

# PODDAR PIGMENTS

Ref: PPL/JPR/SECT/2023-24

Date: 2<sup>nd</sup> September, 2023

BSE Ltd.,  
PhirozeJeejeebhoy Towers,  
25<sup>th</sup>Floor, DalalStreet, Fort,  
**Mumbai -400001**

National Stock Exchange of India Ltd.,  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
**Mumbai - 400051**

**Company Code: 524570**

**Company Symbol: PODDARMENT**

**Sub: Annual Report for the Financial Year 2022-23**

Dear Sir(s)/Madam,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for the financial year 2022-23.

The Annual Report is also be hosted on the website of the Company and the same can be accessed at [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com).

We hope you will find the above in order.

**Thanking you,**

Yours faithfully,

**For Poddar Pigments Limited**

ANIL KUMAR SHARMA  
Digitally signed by ANIL KUMAR SHARMA  
DN: cn=ANIL, o=Poddar, postalCode=302039, st=Rajasthan,  
serialNumber=A99A9E37979D482963CF  
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67CC2D880, cn=ANIL KUMAR SHARMA  
Date: 2023.09.02 16:09:47 +05'30'

**Anil Kumar Sharma  
Company Secretary  
FCS No. 9382**

**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](mailto:jaipur@poddarpigmentsltd.com)

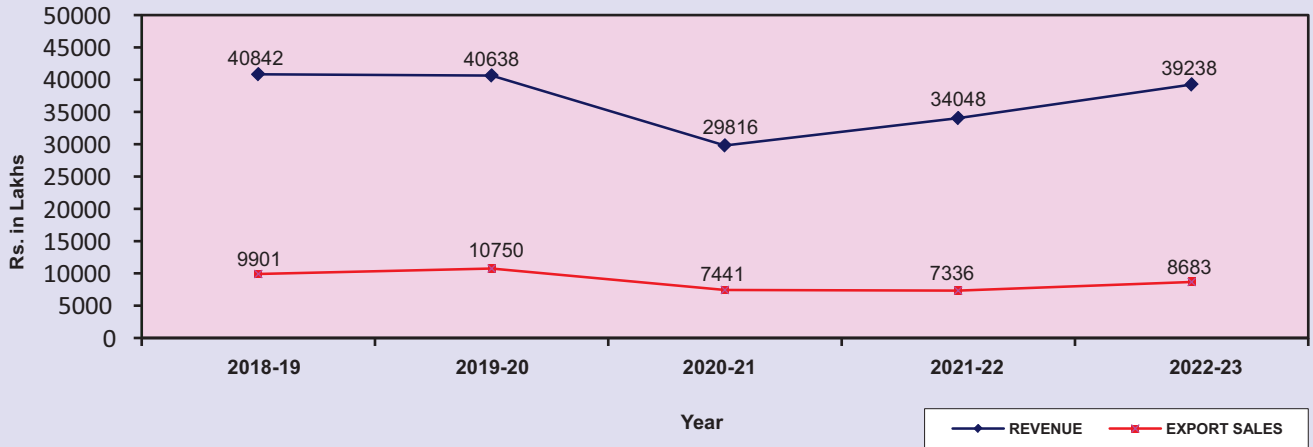
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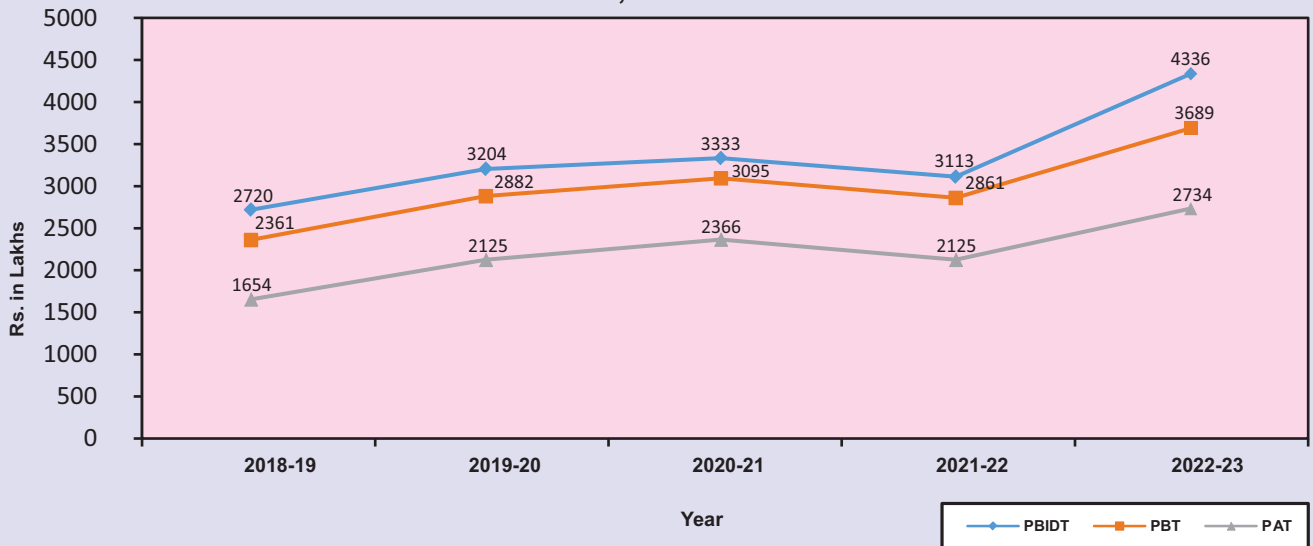
# **ANNUAL REPORT**

**2022-23**

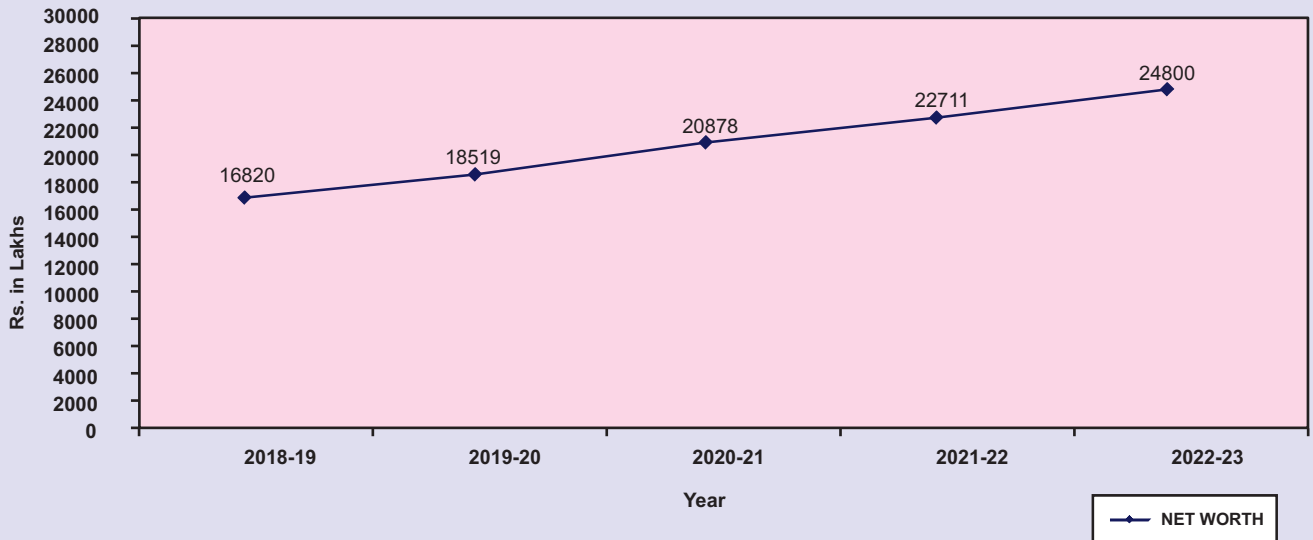
### GROSS REVENUE RECEIPTS & EXPORT



### PBIDT, PBT & PAT



### NET WORTH





## Board of Directors



**Shri Shiv Shankar Poddar**  
Managing Director



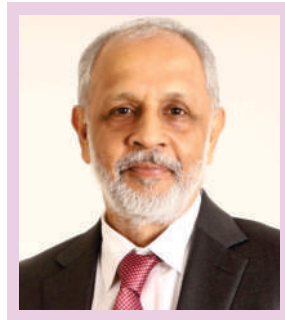
**Shri Gaurav Goenka**  
Joint Managing Director



**Smt. Mahima P. Agarwal**  
Non-Executive Director



**Shri N. Gopaldaswamy**  
Independent Director



**Shri M. K. Sonthalia**  
Independent Director



**Shri M. Mahadevan**  
Independent Director



**Smt. Lalitha Kumaramangalam**  
Independent Director



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## BOARD OF DIRECTORS

Shri S.S. Poddar, Managing Director  
Shri Gaurav Goenka, Joint Managing Director  
Smt. Mahima P. Agarwal, Non-Executive Director  
Smt. Lalitha Kumaramangalam, Independent Director  
Shri M.K. Sonthalia, Independent Director  
Shri N. Gopaldaswamy, Independent Director  
Shri M. Mahadevan, Independent Director

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## AUDITORS

M/s. K.N. Gutgutia & Company,  
Chartered Accountants,  
New Delhi - 110008

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## BANKERS

State Bank of India  
Punjab National Bank  
ICICI Bank  
HDFC Bank

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## REGISTERED OFFICE & WORKS - SITAPURA

Poddar Pigments Limited  
CIN : L24117RJ1991PLC006307  
E-10-11 & F-14 to 16, RIICO Industrial Area,  
Sitapura, Jaipur - 302 022 (Rajasthan)  
Telephone Number : 0141-2770202/203  
Email : com.sec@poddarpigmentsltd.com  
Website : www.poddarpigmentsltd.com

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## WORKS - CHAKSU

Greater Sitapura Industrial Park,  
National Highway 12 (Jaipur-Tonk Road),  
Village - Brijpura (Chaksu),  
Jaipur - 303901 (Rajasthan)

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## CORPORATE OFFICE

Rosy Tower, 3<sup>rd</sup> Floor,  
8, M.G. Road, Nungambakkam,  
Chennai - 600034 (Tamil Nadu)

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## REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.  
C-101, 247 Park, LBS Marg,  
Vikhroli (West),  
Mumbai - 400083 (Maharashtra)  
Telephone Number : 022-49186000  
Fax Number : 022-49186060  
Email : rnt.helpdesk@linkintime.co.in  
Website : www.linkintime.co.in

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## Board's Report

### Dear Members,

Your Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report of Poddar Pigments Limited (“the Company”) together with the audited financial statements for the financial year ended 31<sup>st</sup> March, 2023.

