation, taking account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market

#### II) Sensitivity analysis

Reasonable possible change at the reporting date to one of the relevant actuarial assumption, holding other assumption constant, would have effected the defined benefit obligation by the amount shown below.

(Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50 % movement)	30.18	(28.44)	(26.57)	28.33
Salary escalation rate (0.50% movement)	(28.28)	30.67	25.08	23.84





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### III) Expected maturity analysis of the defined benefits plan in future years (Rs. in lakhs)

Particulars	First Year	Second year	Two to Third year	More than 3 Years
Gratuity	223.58	138.79	59.11	540.16
<b>TOTAL</b>	<b>223.58</b>	<b>138.79</b>	<b>59.11</b>	<b>540.16</b>

### IV) Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over the time. As such company is exposed to various risks as follow -

- Salary Cost Inflation Risk:** The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.
- Investment Risk – Assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.**
- Discount Rate :** Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.**
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.**

### Note No. 32 : Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) credited to the Statement of Profit & Loss is Rs. 121.78 Lakhs (P.Y.2019-20: Rs. 305.16 Lakhs).

### Note No. 33 : Disclosure as per Ind AS 24 'Related party Disclosures'

#### A) List of Related Party

##### I) Parties holding significant influence

- GKS Logistics Pvt Ltd.
- G.K.S. Holdings Pvt. Ltd.

##### II) Key management personnel

- |                            |  |
|----------------------------|--|
| Shri S.S. Poddar           | - Managing Director                    |
| Shri Gaurav Goenka         | - Joint Managing Director              |
| Shri R.K.Sureka            | - Director & CEO                       |
| Smt. Mahima P. Agarwal     | - Non Executive Director               |
| Shri M.K. Sonthalla        | - Non Executive & Independent Director |
| Shri N. Gopalaswamy        | - Non Executive & Independent Director |
| Shri M. Mahadevan          | - Non Executive & Independent Director |
| Smt. Lalitha Kumaramanglam | - Non Executive & Independent Director |

##### III) Relatives of the key management personnel

- |                        |   |
|------------------------|---|
| Smt. Sushma Sureka     | - Wife of Director & CEO                                    |
| Smt. Mahima P. Agarwal | - Director of the Company and daughter of Managing Director |
| Shri Gaurav Goenka     | - Son-in-law of Managing Director                           |
| Ms. Rochna Poddar      | - Daughter of Managing Director                             |



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

B) The following transactions were carried out with the related parties during the year :-

I) Related Parties/Parties Holding Significant Influence		(Rs. In lakhs)	
Particulars	2020-21	2019-20	
Rent Paid {net of recovery of Rs.18.00 lakhs (Previous year Rs. 18.00 lakhs)} to Smt. Sushma Sureka	15.00	15.00	
Rent Paid to M/s G K S Holdings Pvt. Limited	18.00	18.00	
Maintenance / Travelling Expenses Paid to Adroit Urban Developers Pvt. Ltd.	9.88	7.35	
Consultancy fee /Travelling Expenses paid to Ms. Rochna Poddar	14.16	15.89	
Rent / Electricity Expenses received from M/s G K S Holdings Pvt. Limited	0.62	0.61	
Rent / Electricity Expenses received from M/s GKS Logistics Pvt. Ltd.	1.04	1.22	

### II) Key Management Personnel Compensation

There is no transaction other than managerial remuneration paid as per terms of appointment duly approved by the shareholders. Following are the details of such managerial remuneration:

		(Rs. In lakhs)	
Particulars	2020-21	2019-20	
Short Term Employee Benefits			
Salaries & Allowances	305.00	305.00	
Contribution to Provident Fund	30.60	30.60	
Others- perquisites value	44.88	43.25	
Commission on Profit to the Directors	63.98	62.20	
<b>TOTAL</b>	<b>444.46</b>	<b>441.05</b>	

### III) Sitting Fees paid to Non executive/Independent Director Rs. 2.30 lakhs (Previous Year Rs. 1.40 lakhs)

Terms and conditions:

All the transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable on demand.

## Note No. 34 : Disclosure as per Ind AS 33 'Earning Per Share'

Particulars	Units	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Basic Earning per Share</b>			
Basic net earnings per share Attributable to Equity Shareholders	Rs. Lakhs	2,365.76	2,125.37
Number of shares outstanding	No.	106.10	106.10
Basic Earnings per share	Rs.	22.30	20.03
<b>Diluted Earning per Share</b>			
Diluted net earnings per share Attributable to Equity Shareholders	Rs. Lakhs	2,365.76	2,125.37
Number of shares outstanding	No.	106.10	106.10
Diluted Earning Per Share	Rs.	22.30	20.03





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 35 : Disclosure as per Ind AS 37 'Provisions & Contingent Liabilities.