### FINANCIAL PERFORMANCE

The financial performance of your Company for the financial year ended 31<sup>st</sup> March, 2023 is summarized below:

(Rs. in Lakhs)

Particulars	2022-2023	2021-2022
Revenue Receipts (Gross)	38,680	33,590
Other Income	558	458
Total Revenue Receipts including other Income	39,238	34,048
Less: GST	4,612	4,036
Revenue Receipts including other Income (Net)	34,626	30,012
Total Expenses excluding Depreciation and Finance Cost	30,290	26,900
Profit before Finance Cost, Depreciation & Tax	4,336	3,112
Less: Finance Cost	27	38
Less: Depreciation	620	213
<b>Profit before tax</b>	<b>3,689</b>	<b>2,861</b>
Less: Current Tax	818	617
- Deferred Tax	127	119
- Adjustment	10	-
<b>Profit after tax</b>	<b>2,734</b>	<b>2,125</b>

### KEY FINANCIAL HIGHLIGHTS

The key highlights of the financial performance of the Company during the financial year 2022-23 are as follows:

- Revenue from operations (Gross) has increased to Rs. 38,680 Lakhs from Rs. 33,590 Lakhs of previous year, increased by 15.15%.
- Profit before Tax has increased to Rs. 3,689 Lakhs from Rs. 2,861 Lakhs of previous year, increased by 28.94%.
- Profit after Tax has increased to Rs. 2,734 Lakhs from Rs. 2,125 Lakhs of previous year, increased by 28.66%.

### OPERATIONAL REVIEW AND THE STATE OF THE COMPANY'S AFFAIRS

During the year under review, your Company performed well in all areas of its operations with impressive top line growth and consistent earnings, reflecting the effective corporate strategy of creating multiple drivers of growth. Your Company has maintained its leadership, due to continuous thrust on Research, Development and Technology up-gradation innovative products and is expected to further improve its performance in forthcoming years. The growth in sales volume, despite a subdued economical scenario, was made possible due to focus on value added and quality products.

### FUTURE OUTLOOK

India is witnessing large changes in the Master batches space and it's time now to change and adapt, to expand our horizons and cater to the

brand-conscious customers with a global outlook. The Company is reviewing the various business segments with a view to consolidate, focus and grow in core businesses and improve its margins on a sustainable basis. There is a need for consolidation of the domestic businesses and to drive economies of scale to continuously remain competitive in the challenging environment being faced by the industry. The Company is also focusing on right sizing of capacities with a view to optimize the return on capital employed. As a part of the strategy to enlarge our presence in the diverse domestic & global market, your Company has already increased its production capacities through installation of latest equipments. This will enable us to utilize unutilized and underutilized production capacity. With a firm and consistent focus on quality products, the Company anticipates better operational performance in the current year.

### CHANGE IN NATURE OF BUSINESS

During the period under review, there has been no change in the nature of the Company's business. Your Company continues to be a leading Masterbatches manufacturer and a world-class partner delivering innovative products.

### EXPORT

During the year under review, the exports of the Company was Rs. 8,683 Lakhs (including export benefits) as compared to Rs. 7,336 Lakhs of previous financial year. Your Company is expected to achieve higher export sale in the years to come.

### MARKETING

Through consistent efforts in maintaining and improving the international quality standards, your Company has observed that there is good demand for its products. This has helped in facing price competition in both domestic and international markets and also achieved increased volume. 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 the existing customers.

### RESEARCH AND DEVELOPMENT

The Company has Robust Research & Development which facilitates development of value added products as per demand in various segments with Constant Innovation. Due to R&D facility, we are consistently able to produce superior quality products at competitive price. Your Company makes continuous efforts to adopt and implement new technologies and to improve the product-mix/processes, to create higher value items at lower costs, to widen its range of new generation masterbatches and to facilitate the production of customised products.

### QUALITY INITIATIVES

Your Company is continuously focusing on improvement of quality products as per the domestic and global demand of customers through its Research & Developments mechanism to continue as market leader of the products. To achieve this, your Company has taken various quality initiatives to meet or exceed the expectations of its customers in the domestic as well as global market. It has invested in various pilot plants and state-of-the-art testing equipment in order to carry out all relevant tests for masterbatches, which support the smooth running of it's customers' production process as well.

### CHANGE IN SHARE CAPITAL

As on 31<sup>st</sup> March, 2023, the authorized share capital of the Company is Rs. 1,250 Lakhs divided into 1,25,00,000 equity shares of Rs. 10/- each and the total paid-up equity share capital of your Company was Rs. 1,061 Lakhs divided into 1,06,10,000 equity shares of Rs. 10/- each





fully paid-up. During the year under review, there was no change in the share capital of the Company.

#### **TRANSFER TO GENERAL RESERVE**

During the period under review, the Company has transferred an amount of Rs. 2,122 Lakhs to the General Reserves of the Company for the financial year ended 31<sup>st</sup> March, 2023.

#### **DIVIDEND**

During the year under review, the Board of Directors at their meeting held on 14<sup>th</sup> March, 2023 declared an interim dividend of Rs. 3.50 per Equity Share (face value of Rs. 10/- per Equity Share) for the financial year 2022-23, to the eligible equity shareholders of the Company. Total cash outflow for the interim dividend payout was Rs. 371.35 Lakhs. The interim dividend of Rs. 3.50 per Equity Share, declared by the Board of Directors is the final dividend for the financial year 2022-23.

#### **SUBSIDIARY, ASSOCIATE AND JOINT VENTURES**

As on 31<sup>st</sup> March, 2023, the Company does not have any subsidiary, joint venture or associate Company as defined under the Companies Act, 2013.

#### **STAR EXPORT HOUSE STATUS AND CREDIT RATING**

Your Company has maintained its Two Star Export House Status under the Foreign Trade Policy 2015-2020. The Company's Credit Rating for Long Term Bank Loan Facilities is A/Stable and for short term bank loan facilities is A1, as reaffirmed by CRISIL (Credit Rating Agency), which signifies a strong degree of safety with regard to timely payments.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**Director Retiring by Rotation** - In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Shri Gaurav Goenka (DIN:00375811), Joint Managing Director is retiring by rotation at the ensuing Annual General Meeting (AGM), and being eligible, offers himself for re-appointment. The Board recommends for his re-appointment. A detailed profile of Shri Gaurav Goenka (DIN:00375811) with additional information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings is provided in the Notice of ensuing Annual General Meeting.

**Independent Directors** - In terms of Section 149 of the Companies Act, 2013, Smt. Lalitha Kumaramangalam (DIN:08259526), Shri Manoj Kumar Sonthalia (DIN:00021297), Shri Nagarajan Gopalaswamy (DIN:00017659) and Shri M. Mahadevan (DIN:00786991) are the Independent Directors of the Company during the financial year 2022-23. Shri M.K. Sonthalia (DIN:00021297), Shri N. Gopalaswamy (DIN:00017659) and Smt. Lalitha Kumaramangalam (DIN:08259526) will be completing their terms on 31<sup>st</sup> March, 2024. Therefore, in terms of the provisions of Section 149 and Schedule IV of the Companies Act, 2013 read with applicable Rules made thereunder, Regulation 17 & 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have recommended for the appointment of Shri Gajendra Kumar Bhandari (DIN:00649176) and Shri R. Mohan (DIN:01492721) as Independent Directors of the Company, not liable to retire by rotation, with effect from 1<sup>st</sup> October, 2023 for a period of five consecutive years, to members for their approval in the ensuing Annual General Meeting.

Profile and other information of the aforesaid Directors, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2, forms part of the Notice convening the 32<sup>nd</sup> Annual General Meeting.

In accordance with Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each Independent Director (including the proposed Independent Directors) have given a declaration to the Company confirming that they meet the criteria of Independence as specified under Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. They have also confirmed the compliance of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 regarding inclusion of their names in the data bank of Indian Institute of Corporate Affairs (IICA).

In the opinion of the Board, the Independent Directors proposed for appointment in the ensuing Annual General Meeting, possesses the requisite qualification, expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are Independent of the management.

**Key Managerial Personnel** - Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons are the Key Managerial Personnel (KMP) of the Company:

1. Shri Shiv Shankar Poddar - Managing Director (DIN:00058025)
2. Shri Gaurav Goenka - Joint Managing Director (DIN:00375811)
3. Shri B.K. Bohra - Chief Financial Officer

During the year under review, Shri Navin Jain, AVP (Legal) & Company Secretary of the Company has resigned with effect from 16<sup>th</sup> January, 2023. Shri Anil Kumar Sharma was appointed as Company Secretary of the Company with effect from 29<sup>th</sup> May, 2023.

#### **FAMILIARIZATION PROGRAMME FOR DIRECTORS**

As a practice, all new Directors including Independent Directors inducted to the Board go through a structured orientation programme. Presentations are made by the Company to the Independent Directors covering the Role, Duties and Responsibilities of Independent Directors, the Company's strategy, business model, operations, markets, organizational structure, products, etc. Independent Directors get an opportunity to interact with the Company's management during Board/Committee meetings, wherein Key Managerial Personnel ("KMP") & Senior Management Personnel ("SMP") update about the business strategy, business models, performance of the Company, etc. New Independent Directors are provided with copy of latest Annual Report, the Company's Code of Conduct, the Company's Code of Conduct for Prevention of Insider Trading to let them have an insight of the Company's present status and their regulatory requirements. The details of familiarization programmes imparted to the Independent Directors are available on the website of the Company at <https://poddarpigmentsltd.com/details-familiarization-programmes-imparted-independent-directors.html>

#### **NOMINATION AND REMUNERATION POLICY**

Your Company has formulated the Nomination and Remuneration policy for its Directors, Key Managerial Personnel and Senior Management Personnel of the Company. This Policy sets out the guiding principles for the Nomination and Remuneration Committee of the Company to recommend the Board, for the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Nomination and Remuneration Committee shall identify persons who are qualified to become Director and persons who may be appointed in Key Managerial



Personnel (KMP) and Senior Management positions in accordance with the criteria laid down in this policy and recommend to the Board for their appointment, re-appointment and removal including remuneration based upon the need of the Company. The Nomination and Remuneration policy of the Company is available on website of the Company at <https://poddarpigmentsltd.com/pdf/7E.%20Nomination%20and%20Remuneration%20Policy.pdf>

#### MEETINGS OF THE BOARD

The Board of Directors of the Company met six times during the year under review. The meeting were held on 4<sup>th</sup> May, 2022, 26<sup>th</sup> May, 2022, 31<sup>st</sup> July, 2022, 27<sup>th</sup> October, 2022, 16<sup>th</sup> January, 2023 and 14<sup>th</sup> March, 2023. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### COMMITTEES OF THE BOARD

The Board of Directors of the Company has constituted various Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Performance Evaluation Committee. The details of the composition of these Committees, number of meetings held, attendance of Committee members thereof during the year under review, etc. are provided in the Corporate Governance Report and forms an integral part of this Annual Report.

#### AUDIT COMMITTEE

The Audit Committee comprises of four members with majority of Independent Directors. The constitution of the Audit Committee is Smt. Lalitha Kumaramangalam (DIN:08259526), Chairperson of the Committee and Shri Gaurav Goenka (DIN:00375811), Shri Manoj Kumar Sonthalia (DIN:00021297) and Shri M. Mahadevan (DIN:00786991), are members of the Audit Committee. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

#### CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The Company undertakes its CSR initiatives as per the activities covered in the CSR Policy of the Company and can be accessed from website of the Company at <https://poddarpigmentsltd.com/pdf/7D.%20CSR%20Policy.pdf>

Further, the CSR Committee comprises of members namely, Shri Shiv Shankar Poddar (DIN:00058025), Chairperson, Shri Gaurav Goenka (DIN:00375811) and Smt. Lalitha Kumaramangalam (DIN:08259526). During the year under review, your Company was required to make CSR expenditure of Rs. 66.92 Lakhs which was two percent of the average net profits of your Company made during the three immediately preceding financial years and the Company has spent Rs. 67.00 Lakhs on CSR activities/programs. Further, the Board has taken on record the certificate issued by the Chief Financial Officer confirming that the CSR spends of the Company for financial year 2022-23 have been utilized for the purpose and in the manner as approved by the Board of Directors of the Company.

The Annual Report on CSR activities of financial year 2022-23 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, is annexed herewith as **Annexure - A** to this Report.

#### CORPORATE GOVERNANCE REPORT

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements as set out by the Securities and Exchange Board of India. The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) including the certificate from Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance, forms part of this Annual Report.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion & Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual Report.

#### CONTRACT AND ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company has formulated Related Party Transactions Policy ("RPT Policy") for identifying, reviewing, approving and monitoring of Related Party Transactions of the Company and the same is available on the Company's website at <https://poddarpigmentsltd.com/pdf/Related%20Party%20Transactions%20Policy.pdf>

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval has been obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on arm's length basis. The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Companies Act, 2013. There were no material related party transactions, contracts and arrangements entered into by the Company during the year under review.

The details of related party transactions pursuant to clause (h) of Section 134(3) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and is annexed herewith as **Annexure - B** to this Report.

#### DEPOSITS

During the year under review, your Company has not accepted any deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The Company has not accepted any deposits in the earlier years and as such question of unpaid or unclaimed deposit and defaults in repayment does not arise.

#### PARTICULARS OF EMPLOYEES

The statement of disclosure pertaining 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 herewith as **Annexure - C** to this Report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of employees and other particulars of the top ten employees and employees drawing remuneration in excess of the limits as provided in the said rules are set out in the Board's Report as an addendum thereto. However, in terms of provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report is





being sent to the members of the Company excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

## **HUMAN RESOURCES**

The Company appreciates the contribution of its human capital and recognizes them as a key asset for the business performance. Their caliber and commitment is our inherent strength. The Company has a focused approach towards employee experience by promoting high performance culture through robust PMS process, key deliverables on learning & development and system driven HR processes & practices.

The Company is evolving and has started adopting global best practices in HR domain. HR is becoming more of a strategic partner by ensuring that the Company hires the right talent, identifying future core capabilities and making a more focused approach towards the growth of the Company. The Company is focusing on HR deliverables by continuously improving and automating the system, effectively reskilling and upskilling of the employees through continuous improvement programs, driving leadership, culture and experience.

## **SUCCESSION POLICY**

Your Company has put in place a policy on succession to make a plan for orderly succession for appointment to the Board, Senior Management and to the Middle Level Management. The Nomination and Remuneration Committee works with the Board of Directors on the leadership succession plan to ensure orderly succession in appointments to the Board, Senior Management positions and Middle level Management. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity.

## **BOARD DIVERSITY**

The Company recognises and grips the importance of a diverse Board for its success. The Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage.

## **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Nomination and Remuneration Policy of the Company, Nomination and Remuneration Committee of the Board of Directors of the Company specified the manner for effective evaluation of performance of the Board, its Committees and Individual Directors.

Based on the same, the Nomination and Remuneration Committee and the Board has evaluated the performance of the Committees of the Board which are required to be constituted as per the provisions of the Companies Act, 2013, the Board as a whole and individual Directors including Independent Directors. The performance of the Board as a whole was evaluated on the basis of criteria such as the Board size, structure, expertise of the Board, development of suitable strategies and business plans, obligations, governance, efforts to learn about the Company and its business, etc. The performance of the Committees of the Board was evaluated on the basis of criteria such as the composition of committees, appropriate number of meetings, confidentiality of its discussions/decisions, suggestions & recommendations to the Board, etc.

Performance of individual Directors was evaluated on the basis of

criteria such as the Appropriateness of qualification, knowledge, skills and experience, participation in Board functioning, extent of diversity in knowledge and industry expertise, attendance and participations in the meetings and working thereof, initiative to maintaining high level of integrity and ethics, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors and the Board as a whole was evaluated. The quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties was also evaluated in the said meeting.

## **AUDITORS AND AUDITORS' REPORT**

### **Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. K.N. Gutgutia & Co., Chartered Accountants (Firm Registration No. 304153E), were appointed as Statutory Auditors of the Company for a term of 5 years, to hold office from the conclusion of 31<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2022 until the conclusion of 36<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027. The Auditors have issued an unmodified opinion on the Financial Statements of the Company, for the financial year ended 31<sup>st</sup> March, 2023 and it does not contain any qualification, reservation or adverse remark which requires any clarification/explanation. The said Auditors' Report for the financial year ended 31<sup>st</sup> March, 2023 on the Financial Statements of the Company, forms part of this Annual Report.

### **Cost Auditors**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain its cost records and get the same audited by a Cost Accountant in practice. Accordingly, the cost records are made and maintained by the Company as required under Section 148(1) of the Companies Act, 2013.

During the period under review, the cost audit report for the financial year 2021-22 was filed with the Registrar of Companies (Central Government) and there is no qualification(s) or adverse remark(s) in the cost audit report which require any clarification/explanation. Further, M/s. K.G. Goyal & Associates, Cost Accountants, Jaipur, were appointed as Cost Auditors of the Company to submit the cost audit report for the financial year 2022-23 and the same will be filed with the Registrar of Companies (Central Government) in due course.

The Board has, based on the recommendation of the Audit Committee, approved the appointment of M/s. K.G. Goyal & Associates, Cost Accountants, Jaipur as Cost Auditors of the Company for conducting the audit of cost records maintained by the Company for the financial year 2023-24.

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, ratification of the remuneration payable to Cost Auditors (as recommended by the Audit Committee and approved by the Board) is being sought from the members of the Company at the ensuing Annual General Meeting. The details of the same is provided in the Notice convening the ensuing Annual General Meeting.

### **Secretarial Auditors**

The Board of Directors had appointed Shri Babu Lal Patni, Company Secretary in Practice as Secretarial Auditor of the Company to conduct Secretarial Audit for the financial year 2022-23. He has submitted his report in the prescribed format and the same is annexed herewith as



**Annexure - D** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **ENVIRONMENT, HEALTH AND SAFETY (EHS)**

The Company continues to accord high priority to health and safety of employees and workmen at both the manufacturing locations. Annual medical check-up of all employees at all sites is being carried out. The Company also conducted safety training programmes and mock-drills for increasing disaster preparedness awareness among all employees at the plants. There was no casualty at any site during the year. Our strong commitment to sustainability and a keen focus on compliance with EHS standards is demonstrated in the stringent quality, environment and employee safety norms that your Company follows.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached herewith as **Annexure - E** which forms part of this Report.

#### **RISK MANAGEMENT**

The Company has put in place a Risk Management framework and Policy based on the domestic and globally recognized standards. The objective of the policy is to ensure Organizational growth, sustenance and growth of strong relationships with customers and suppliers, expanding the presence in existing markets and penetrating new geographic markets, high quality production, enhance capabilities through technology alliances and acquisitions, etc. Further details on the Company's Risk Management framework is provided in the Management Discussion and Analysis Report, forms an integral part of this Annual Report.

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

The Company has a Vigil Mechanism/Whistle Blower Policy in terms of the provisions of Section 177(9) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for employees and Directors to approach the Audit Committee of the Company and disclose unethical and improper practices or any other alleged wrongful conduct in the Company. The Audit Committee of the Board is entrusted to supervise the implementation of this policy including receipt of disclosures and investigation of matters. During the year under review, no personnel was denied access to the Audit Committee. The Vigil Mechanism/Whistle Blower Policy of Company is available on website of the Company at <https://poddarpigmentsltd.com/pdf/7G.%20Whistle%20Blower%20Policy.pdf>

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

Pursuant to the provisions of Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted a Codes of Fair Disclosures and Conduct for Insider Trading and the same is available on website of the Company at [https://poddarpigmentsltd.com/pdf/PIT%20Policy\\_final.pdf](https://poddarpigmentsltd.com/pdf/PIT%20Policy_final.pdf)

#### **DIRECTORS & OFFICERS (D&O) LIABILITY INSURANCE**

The Company has in place the Directors and Officers Liability Insurance (D&O) for all its Directors (including Independent 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.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROL SYSTEM WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These systems have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with the applicable accounting standards and relevant statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well-defined delegation of authority with specified limits for approval of expenditure, both capital and revenue. The Company uses an established Oracle system to record day to day transactions for accounting and financial reporting.

The Audit Committee deliberated with the members of the Management, considered the systems as laid down to ascertain their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control systems as laid down and kept the Board of Directors informed. However, the Company recognizes that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals.

Your Company's system and process relating to internal controls and procedures for financial reporting provide a reasonable assurance to the Statutory Auditors regarding the reliability of financial reporting and the preparation of financial statements in accordance with applicable Indian Accounting Standards, the Companies Act, 2013 read with the Rules made thereunder, SEBI Regulations and all other applicable regulatory/statutory guidelines, etc.

#### **REPORTING OF FRAUD**

During the financial year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Companies Act, 2013.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

During the year under review, the Company has not given any loan or guarantee or provided any security. The details of investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements of the Company.

#### **ANNUAL RETURN**

In accordance with the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 read with the applicable Rules made thereunder, Annual Return of the Company is hosted on website of the Company at <https://poddarpigmentsltd.com/Annual-return.html>

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Sections 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors, to the best of their knowledge and ability, confirm for the year ended 31<sup>st</sup> March, 2023, that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with



the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors of the Company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ("IEPF Rules"), any money transferred to the unpaid dividend account, if not claimed/paid for a period of seven years from the date of such transfer, are liable to be transferred to the IEPF established by the Central Government.