#### (I) Movement in provision

#### (II) Contingent liabilities to the extent not provided for in respect of

(Rs. In lakhs)

Particulars	2020-21	2019-20
<b>(A) Claims against company not acknowledged as Debts:-</b>		
(i) Income Tax matters in appeals	9.25	23.63
(ii) Service Tax demand not admitted by the company and for which appeals have been filed with appropriate authorities.	-	0.39
<b>(B) Guarantees:-</b>		
(i) Letter of Credit against purchase of raw materials	519.49	30.39
(ii) Bonds Executed with Customs & GST Authorities	30.00	30.00
(iii) Bonds Executed with Customs Authorities for EPCG Licence	357.39	-
(iv) Bonds Executed with Customs Authorities for advance licence	1.28	0.05
(v) Bank Guarantees	-	0.52

#### (III) Commitments

- Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 1479.48 lakhs (P.Y. Rs.3746.43 lakhs), and advance given Rs. 459.47 lakhs (P.Y. Rs.1503.09 lakhs)
- Other Commitment : NIL

### Note No. 36 : Disclosure as per Ind AS 107 'Financial instrument disclosure'

#### A) Capital Management

For the purpose of Company's Capital Management, Capital includes issued equity share capital.

#### B) Financial risk management

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Board of Directors. The Company's principal financial liabilities comprise trade payables and other payables. The company's principal financial assets include trade & other receivables and cash and short term deposits.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade receivables	Ageing analysis, Credit Ratings	Credit limits, Escrow Cover, letters of credit, Export Credit risk insurance
	Financial assets measured at Amortised cost and cash & cash equivalents	Credit ratings	
Liquidity risk	Borrowing and other liabilities	Rolling cash flows forecast	Availability of committed credit lines and borrowing facilities
Market risk-Interest rate risk	Long-term Borrowings at variable rates	Sensitivity analysis, Cash Flow Analysis	Different kinds of loan arrangements with varied terms (eg. Fixed, floating, rupee, foreign currency, etc.) & swapping of high cost debts into low cost debt.

#### (I) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations may result into a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### a) Carrying amount of maximum credit risk as on reporting date (Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Financial assets for which loss allowance is measured using 12 month Expected Credit Loss (ECL)		
Non-current Investment	4,867.66	1,737.74
Other Non-Current Financial Assets	106.83	106.83
Current Investment	4,249.73	3,286.37
Cash & Cash Equivalent	781.00	1,033.49
Bank balances other than cash and cash equivalents	117.14	130.51
Current Loan	-	-
Other Current Financial Assets	91.80	100.46
	<u>10,203.16</u>	<u>6,396.40</u>
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss (ECL)		
Trade Receivables	4,077.82	4,062.06
<b>TOTAL</b>	<u><u>14,280.98</u></u>	<u><u>10,458.45</u></u>

### b) Provision for Expected Credit or Loss

- (i) Financial assets for which loss allowance is measured using 12 month expected credit losses.  
The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.
- (ii) Financial assets for which loss allowance is measured using life time expected credit losses.  
The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

### c) Ageing of trade receivables

The Ageing of trade receivables is as below:

(Rs. in Lakhs)

Ageing	Not Due	<0-180 days	>180 days	Total
Gross Carrying amount as on 31.03.2021	2,123.69	1,089.02	80.40	4,077.82
Impairment loss recognised on above	-	-	-	-
Gross Carrying amount as on 31.03.2020	1,736.90	2,123.69	201.47	4,062.06
Impairment loss recognised on above	-	-	-	-

## II) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The following are the contractual maturities of financial liabilities based on contractual cash flows.





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

The following are the contractual maturities of financial liabilities based on contractual cash flows.

(Rs. In Lakhs)

Contractual Maturities of Financial Liabilities as at 31.03.2021	3 Month or less	3-12 months	1-2 years	2-5 years	More than 5 year	Total
Trade payable	1,169.65	7.00	0.18	10.66	4.35	1,191.84
Other financial liabilities	679.14	-	-	-	-	679.14
<b>TOTAL</b>	<b>1,848.79</b>	<b>7.00</b>	<b>0.18</b>	<b>10.66</b>	<b>4.35</b>	<b>1,870.98</b>

Contractual Maturities of Financial Liabilities as at 31.03.2020	3 Month or less	3-12 months	1-2 years	2-5 years	More than 5 year	Total
Trade payable	1,645.89	9.32	0.32	5.99	4.26	1,665.78
Other financial liabilities	736.52	-	-	-	-	736.52
<b>TOTAL</b>	<b>2,382.41</b>	<b>9.32</b>	<b>0.32</b>	<b>5.99</b>	<b>4.26</b>	<b>2,402.30</b>

### III) Market Risk

Market Risk mainly relates to the Investment & deposits. There is no regular business of company for making investment & deposits. However, company manages the cash resources, borrowings strategies and ensuring compliance of the same with the guidelines & directions of the Higher Management.