Further, all the shares in respect of which dividend has remained unclaimed/unpaid for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to the demat account of IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends reminders to the shareholders from time to time, to claim their dividends in order to avoid transfer of dividends/shares to the IEPF. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF, are uploaded on the Company's website at <https://poddarpignmentsltd.com/IEPF-details.html>

During the year under review, the Company has transferred dividend amount of Rs. 16,33,979/- which remained unpaid/unclaimed for the financial year 2014-15 pursuant to the provisions of Section 124 of the Companies Act, 2013 and also transferred 22,560 Equity Shares of Rs. 10/- each against which dividend remained unpaid/unclaimed for consecutive seven years to the IEPF pursuant to the provisions of Section 124(6) of the Companies Act, 2013 within the prescribed time.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

During the financial year under review, your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings (SS- 1) and General Meetings (SS-2).

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has zero tolerance towards sexual harassment at the workplace and continues to follow robust policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace. The Company has a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") read with the rules framed thereunder and has formed an Internal Complaints Committee for its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act. During the year under review, no complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **AWARDS AND RECOGNITIONS**

The Company has received various awards and recognitions in the area of industrial relations, excellence in compliances, highest recognition for exports, etc. Some of the key ones are as follows:

1. Special Jury Trophy 2022 for outstanding contribution in Best Industrial Relations and Excellence in Compliances in Best Employer Award by Employers' Association of Rajasthan on 24<sup>th</sup> December, 2022 from Shri Kalraj Mishra, Governor of Rajasthan and Smt. Sakuntala Rawat, Minister of Industries, Rajasthan.
2. Special Recognition for Exemplary Contribution in Strengthening CII from Confederation of Indian Industry (CII) on 2<sup>nd</sup> March, 2023.

#### **OTHER DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events on these items during the year under review:

1. There was no issue of equity shares with differential rights as to dividend, voting or otherwise.
2. There was no issue of shares including sweat equity shares to employees of the Company under any Scheme.
3. There were no material changes and commitments in terms of Section 134(3)(l) of the Companies Act, 2013, affecting the financial position of the Company between the end of the financial year to which this financial statement relates on the date of this report.
4. There were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.
5. There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016.
6. The requirement of disclosure of details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable during the period under review.

#### **CAUTIONARY STATEMENT**

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

#### **ACKNOWLEDGEMENT**

Your Board of Directors wishes to place on record their gratitude and sincere appreciation for the valued support and assistance extended to the Company by the Shareholders, Banks, Financial Institutions and Government Authorities and look forward to their continued support. Your Directors also express their appreciation for the dedicated and sincere services rendered by employees of the Company.

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

**Manoj Kumar Sonthalia**  
Independent Director  
(DIN:00021297)

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

**Place : Chennai**  
**Date : 5<sup>th</sup> August, 2023**



## Annexure - A to the Board's Report

### Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended)]

**1. Brief outline on CSR Policy of the Company:**

The Company is a responsible corporate citizen and its vision is to actively contribute to the social and economic development of the communities in which it operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

In compliance with Section 135 of the Companies Act, 2013 ("the Act")

read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formulated a CSR Policy which is uploaded on website of the Company at <https://poddarpigmentsltd.com/pdf/7D.%20CSR%20Policy.pdf> The objective of CSR Policy is to provide an overall framework, principles and guidelines to the Company for conducting CSR activities in line with Section 135 of the Act read with the Rules made thereunder and other applicable laws and regulations, as amended from time to time.

**2. Composition of CSR Committee:**

Sl. No.	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
1	Shri Shiv Shankar Poddar	Chairman of the Committee and Managing Director	4	4
2	Shri Gaurav Goenka	Member - Joint Managing Director	4	4
3	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: <https://poddarpigmentsltd.com/pdf/Composition%20of%20Board%20of%20Directors.pdf>; <https://poddarpigmentsltd.com/pdf/7D.%20CSR%20Policy.pdf>; <https://poddarpigmentsltd.com/CSR-Projects-FY-2022-23.html>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of Section 135: Rs. 3,346 Lakhs

(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: Rs. 66.92 Lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Rs. Nil

(d) Amount required to be set off for the financial year, if any: Rs. Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 66.92 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 67.00 Lakhs

(b) Amount spent in Administrative Overheads: Rs. Nil

(c) Amount spent on Impact Assessment, if applicable: Rs. Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 67.00 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
67.00	Nil	-	-	Nil	-

(f) Excess amount for set-off, if any: Rs. 0.08 Lakhs

Sl. No.	Particular	Amount (Rs. in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	66.92
(ii)	Total amount spent for the Financial Year	67.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.08
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.08





7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1 Sl. No.	2 Preceding Financial Year(s)	3 Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (Rs. in Lakhs)	4 Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (Rs. in Lakhs)	5 Amount Spent in the Financial Year (Rs. in Lakhs)	6 Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		7 Amount remaining to be spent in Succeeding Financial Years (Rs. in Lakhs)	8 Deficiency, if any
					Amount (Rs in Lakhs)	Date of transfer		
1	2019-20	Nil	Nil	NA	Nil	-	Nil	-
2	2020-21	Nil	Nil	NA	Nil	-	Nil	-
3	2021-22	Nil	Nil	NA	Nil	-	Nil	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

S1. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
-	-	-	-	-	-		

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135: Not Applicable

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

**Shiv Shankar Poddar**  
Managing Director and Chairman of CSR Committee  
(DIN:00058025)

Place : Chennai  
Date : 5<sup>th</sup> August, 2023





## Annexure - B to the Board's Report

### FORM NO. AOC-2

(Pursuant to clause (h) of sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

S. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	NA
(b)	Nature of contracts/arrangements/transactions	NA
(c)	Duration of the contracts/arrangements/transactions	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
(e)	Justification for entering into such contracts or arrangements or transactions	NA
(f)	Date of approval by the Board	NA
(g)	Amount paid as advances, if any	NA
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	NA

2. Details of material contracts or arrangement or transactions at arm's length basis: Nil

S. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	NA
(b)	Nature of contracts/arrangements/transactions	NA
(c)	Duration of the contracts/arrangements/transactions	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
(e)	Date(s) of approval by the Board, if any	NA
(f)	Amount paid as advances, if any	NA

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

**Manoj Kumar Sonthalia**  
Independent Director  
(DIN:00021297)

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

**Place : Chennai**

**Date : 5<sup>th</sup> August, 2023**



## Annexure - C to the Board's Report

[Information pursuant to 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 ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23 are as under:

S. No.	Name of Director/KMP and Designation	Ratio of the remuneration of each Director to the median remuneration of the employees for the Financial Year 2022-23	Percentage increase in the remuneration for the Financial Year 2022-23
1	Shri Shiv Shankar Poddar Managing Director	30.91	10.71
2	Shri Gaurav Goenka Joint Managing Director	38.40	2.97
3	Smt. Mahima Poddar Agarwal Non-Executive Non - Independent Director	0.12	100.00
4	Shri Manoj Kumar Sonthalia Independent Director	0.16	60.00
5	Shri N. Gopaldaswamy Independent Director	0.11	57.14
6	Shri M. Mahadevan Independent Director	0.09	12.50
7	Smt. Lalitha Kumaramangalam Independent Director	0.14	100.00
8	Shri Bipin Kumar Bohra Chief Financial Officer	Not Applicable	4.12
9	Shri Navin Jain* AVP (Legal) & Company Secretary	Not Applicable	-5.26

\*Shri Navin Jain, AVP (Legal) & Company Secretary has resigned from post of Company Secretary with effect from 16<sup>th</sup> January, 2023.

- (ii) The percentage increase in the median remuneration of Employees in the Financial Year: 4.54%
- (iii) The Number of Permanent Employees on the rolls of Company: 337 Employees
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- (v) Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid during the year is as per the Nomination and Remuneration Policy of the Company.
- There was no exceptional circumstance for increase in managerial personnel in the last financial year. The average percentile increase and the remuneration policy was the same for the managerial personnel and all other employees.

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

**Manoj Kumar Sonthalia**  
Independent Director  
(DIN:00021297)

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

Place : Chennai

Date : 5<sup>th</sup> August, 2023



## Annexure - D to the Board's Report

FORM No MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies

(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Poddar Pigments Limited**  
**E-10-11 & F-14 to 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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023 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; However, During the financial year, Company Secretary of the Company has resigned with effect from 16<sup>th</sup> January, 2023 and there is no Company Secretary in the Company as on 31<sup>st</sup> March, 2023.
- 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 are 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 and Sweat Equity) Regulations, 2021;
  - 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 clients;
  - g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - h) \*The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
  - i) \*The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and
  - j) 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:**

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. There was no Changes in the composition of the Board of Directors during the year.

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 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.

**Name of the Company : BABU LAL PATNI**

**Secretary in Practice**

**FCS : 2304**

**C.P. No. : 1321**

**UDIN : F002304E000066291**

**P.R. No. : 1455/2021**

**Place : Kolkata**

**Dated : 12<sup>th</sup> April, 2023**

## 'Annexure A'

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

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my 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 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.

**Babu Lal Patni**

**Practising Company Secretary**

**Membership No - 2304**

**Certificate of Practice Number - 1321**

**P.R. No. 1455/2021**

**Place : Kolkata**

**Dated : 12<sup>th</sup> April, 2023**



## Annexure - E to the Board's Report

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### A) CONSERVATION OF ENERGY:

**(i) Steps taken or impact on conservation of energy**

Installation of energy efficient LED lights in place of conventional lights.

**(ii) Steps taken by the Company for utilising alternate sources of energy**

Nil

**(iii) Capital investment on energy conservation equipments**

During the financial year, the capital investment on energy conservation equipment's was Rs. 2.47 Lakhs. The Company continues to accord high priority to the conservation of energy on an ongoing basis.

#### B) TECHNOLOGY ABSORPTION:

**(i) Efforts made towards technology absorption**

Nil

**(ii) Benefits derived like product improvement, cost reduction, product development or import substitution**

Continued Research & Development efforts to attain objectives of cost reduction, energy conservation, waste minimization/recycling and reuse, related value added products, reduction in carbon footprints and environmental improvement.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

(a) the details of technology imported : None

(b) the year of import : NA

(c) whether the technology been fully absorbed : NA

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : NA

**(iv) Expenditure incurred on Research and Development**

During the year, the Company incurred expenditure of Rs. 626.66 Lakhs on research & development.

#### C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in Lakhs)

Particulars	2022-23	2021-22
1 Foreign Exchange Earnings	8,244.09	6,815.09
2 Foreign Exchange Outgo	9,111.33	9,748.08

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

**Manoj Kumar Sonthalia**  
Independent Director  
(DIN:00021297)

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

**Place : Chennai**

**Date : 5<sup>th</sup> August, 2023**





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Economic Overview

The financial year 2022-2023 proved to be yet another year of unprecedented challenges due to COVID-19, Russia-Ukraine war, global monetary tightening and China Zero-Covid policy.

Beyond its immediate and catastrophic humanitarian effects in this situation, the war has limited economic growth and raised inflation. The slowdown in global growth is expected to fall 2.8% in calendar year 2023 from 3.4% in calendar year 2022. (Source: World Economic Outlook, April 2023).

Financial year 2024 for the Indian economy opens with strong April activity amid seasonal moderation following a vigorous last quarter of financial year 2023.

1. Economic activity remained buoyant in financial year 2023 and the momentum continued in financial year 2024 amid some seasonal moderation. GST collection jumped to a record high of Rs. 1.87 Lakh Crore in April, 2023. The average GST collections have also displayed a level shift upwards over the years on the back of heightened economic activity and a widening tax base. Seasonal moderation has, however, set in with e-way bill volume generation, a forerunner of GST collections, softening from March to 8.4 Crore in April, 2023. Yet on a year-on-year basis, e-way bill volume in April, 2023 has shown growth, suggesting a sustained increase in value addition in most of the sectors of the economy.
2. PMI manufacturing is yet another indicator that reaffirms a strong April, 2023 opening of economic activity in financial year 2024. After remaining well in the expansionary zone throughout Q4 of financial year 2023, it registered a four-month high of 57.2 in April, 2023. Data from the latest report suggests that robust new business growth and an associated increase in production requirements led to manufacturers adding to their input inventories as well increasing employment. A similar growth is expected in financial year 2023-24 in respect of the Index of Industrial Production (IIP) and Eight Core Industries Index (ECI) as well, which have also shown a robust Y-o-Y growth of 4.8 per cent and 6.5 per cent, respectively, in the last quarter of financial year 2023. Accompanying the growth in manufacturing output is the rise in capacity utilization towards the 75 per cent benchmark, which is also a precursor of an increase in the investment rate in the economy. As per RBI's survey, capacity utilization moved up from 74 per cent in Q2 financial year 2023 to 74.3 per cent in Q3 financial year 2023. A more recent FICCI Manufacturing Survey shows nine out of twelve sectors operating at above 70 per cent capacity in Q4 of financial year 2023. The outlook for Q1 financial year 2024 in the sector, as assessed by the RBI's Business Expectations Index (BEI), moderated from the previous quarter on account of seasonal factors but notably remains above its historical average. Manufacturers continue to remain optimistic about production, order books, employment, capacity utilization and overall business situation in the next two-quarters of financial year 2024 as well.

The entire chemical industry continues to have tremendous potential and will continue on its current path of rapid expansion over the next decade. Strong local demand and the probable emergence of a China+1 strategy in global supply chains will boost growth in India. The accessibility of a skilled and reasonably priced labour force contributes to this growing momentum further.

As a result, your Company believes that India will continue to be and emerge as a highly attractive supplier to the domestic (import substitution) and export markets in a wide range of products, particularly in the chemical industry.

### Financial and Operational Performance

Your Company registered a sale of Rs. 386.80 Crores for the year ended 31.03.2023, as against Rs. 335.90 Crores in the previous year.

In addition, your Company is having certification of ISO 9001: 2015 standards, reflecting its commitment to quality and customer satisfaction.

Your Company had started a new plant at Chaksu on 23.03.2022 for manufacturing of Black Masterbatches, which will add an enhanced capacity of approx. 25%. The entire financial year 2022-23 the new plant was running normal.

### Industry Structure and Developments

Your Company manufactures colour & additive Masterbatches for the dope-dyeing of man-made fibres (MMF), various polymer applications and engineering plastics & compounds. The power of polymers lies in the versatility of their composition, which can be tweaked to adapt them perfectly to the intended application. Beyond the broad selection of available polymer types, the real power of polymers comes from the special characteristics that masterbatches add to their applications. With the benefit of highly customizable formulas, additives and colourant masterbatches help adjust the properties of a polymer to specifically suit a user's needs, whether functional or aesthetic.

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. There is 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 food to automobiles. Investments in infrastructure and agriculture have also fuelled the demand for plastics and related products in India.

India's per capita consumption of plastics stands at 11 kgs., which is one-tenth of that of the United States and less than a third of that of China. The current rapid pace of urbanization in India is certain to increase the demand for consumption. The petrochemical sector has attained the status of a sunrise industry in India with aggressive participation from large private sector Companies and government-owned public sector undertakings (PSUs). There has been a rapid rise in polymer consumption in India in the last few years. We estimate India's polymer consumption to continue its growth momentum and record a CAGR of 8 percent. Consumption will double in the next 10 years and thereafter quadruple from the current level between 2030 and 2040.

After almost two years of weaknesses, India's polymer is likely to bounce back with robust growth in the future due to improved activities with the reopening of the economy, strong growth in health & hygiene, packaging, infrastructure, and agriculture after Covid.

Hence, it is rational to expect the demand for plastic products to further increase in the future.



## 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, colour, 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 growing demand in the future, which in turn will increase the bias towards synthetic fibres, especially polyester.

## Synthetic the Fabric of Our Lives - Synthetic a sustainable alternative

Cotton's market share for global end-use consumption is shrinking rapidly. Price fluctuations, weather disruptions, changing consumer attitudes and other factors have all contributed to cotton losing its market share to synthetic fibres, predominantly Polyester.

Prices have helped synthetics gain market share at the expense of cotton; synthetic fibres make them popular among designers and consumers.

For many consumers, cotton is not green; the fibre requires too much water, too many pesticides and too much labour requirement for the cotton to be grown. For other consumers, polyester is green; it can be recycled. Clothes with synthetic fibres are smart and have outperformed their counterparts in the cotton industry. Consequently, many consumers today see no problem wearing synthetics despite their origins.

One of the largest consumers of polyester in the world today is also one of the "greenest," environmentally advanced regions of the world - Europe.

Wet processing, a common step used in the textiles industry, has the potential to cause a significant impact on the environment and human health. This is because large amounts of chemicals and dyes are used in wet processing, resulting in effluents with a complex chemical composition. The cellulosic textiles industry consumes a large quantity of water in wet processing operations like de-sizing, scouring, mercerizing, bleaching, and dyeing during the conversion of fibre to fabric.

The last decade has seen growing concern about environmental issues which have increased manifold because of increasing industrial pollution, waste problems, and the effects of global warming. In this context, dope-dyed Polyester and Viscose are one of the solutions to reducing environmental pollution and waste water discharges in the textiles industry.

1. Greenhouse gas emissions are reduced up to 62% by using spun-dyed viscose as compared to the conventional dyeing of viscose.
2. Most apparently, there is an 89% increase in water conservation by using dope-dyed products (compared with cotton from the planting process). In fact, there is no water used in the dope-dyeing process, and a significant reduction is noticed in heavy metal contamination in the effluent generated by spun-dyed viscose.
3. By adopting the dope dyeing process, it saves the chemicals up to 63% as the process becomes shorter and less waste water is generated. This enables direct savings on production costs and ensures a substantial reduction of the ecological footprint of the final products.

Your Company produces master batches for the dope dyeing of polyester, nylon, and polypropylene textiles, thereby contributing to environmental sustainability.

## Polyester Business Environment/Outlook

Globally, the demand for polyester-based textiles is growing faster than cotton. Currently, polyester accounts for more than 55% of the total fibre consumption in the world. Polyester fibre consumption is expected to grow by another 22 million tons to reach a level of 78 million tons annually and will form a share of 60% of global fibre consumption of 130 million tons by 2025. In 2020, the global trade of Polyester Staple Fibre (PSF) stood at US\$ 4.0 billion and that of Polyester Yarn stood at US\$ 13.4 billion. PSF has been growing at a CAGR of 2% since 2015, while Polyester yarn has been growing at a CAGR of 14%.

India has a production of 1,085 million kg of polyester staple fibre and 3,934 million kg of polyester filament yarn. It is the second-largest producer of polyester globally. India's exports of polyester registered a value of US\$ 2.0 billion in 2021. The Production linked Incentive (PLI) scheme is set to boost the man-made fibre-based textiles and apparel production in India, many major textile manufacturers have applied to the scheme and it is expected to generate investments of up to Rs. 50,000 crores in the overall man-made fibre textile value chain.

The growth in the volume of polyester consumption is driven by growth in consumption of finished product categories like sports wear, technical textiles, and women's wear. India has a presence of a complete polyester value chain in the country and therefore it must leverage its expertise and capture the growing demand for polyester-based textiles.

Due to a change in buying habits, consumers are now shifting from need-based clothing to aspiration-based clothing. Contrary to previous years, where Indian consumers purchased fashion items as and when required, buying clothes has become more than a basic need; it is now a reflection of aspiration, personality, and a status symbol. Though basic textiles continue to represent a part of the consumer's basket, the demand for aspirational clothing has increased significantly in recent years.

The consumption of polyester fibres 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 and viscose are growing fast. Polyester is expected to dominate global textiles in the foreseeable future in almost all end-use categories. Within manmade 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.

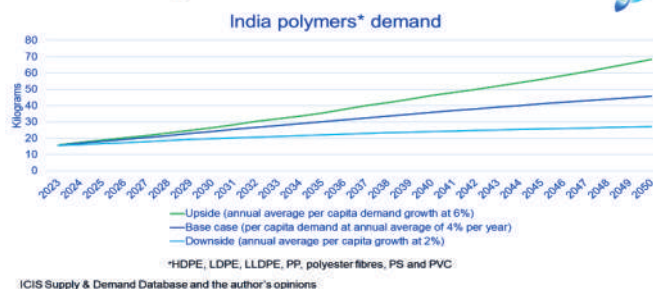
Owing to the above trends in the global market, polyester has proved to be a cost-effective and adaptable fibre type and has increasingly picked up the bulk of new business growth. It is recyclable and can be blended with other fibres like cotton and spandex for performance requirements. Polyester provides a combination of comfort and performance as it can be easily processed to improve fibre properties. That is why it has wide acceptance in various end-use categories like sports wear, leisure wear, women's wear, 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 consumption growth of all products including textile and apparel. The increased per capita income level has also helped to make these products affordable to a wider section of the population. In addition, the following are the other factors that will drive growth:



- India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home, and technical products.
- The Indian textile and apparel industry is expected to grow to US\$ 190 billion by financial year 2026.
- The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025.
- Rs. 10,683 Crores (US\$ 1.44 billion) PLI scheme is expected to be a major boost for textile manufacturers. The scheme proposes to incentive MMF (man-made fibre) apparel, MMF fabrics, and 10 segments of technical textiles products.
- While the global per capita consumption of man-made fibres is around 12 kg per annum, it is merely 3.5 kg in India, hence providing significant scope for the increase in domestic consumption.
- The textile industry of India is one of the top contributors to the country's economy. The Man-made Fiber (MMF) industry contributes 17% of India's textile exports, and the country is the world's sixth-largest exporter of MMF textiles. MMFs are generally of two types - synthetic and cellulosic. Cellulosic fibers are made from wood pulp, and synthetic fibers are made from crude oil. The key types of synthetic fiber are polyester, acrylic, and polypropylene. The manufacturing cost of textiles is among the lowest in the world, making it a popular destination for investment.
- The MMF industry in India has been growing rapidly. The country ranks second in the production of cellulose fiber/yarn and third in synthetic fiber production worldwide. As of date, India produces all types of synthetic fibers. India produces fiber, yarn, fabrics, made-ups, and home textiles. The MMF fabrics hold a majority share in the segment exports, followed by made-ups and yarn. India is completely self-dependent across the value chain, from raw materials to garments. The industry constitutes of two types – polyester and viscose-which account for ~94% (in volume terms). In this, polyester accounts for around 77.5%, and viscose has the remaining share.
- India exports polyester, viscose, and other types of fibers, polyester yarns, spun filaments, rope, blankets, bed linen, fishing nets, motifs, and furnishing articles. During 2021-22, India reached US\$ 6.77 billion worth of exports, an increase of 45.83% over 2020-21.
- During 2021-22, Polyester Filament Yarn (US\$ 1.34 billion) was the top exported product in India's MMF textile exports.
- The demand for MMFs will be further boosted by factors like evolving consumer trends, including a growing focus on fitness and hygiene, rising brand consciousness, rapidly changing fashion trends, and increasing women's participation in the workforce. These trends will work positively for the Indian synthetic and rayon textiles industry.