#### A) Foreign currency risk

The company operates internationally and portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales in overseas and purchase from overseas suppliers in various foreign currencies.

The company evaluate exchange rate exposure arising from foreign currency transaction and the company follow established risk management policies. Foreign exchange exposure risk is largely covered by natural hedging by linking export proceeds with import payments since company has exposures for both exports & imports and also uses the derivative like foreign exchange forward contracts to hedge exposure to foreign risk to minimise the risk of any possible adverse impact.

(Rs. In Lakhs)

Foreign currency exposure as at 31.03.2021	USD	Amount	EURO	Amount
Trade receivable	20.54	1,501.44	2.19	187.83
Trade payable	4.62	337.94	1.52	129.99
<b>Net exposure</b>	<b>15.92</b>	<b>1,163.50</b>	<b>0.67</b>	<b>57.84</b>

Foreign currency exposure as at 31.03.2020	USD	Amount	EURO	Amount
Trade receivable	12.78	966.99	1.51	124.75
Trade payable	6.33	479.04	0.71	58.35
<b>Net exposure</b>	<b>6.45</b>	<b>487.95</b>	<b>0.80</b>	<b>66.40</b>

#### B) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate because of changes in market interest rate. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

#### C) Other Price risk

The company's exposure towards price risk arises from investments held in equity shares & Mutual Fund are classified in balance sheet at fair value through other comprehensive income & Fair value through Profit and Loss respectively. All of the company's equity investments are publically traded and are listed on NSE and BSE.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### Note No. 37 : Disclosure as per Ind AS 113 'Fair Value Measurement'

#### Fair Value Hierarchy

#### Valuation Techniques used to determine fair values:

Specific valuation technique is used to determine the fair value of the financial instruments which include:

- i) For Investments in Equity Investments- Quoted Market prices are used.
- ii) For Investments in Mutual funds - Closing NAV is used,
- iii) The carrying amount of short term borrowings, trade payables, trade receivables, cash & cash equivalents and other financial assets and liabilities are considered to be the same at their Fair values, due to their short term nature.

#### A) Financial Instruments By Category

(Rs. in Lakhs)

Particulars	31.03.2021		
	FVTPL	FVTOCI	Amortized cost i.e. carrying value
<b>Financial Assets:</b>			
Investments			
Equity Instrument	-	4,857.50	-
Mutual fund	4,249.73	-	-
National saving certificate	-	-	0.16
Trade Receivables	-	-	4,077.82
Cash and Cash Equivalents	-	-	781.00
Bank balances other than cash and cash equivalent	-	-	117.14
Security deposit	-	-	117.83
Other Financial Assets	-	-	80.30
<b>Total Financial Assets</b>	<b>4,249.73</b>	<b>4,857.50</b>	<b>5,173.75</b>
<b>Financial Liability:</b>			
Trade Payables	-	-	1,191.84
Other Financial Liabilities	-	-	679.14
<b>Total Financial Liability</b>			<b>1,870.98</b>

Particulars	31.03.2020		
	FVTPL	FVTOCI	Amortized cost i.e. carrying value
<b>Financial Assets:</b>			
Investments			
Equity Instrument	-	1,737.58	-
Mutual fund	3,288.37	-	-
National saving certificate	-	-	0.16
Trade Receivables	-	-	4,082.08
Cash and Cash Equivalents	-	-	1,033.49
Bank balances other than cash and cash equivalent	-	-	130.51
Security deposit	-	-	113.03
Other Financial Assets	-	-	93.26
<b>Total Financial Assets</b>	<b>3,288.37</b>	<b>1,737.58</b>	<b>5,432.51</b>
<b>Financial Liability:</b>			
Trade Payables	-	-	1,865.78
Other Financial Liabilities	-	-	736.52
<b>Total Financial Liability</b>			<b>2,402.30</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

### B) Fair Value Hierarchy

As at 31<sup>st</sup> March 2021

(Rs. in Lakhs)