### Wide range of outcomes need to be considered



The above chart shows actual Indian growth in per capita consumption and in millions of tons for seven of the major synthetic resins between 1990 and 2022.

In 1990, per capita consumption was in the region of 1kg and with demand in millions of tons at around 1m tons. In 2022, per capita consumption had reached some 15 Kgs with demand in millions of tons at around 21m tons and the per capita consumption is likely to touch is around 45 Kgs by 2050 considering base case i.e., growth of 4% per year of per capita demand.

Your Company is a leading and pioneer manufacturer of Polyester Masterbatches for textile applications hence can leverage its expertise and capture the growing demand in the domestic and export market for these applications. Your Company has set up representation in USA for tapping the USA market for master batches in textile applications.

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 colour and antimicrobial masterbatches for the PPE kits and other industries and expect good sales in the coming months.

Hence, it can optimistically 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

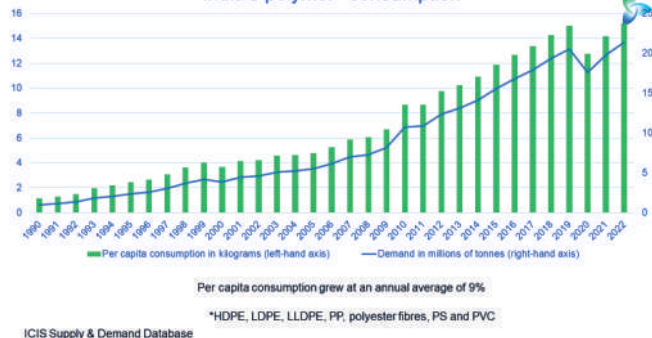
Due to the low per capita polymer and polyester consumption in India, this segment is likely to experience an increase in demand. Your Company is a pioneer in the manufacture of masterbatches for the synthetic fibre industry, based on polyesters, nylons, and polypropylenes, for specialty and general purpose applications such as automotive, carpets, home furnishings, apparel, 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

### India's polymer\* consumption







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, 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 customs 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 is also examined by the Statutory

#### Key Performance Indicators

The Key Financial Ratio is as below:

S.No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	Change (in %)
1	Debtor Turnover	7.19	6.37	12.87
2	Inventory Turnover	4.06	3.54	14.65
3	Interest Coverage Ratio	-	-	-
4	Current Ratio	5.24	5.38	(2.61)
5	Debt Equity Ratio	-	-	-
6	EBITDA Margin (%)	12.73	10.53	20.84
7	Net Profit Margin (%)	7.07	6.33	11.73

The return on net worth is 11.02% as compared to 9.36% in previous year due to higher profit in current year.

#### 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 that address expectations or projections about the future, but are not limited to the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements.

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

**Manoj Kumar Sonthalia**  
Independent Director  
(DIN:00021297)

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

Place : Chennai

Date : 5<sup>th</sup> August, 2023

Auditors in course of their Audit procedures.

#### Human Resources

Your Company's most valuable assets are its human resources. With the support of its dedicated human resource, it confronted the rapid changes in the business environment last year with the resolve and determination to ensure that the business of the Company continues to enhance value creation.

Human resources are the most important resources in an organization and need to be used efficiently because the success, stability and growth of an organization depend on its ability in acquiring, utilizing, and developing human resources for the benefit of the organization. In the final analysis, it is the people (i.e. employees) who produce results and generate a climate conducive to the growth and development of the organization.

During the year employees attended various in-house training- Technical and Soft skills as part of the Employee Development Program.

The talent base of Your Company during the year 2022-23 was 337 (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 have 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 were excellent and the same has been appreciated & supported by the management through its continuous & systematic training programmes..

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 based on subsequent developments, information, or events.



## Corporate Governance Report

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

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to maintaining highest standards of Corporate Governance and your Company believes that the Corporate Governance is a reflection of its core values and principles, encompassing its culture, practices, policies and relationship with its stakeholders. The fundamental objective of Company's Corporate Governance is to enhance the interests of all stakeholders. The Company's Corporate Governance practices emanate from its commitment towards discipline, accountability, transparency and fairness. Key elements in corporate governance are timely and adequate disclosures, establishment of internal controls and high standards of accounting fidelity, product and service quality. Your Company also believes that good Corporate Governance practices help to enhance the performance and valuation of the Company.

### 2. BOARD OF DIRECTORS

The composition of the Board of Directors is in conformity with the provisions of Companies Act, 2013 ("the Act") read with the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time. The Board has an optimum combination of Executive/Non-Executive Directors, Woman Directors and

Independent Directors with diversified skill sets, professional knowledge and relevant business experience in diverse fields.

#### Composition of the Board

As on 31<sup>st</sup> March 2023, the Board comprises of Seven Directors, out of which, two are Executive Directors who are Managing Director and Joint Managing Director, Four (4) are Independent Directors (including one women Director) and one is Non-Executive Non-Independent Director. None of the Non-Executive Director of the Company has any pecuniary relationship or transaction with the Company other than sitting fees.

#### Meeting of the Board of Directors

During the financial year 2022-23, six (6) Board meetings were convened and held on 4<sup>th</sup> May, 2022, 26<sup>th</sup> May, 2022, 31<sup>st</sup> July, 2022, 27<sup>th</sup> October, 2022, 16<sup>th</sup> January, 2023 and 14<sup>th</sup> March, 2023. All Board Meetings were held in physical manner. The gap between two Board Meetings did not exceed 120 days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

The details of the Directors by category, attendance and other Directorships including Memberships/Chairmanships in Board's Committees and number of shares held are as follows:

S. No.	Name of Director	Category	No. of Board Meetings held during the tenure of the Director	No. of Board Meetings attended	Attendance at last AGM held on 29 <sup>th</sup> September, 2022	Number of Directorships in other Companies	No. of Committee positions held in other Companies @		No. of Shares held
							Chairman	Member	
1	Shri S.S. Poddar (DIN: 00058025) Managing Director	Promoter & Executive	6	5	No	2	-	-	5,29,000
2	Shri Gaurav Goenka (DIN: 00375811) Joint Managing Director	Executive	6	6	Yes	3	-	-	-
3	Smt. Mahima P. Agarwal (DIN: 03588809) Non-Executive Non - Independent Director	Promoter & Non-Executive	6	6	No	1	-	-	6,05,000
4	Shri N. Gopalswamy (DIN: 00017659) Independent Director	Independent	6	5	No	1	-	-	-
5	Shri M.K. Sonthalia (DIN: 00021297) Independent Director	Independent	6	5	No	9	-	-	-
6	Shri M. Mahadevan (DIN: 00786991) Independent Director	Independent	6	2	No	4	-	-	-
7	Smt. Lalitha Kumaramangalam (DIN: 08259526) Independent Director	Independent	6	4	Yes	-	-	-	-





@Includes the Membership/Chairmanship in Audit Committee and Stakeholders Relationship Committee only of other Public Limited Companies.

None of the Directors of the Company are on the Board of other Listed Company except Poddar Pigments Limited.

All Directors of the Company have informed about their Committee Membership/Chairmanship as mandated under Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the basis of that, none of the Directors on the Board of the Company acts as a member of more than ten (10) Committees or acts as a Chairperson of more than five (5) Committees (considering only Audit Committee and Stakeholders Relationship Committee) in which he/she is a Director.

#### Convertible Instruments held by Non-Executive Directors

The Company has not issued any convertible instruments. Hence, none of the Non-Executive Director held the convertible instrument.

#### Inter-Se Relationship between Directors

Smt. Mahima Poddar Agarwal (DIN: 03588809), Non-Executive Non-Independent Director is daughter of Shri S.S. Poddar (DIN: 00058025),

Managing Director and Shri Gaurav Goenka (DIN: 00375811), Joint Managing Director is the son in law of Shri S.S. Poddar (DIN: 00058025), Managing Director of the Company. None of the other Directors are related to each other.

#### Board's Core Skills/Expertise/Competencies

For effective functioning of the Board, your Company's Board needs to have skills/expertise/competencies in the areas of Leadership/ Corporate Strategy & Management, Corporate Governance and Disclosure, Financial Literacy, Social and Environmental Accountability and Training and Education. Your Company's Directors are qualified and possesses the appropriate knowledge, skills, experience, expertise, diversity and independence, covering of Leadership/Corporate Strategy & Management, Corporate Governance and Disclosure, Financial Literacy, Social and Environmental Accountability and Training and Education.

The following is the list of core Skills/Expertise/Competencies identified by the Board of Directors as required in the context of Company's business(es) and the names of Directors who have such Skills/ Expertise/Competencies:

S. No.	Name of Director	Areas of Skills/Expertise/Competencies				
		Leadership/Corporate Strategy & Management	Corporate Governance and Disclosure	Financial Literacy	Social and Environmental Accountability	Training and Education
1	Shri S.S. Poddar (DIN: 00058025)	✓	✓	✓	✓	✓
2	Shri Gaurav Goenka (DIN: 00375811)	✓	✓	✓	✓	✓
3	Smt. Mahima P. Agarwal (DIN: 03588809)	✓	✓	✓	✓	✓
4	Shri N. Gopalswamy (DIN: 00017659)	✓	✓	✓	✓	✓
5	Shri M.K. Sonthalia (DIN: 00021297)	✓	✓	✓	✓	✓
6	Shri M. Mahadevan (DIN: 00786991)	✓	✓	✓	✓	✓
7	Smt. Lalitha Kumaramangalam (DIN: 08259526)	✓	✓	✓	✓	✓

#### Meeting of Independent Directors

A meeting of the Independent Directors was held on 5<sup>th</sup> May, 2022, without presence of the Non-Independent Directors and members of the management. The Independent Directors carried out performance evaluation of Non-Independent Directors, the Board of Directors as a whole and assessed the quality, quantity and timelines of flow of information between the Company's Management and the Board.