Financial instrument measured at Fair Value - recurring fair value measurement	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments In Equity Instruments	4,857.66	-	-	4,857.66
Investments In Mutual Funds	-	4,249.73	-	4,249.73
<b>TOTAL</b>	<b>4,857.66</b>	<b>4,249.73</b>	<b>-</b>	<b>9,107.39</b>

As at 31<sup>st</sup> March 2020

(Rs. in Lakhs)

Financial instrument measured at Fair Value - recurring fair value measurement	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments In Equity Instruments	1,737.58	-	-	1,737.58
Investments In Mutual Funds	-	3,288.37	-	3,288.37
<b>TOTAL</b>	<b>1,737.58</b>	<b>3,288.37</b>	<b>-</b>	<b>5,025.95</b>

### C) Fair value of financial assets and liabilities measured at amortised cost

(Rs. in Lakhs)

Particulars	As at 31 March 2021		
	Level	Carrying Value	Fair Value
<b>Financial Assets</b>			
Trade receivables	3	4,077.82	4,077.82
Loans	3	-	-
Cash and cash equivalent	3	781.00	781.00
Other Bank Balances	3	117.14	117.14
Other Financial Assets	3	91.80	91.80
Security Deposits	3	117.33	117.33
<b>Financial Liabilities</b>			
Borrowings			
Trade payables	3	-	-
Other-Financial Liabilities	3	1,191.84	1,191.84
	3	679.14	679.14



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021 (contd.)

(Rs. in Lakhs)

Particulars	As at 31 March 2020		
	Level	Carrying Value	Fair Value
<b>Financial Assets</b>			
Trade receivables	3	4,062.06	4,062.06
Loans	3	-	-
Cash and cash equivalent	3	1,033.49	1,033.49
Other Bank Balances	3	130.51	130.51
Other Financial Assets	3	100.46	100.46
Security Deposits	3	113.03	113.03
<b>Financial Liabilities</b>			
Trade payables	3	1,666.78	1,666.78
Other-Financial Liabilities	3	736.52	736.52

### Basis of Fair Value Hierarchy

The carrying amount of short term borrowings, trade payables, trade receivables, cash & cash equivalents and other financial assets and liabilities are considered to be the same at their Fair values, due to their short term nature.

\*Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2:** Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counter party. The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value. There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year."

### NOTE NO. 38 : Disclosure as per Ind AS 108 ' Operating segment'

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(Rs. in Lakhs)

Particulars	For the year ended as on 31 <sup>st</sup> March, 2021	For the year ended as on 31 <sup>st</sup> March, 2020
Revenue from external customers	7,441.44	10,750.24
India	22,010.28	29,446.86
<b>TOTAL</b>	<b>29,451.72</b>	<b>40,197.10</b>





## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

### Note No. 39 : Disclosure of Corporate social responsibility (CSR)

As per section 135 of companies act the company is required to spend in every financial year, at least 2% of the average net profits of the company made during the three immediately preceding financial year in accordance with its CSR policy.

- A. Gross amount required to be spent by the Company during the year 2020-21 - Rs. 55.90 Lakhs (Year 2019-20- Rs. 59.84 Lakhs)  
B. Amount spent during the year on:

(Rs. in Lakhs)

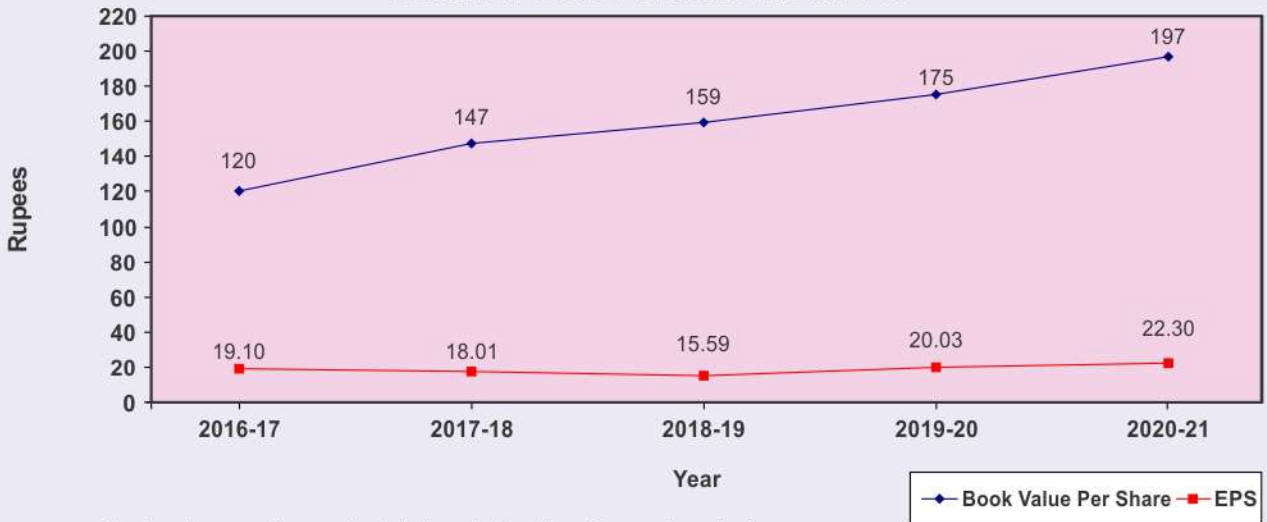
Particulars	Year 2020-2021			Year 2019-20		
	Paid	Yet to be paid	Total	Paid	Yet to be paid	Total
I) Construction/Acquisition of any assets	-	-	-	-	-	-
II) Purposes other than (I) above	55.92	-	55.92	80.62	-	80.62

\* Pl. refer Note no. 28.2



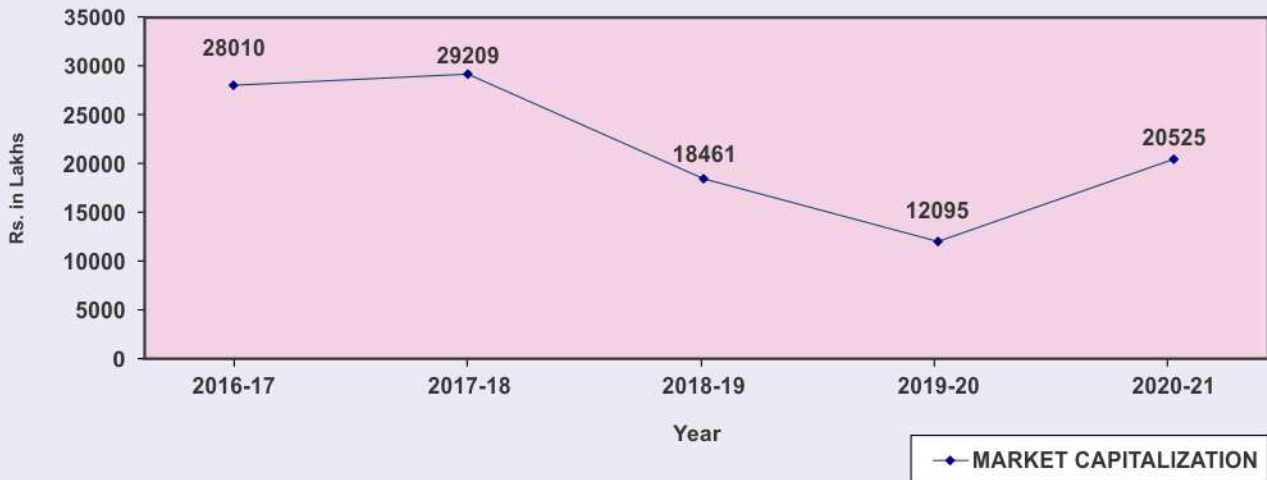


### BOOK VALUE PER SHARE & EPS



Book value per share calculated exclude other Comprehensive income.

### MARKET CAPITALIZATION



### INTEREST COVERAGE RATIO



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Rosy Tower, 3rd Floor,  
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**Regional Office :**

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New Link Road, Andheri ( West), Mumbai- 400 053  
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Email: mumbai@poddarpigmentsltd.com

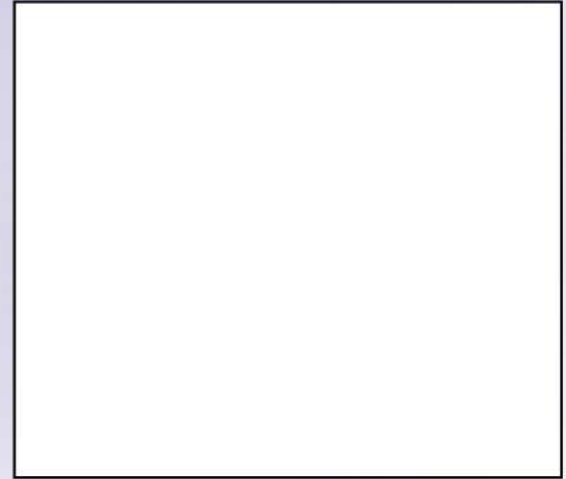
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Email: jaipur@poddarpigmentsltd.com



**FM 53726**

**AN ISO 9001 : 2015 COMPANY**