#### Declaration of Independence

All the Independent Directors have submitted a declaration that they meet the criteria of Independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. In terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be

reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Company has received confirmation from all the Independent Directors that they have registered themselves in the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs. The Independent Directors of the Company have complied with the Code for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 as well as the Rules made thereunder and are independent of the management.



### Resignation of Independent Director

During the financial year, none of the Independent Director has resigned before the expiry of their tenure from the Company and therefore, Company is not required to provide the related disclosure thereon.

### Familiarisation Programme for Independent Directors

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, roles and responsibilities, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis.

Pursuant to Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of such familiarisation programme are available on the website of the Company at <https://poddarpigmentsltd.com/details-familiarization-programmes-imparted-independent-directors.html>

### Board Functions

Your Board of Directors closely monitors the performance of the Company and Management, approves the plans, reviews the strategy and strives to achieve organisational growth. Your Board also ensures statutory and ethical conduct and places high importance on the internal financial reporting. It shoulders the responsibility and holds itself accountable to the Shareholders as well as other stakeholders for the long-term well-being of the Company.

### 3. CODE OF CONDUCT

The Board of Directors has adopted a Code of Conduct for Directors and Senior Management Personnel of the Company after suitably incorporating duties of Independent Directors as laid down under Schedule IV to the Companies Act, 2013 and the same is being abided by all Independent Directors on annual basis in terms of the provisions of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A declaration to this effect, duly signed by Joint Managing Director was placed before the Board and is annexed herewith and forms part of this Annual Report. The Code of Conduct framed by the Company is posted on the Company's website i.e. <https://poddarpigmentsltd.com/Code-of-conduct.html>

### 4. JOINT MANAGING DIRECTOR (JMD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

Pursuant to the provisions of Regulation 17(8) of the SEBI (Listing

**The attendance of the Audit Committee Meetings is given below:**

Name of Member	Designation	No. of Meetings Attended
Smt. Lalitha Kumaramangalam (DIN: 08259526)	Chairperson - Non Executive & Independent Director	5
Shri M.K. Sonthalia (DIN: 00021297)	Member - Non Executive & Independent Director	5
Shri M. Mahadevan (DIN: 00786991)	Member - Non Executive & Independent Director	4
Shri Gaurav Goenka (DIN: 00375811)	Member - Joint Managing Director	4

The Chairperson of the Audit Committee was present in person at the last Annual General Meeting of the Company to answer shareholders queries.

### Terms of Reference

The terms of reference of the Audit Committee include matters specified in Section 177 of the Companies Act, 2013, the Rules made

Obligations and Disclosure Requirements) Regulations, 2015, the Joint Managing Director and Chief Financial Officer of the Company have jointly issued a certificate, certifying that the financial statements of the Company do not contain any materially untrue statement and those statements represent a true and fair view of the Company's affairs. The said certificate is annexed herewith and forms part of this Annual Report.

### 5. COMMITTEES OF THE BOARD

The Board Committees are set up to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. Minutes of the proceedings of Committee meetings are circulated to the Directors and placed before Board meetings for noting. The Board has currently established the following Committees:

#### (A) AUDIT COMMITTEE

##### Composition

The composition of the Audit Committee of the Board of Directors is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee comprises of Four (4) members, with majority of Independent Directors. The constitution of the Audit Committee is Smt. Lalitha Kumaramangalam (DIN: 08259526), Chairperson of the Committee and Shri Gaurav Goenka (DIN: 00375811), Shri Manoj Kumar Sonthalia (DIN: 00021297) and Shri M. Mahadevan (DIN: 00786991) are members of the Audit Committee.

All members of the Audit Committee are financially literate and majority of them have Accounting and Financial Management expertise. The Company Secretary of the Company acts as the Secretary to the Committee. The Statutory and Internal Auditors of the Company are regular invitees to the Audit Committee meetings to brief the committee members on the respective reports. The meeting of the Audit Committee is generally attended by the Chief Financial Officer of the Company. Minutes of each Audit Committee Meeting is placed and discussed in the next meeting of the Board.

##### Frequency of Meetings

During the year ended 31<sup>st</sup> March, 2023, five (5) Audit Committee meetings were held on 5<sup>th</sup> May, 2022, 21<sup>st</sup> May, 2022, 31<sup>st</sup> July, 2022, 22<sup>nd</sup> October, 2022 and 14<sup>th</sup> January, 2023. The meetings of the Audit Committee were held in physical mode. The maximum gap between any two meetings was less than 120 days.

thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Besides having access to all required information within the Company, the Committee may investigate any activity within its terms of reference, seek information from any employee, secure attendance of outsiders with relevant expertise, or obtain legal or other professional advice from external sources, whenever required.



The brief description of the terms of reference of the Audit Committee include:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the listed entity with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal

auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- The audit committee shall mandatorily review the following information:
  - Management discussion and analysis of financial condition and results of operations.
  - Management letters/letters of internal control weaknesses issued by the statutory auditors.
  - Internal audit reports relating to internal control weaknesses.
  - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee.
  - Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- Carryout any other function as mandated by the Board of Directors from time to time and/or in the terms of reference of the Audit Committee as may be specified under the provisions of the Companies Act, 2013 and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other provisions, as may be applicable.

## **(B) NOMINATION AND REMUNERATION COMMITTEE**

### **Composition**

The composition of the Nomination and Remuneration Committee of the Board of Directors is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee comprises of Four (4) members and all are Independent Directors. The constitution of the Nomination and Remuneration Committee is Smt. Lalitha Kumaramangalam (DIN: 08259526), Chairperson of the Committee



and Shri Manoj Kumar Sonthalia (DIN: 00021297), Shri N. Gopaldaswamy (DIN: 00017659), Shri M. Mahadevan (DIN: 00786991) are members of the Committee.

The Company Secretary of the Company acts as the Secretary to the Committee.

### Frequency of Meetings

During the year ended 31<sup>st</sup> March, 2023, three (3) Nomination and Remuneration Committee meetings were held on 5<sup>th</sup> May, 2022, 21<sup>st</sup> May, 2022 and 14<sup>th</sup> January, 2023. The meetings of the Nomination and Remuneration Committee were held in physical mode.

### The attendance of the Nomination and Remuneration Committee Meetings is given below:

Name of Member	Designation	No. of Meetings Attended
Smt. Lalitha Kumaramangalam (DIN: 08259526)	Chairperson - Non Executive & Independent Director	3
Shri M.K. Sonthalia (DIN: 00021297)	Member - Non Executive & Independent Director	3
Shri M. Mahadevan (DIN: 00786991)	Member - Non Executive & Independent Director	3
Shri N. Gopaldaswamy (DIN: 00017659)	Member - Non Executive & Independent Director	3

The Chairperson of the Nomination and Remuneration Committee was present in person at the last Annual General Meeting of the Company to answer shareholders queries.

### Terms of Reference

The Committee acts as a link between the Management and the Board of Directors. Besides having access to all required information within the Company, the Committee may investigate any activity within its terms of reference, seek information from any employee, secure attendance of outsiders with relevant expertise or obtain legal or other professional advice from external sources, whenever required.

The brief description of the terms of reference for the Nomination and Remuneration Committee include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- Formulation of the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Recommendation to Board of Directors, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- Carry out any other function as mandated by the Board of Directors from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

### Performance Evaluation Criteria for Independent Directors

The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors include:

- Appropriateness of qualification, knowledge, skills and experience.
- Time devoted to Board deliberations and participation level in Board functioning.
- Extent of diversity in the knowledge and related industry expertise.
- Attendance and participations in the meetings and workings thereof.
- Initiative to maintaining high level of integrity and ethics.

### Remuneration of Directors

#### (a) Pecuniary relationship or transactions of the Non-Executive Directors

All the Independent Directors including Non-Executive Non-Independent Director receive sitting fees for attending the Board and Committee meetings.

During the year under review, it is informed that there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from the details mentioned below in the heading details of Remuneration paid to the Non-Executive Directors.

#### (b) Criteria for making payments to Non-Executive Directors

The Non-Executive/Independent Directors of the Company are paid remuneration by way of sitting fees. Such remuneration payable is



recommended by the NRC and decided by the Board of Directors and subject to the approval of Members of the Company, wherever required. During the year ended 31<sup>st</sup> March, 2023, a sum of Rs. 2,20,000/- was paid to the Non-Executive Directors for attending Board Meetings, Rs. 70,000/- was paid to the Non-Executive Directors for attending Audit Committee Meetings and Rs. 20,000/- was paid to the Non-Executive Directors for attending Performance Evaluation Committee Meeting. No remuneration except sitting fee is paid to the Non-Executive Directors.

**(c) Disclosures with respect to remuneration**

**(i) All Elements of Remuneration Package**

**(a) Remuneration to Executive Directors**

The remuneration paid to the Executive Directors is as per the terms and conditions of their appointment/re-appointment and subject to the compliance of applicable provisions of the Companies Act, 2013, the Rules made thereunder read with Schedule V of the Companies Act, 2013 and approval of the Shareholders.

In case of revision in remuneration, the revised remuneration of Executive Directors are being recommended by the Nomination and Remuneration Committee subject to the approval of the Board of Directors & Shareholders in General Meeting and such other authorities as may be necessary, in accordance with the provisions of the Companies Act, 2013, rules and schedules made thereunder.

The details of remuneration paid to the Executive Directors during the financial year ended 31<sup>st</sup> March, 2023, are as follows:

(Amount in Rs.)

Particulars	Shri S. S. Poddar, (DIN: 00058025) Managing Director	Shri Gaurav Goenka, (DIN: 00375811) Joint Managing Director
Salary and Allowances	1,29,00,000.00	1,38,00,000.00
Contribution to Provident Fund	10,80,000.00	10,80,000.00
Value of other perquisites as per Income Tax Rules	19,10,074.00	8,70,000.00
Commission on Profit	-	39,89,535.00
<b>Total (Rs.)</b>	<b>1,58,90,074.00</b>	<b>1,97,39,535.00</b>

**Terms of Contract of Executive Directors**

(Amount in Rs.)

Name of Director	Date of Appointment	Expiry of Contract	Severance Fees	Notice Period
Shri S.S. Poddar (DIN: 00058025)	01.10.2019	30.09.2024	-	-
Shri Gaurav Goenka (DIN: 00375811)	01.04.2022	30.09.2024	-	-

**(b) Remuneration to Non-Executive Directors**

The details of remuneration paid to Non-Executive and Independent Directors during the financial year ended 31<sup>st</sup> March, 2023 are mentioned below:

(Amount in Rs.)

Name of Director	Category	Sitting Fees
Smt. Mahima P. Agarwal (DIN: 03588809)	Promoter & Non-Executive	60,000
Shri N. Gopaldaswamy (DIN: 00017659)	Independent	55,000
Shri M.K. Sonthalia (DIN: 00021297)	Independent	80,000
Shri M. Mahadevan (DIN: 00786991)	Independent	45,000
Smt. Lalitha Kumaramangalam (DIN: 08259526)	Independent	70,000

**(ii) Apart from the above remuneration details, no other kind of fixed components, performance link incentives are given to the Directors.**

**(iii) Service contracts, Notice period, Severance fees**

The Executive Directors are employees of the Company and are subject to service conditions as per the Company's policy.

**(iv) Details of Stock Options**

The Company has not granted any stock options to any of its Directors.





Hence, the requirement of stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable, is not applicable to the Company.

### (C) STAKEHOLDERS RELATIONSHIP COMMITTEE

#### Composition

The composition of the Stakeholders Relationship Committee of the Board of Directors is in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Stakeholders Relationship Committee comprises of Four (4) members. Smt. Lalitha Kumaramangalam (DIN: 08259526), Independent Director of the Company, is the Chairperson of the Committee and Shri S.S. Poddar (DIN: 00058025), Shri Gaurav Goenka (DIN: 00375811), Smt. Mahima Poddar Agarwal (DIN: 03588809), are members of the Committee.

The attendance of the Stakeholders Relationship Committee Meetings is given below:

Name of Member	Designation	No. of Meetings Attended
Smt. Lalitha Kumaramangalam (DIN: 08259526)	Chairperson - Non Executive & Independent Director	14
Smt. Mahima P. Agarwal (DIN: 03588809)	Member - Non Executive Director	18
Shri S.S. Poddar (DIN: 00058025)	Member - Managing Director	18
Shri Gaurav Goenka (DIN: 00375811)	Member - Joint Managing Director	17

The Chairperson of the Stakeholders Relationship Committee was present in person at the last Annual General Meeting of the Company to answer shareholders queries.

#### Details of Pending Complaints

Complaint Received from	No. of Complaints Received	No. of Complaints Pending
SEBI	1	Nil
Stock Exchanges	0	Nil
Investors	1	Nil
Govt. Authorities	0	Nil

All complaints received during the year 2022-23 were attended and resolved satisfactorily. There was no complaint pending as on 31<sup>st</sup> March, 2023.

#### Terms of Reference

The brief description of the terms of reference for the Stakeholders Relationship Committee include:

- Resolve the grievances of the shareholders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of measures taken to ensure timely receipt of corporate benefits to the shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports /statutory notices by the shareholders of the Company.

Shri Navin Jain, AVP (Legal) & Company Secretary of the Company acts as the Secretary to the Committee and was the Compliance Officer of the Company upto 16<sup>th</sup> January, 2023. Thereafter, Shri Anil Kumar Sharma, Company Secretary was the Compliance Officer with effect from 16<sup>th</sup> January, 2023.

#### Frequency of Meetings

During the year ended 31<sup>st</sup> March, 2023, eighteen (18) Stakeholders Relationship Committee meetings were held on 4<sup>th</sup> April, 2022, 22<sup>nd</sup> April, 2022, 4<sup>th</sup> May, 2022, 16<sup>th</sup> May, 2022, 8<sup>th</sup> June, 2022, 14<sup>th</sup> June, 2022, 15<sup>th</sup> July, 2022, 5<sup>th</sup> September, 2022, 10<sup>th</sup> October, 2022, 8<sup>th</sup> November, 2022, 23<sup>rd</sup> November, 2022, 19<sup>th</sup> December, 2022, 3<sup>rd</sup> January, 2023, 5<sup>th</sup> January, 2023, 13<sup>th</sup> January, 2023, 16<sup>th</sup> January, 2023, 31<sup>st</sup> January, 2023 and 3<sup>rd</sup> February, 2023. The meetings of the Stakeholders Relationship Committee were held in physical mode.

### (D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (“CSR”)

#### Composition

The composition of the Corporate Social Responsibility Committee of the Board of Directors is in compliance with the provisions of Section 135 of the Companies Act, 2013. The CSR Committee comprises of three (3) members. Shri Shiv Shankar Poddar (DIN: 00058025), Managing Director, is the Chairperson of the Committee and Smt. Lalitha Kumaramangalam (DIN: 08259526), Shri Gaurav Goenka (DIN: 00375811) are members of the Committee.

The Company Secretary of the Company acts as the Secretary to the Committee.

#### Frequency of Meetings

During the year ended 31<sup>st</sup> March, 2023, four (4) Corporate Social Responsibility Committee meetings were held on 16<sup>th</sup> May, 2022, 31<sup>st</sup> July, 2022, 27<sup>th</sup> October, 2022 and 14<sup>th</sup> January, 2023. The meetings of the Corporate Social Responsibility were held in physical mode.





**The attendance of the Corporate Social Responsibility Committee Meetings is given below:**

Name of Member	Designation	No. of Meetings Attended
Shri S.S. Poddar (DIN: 00058025)	Chairperson - Managing Director	4
Shri Gaurav Goenka (DIN: 00375811)	Member - Joint Managing Director	4
Smt. Lalitha Kumaramangalam (DIN: 08259526)	Member - Independent Director	4

**Terms of Reference**

The brief description of the terms of reference for the Corporate Social Responsibility Committee include:

- Formulate and recommend to the Board, the Corporate Social Responsibility policy of the Company which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the CSR activities.
- Recommendations to the Board, any necessary amendments in the CSR Policy from time to time.
- Formation of the Annual Action Plan, monitoring of the budget under the CSR activities of the Company; and

- Accomplishing various CSR projects of the Company independently or through intermediary agencies, as the case may be.

**(E) PERFORMANCE EVALUATION COMMITTEE**

The Performance Evaluation Committee was constituted by the Board of Directors of the Company, comprising of four (4) members and all are Independent Directors. Smt. Lalitha Kumaramangalam (DIN: 08259526), Shri Manoj Kumar Sonthalia (DIN: 00021297), Shri M. Mahadevan (DIN: 00786991) and Shri N. Gopalswamy (DIN: 00017659), are members of the Committee. During the year ended 31<sup>st</sup> March, 2023, one (1) Performance Evaluation Committee was held on 5<sup>th</sup> May, 2022 in physical mode. Minutes of each Performance Evaluation Committee Meeting is placed and discussed in the next meeting of the Board.

**The attendance of the Performance Evaluation Committee Meeting is given below:**

Name of Member	Designation	No. of Meetings Attended
Smt. Lalitha Kumaramangalam (DIN: 08259526)	Member - Non Executive & Independent Director	1
Shri Manoj Kumar Sonthalia (DIN: 00021297)	Member - Non Executive & Independent Director	1
Shri M. Mahadevan (DIN: 00786991)	Member - Non Executive & Independent Director	1
Shri N. Gopalswamy (DIN: 00017659)	Member - Non Executive & Independent Director	1

**(F) RISK MANAGEMENT COMMITTEE**

The Company is not required to constitute the Risk Management Committee, in terms of the provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. However, the Audit Committee and the Board of Directors of the Company, identify, evaluates and mitigates the risks associated with the Company from time to time.

**(G) SENIOR MANAGEMENT**

The particulars of Senior Management including the changes therein since the close of the previous financial year are as follows:

- Shri S.S. Gattani - Chief Operating Officer
- Shri B.K. Bohra - Chief Financial Officer
- Shri Pankaj Mudgal - Chief Marketing Officer

- Shri M.K. Paharia - Chief Commercial Officer
- Shri A.B. Mathur - Vice President (Technical)
- Shri B.K. Choudhary - Senior General Manager - Comm. & Admin
- \*Shri A.K. Sharma - Company Secretary (With effect from 29<sup>th</sup> May, 2023)

\*During the year under review, Shri Navin Jain, AVP Legal & Company Secretary of the Company has resigned with effect from 16<sup>th</sup> January, 2023 from the post of Company Secretary and has resigned as AVP (Legal) with effect from 1<sup>st</sup> April, 2023.

**6. GENERAL BODY MEETINGS**

Annual General Meeting

**Details of Annual General Meetings ('AGM') of the Company held during the preceding three (3) years are as follows:**

Financial Year	Day, Date and Time	Location/Venue	Details of Special Resolution Passed
2019-20	Wednesday, 30 <sup>th</sup> September, 2020 at 11.00 A.M.	Through Video Conferencing/Other Audit Visual Means at Registered Office	No Special Resolution was passed.
2020-21	Wednesday, 8 <sup>th</sup> September, 2021 at 11.00 A.M.	Through Video Conferencing/Other Audit Visual Means at Registered Office	1. For payment of overall remuneration as 15% of net profit, over and above an additional remuneration to Shri R.K. Sureka (DIN: 00058043) Director & CEO of the Company during the financial year 2021-22.



Financial Year	Day, Date and Time	Location/Venue	Details of Special Resolution Passed
			2. For payment of additional remuneration to Shri R.K. Sureka (DIN: 00058043) as a reward. 3. For re-appointment of Shri M. Mahadevan (DIN: 00786991) as an Independent Director for a further period of five years (second term). 4. For approval of remuneration to Shri Gaurav Goenka (DIN: 00375811) for the remaining period of his appointment from 01.4.2021 to 31.03.2022 and re-appointment as Joint Managing Director from 01.04.2022 to 30.09.2024.
2021-22	Thursday, 29 <sup>th</sup> September, 2022 at 11.00 A.M.	Crowne Plaza, Sitapura Industrial Area, Tonk Road, Jaipur-302022	1. Power to Borrow money. 2. Power to create charges on the movable and immovable properties of the Company both present and future, in respect of borrowings.

### Extra-ordinary General Meeting

Apart from the Annual General Meeting, no other General Meeting was held during the financial year 2022-23.

### Postal Ballot

No special resolution was passed through Postal Ballot during the financial year 2022-23 and no special resolution is proposed to be conducted through Postal Ballot.

### 7. MEANS OF COMMUNICATION

The Company recognizes communication as a key element to the overall Corporate Governance framework and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

Your Company strives to achieve full and timely disclosure of information. For this purpose, the Company:

(a) Dispatches, a full version of copy of its Annual Report, through

electronic mode, to those members who have registered their email addresses with their respective depository participants or with the Registrar & Share Transfer Agent of the Company, unless any member has requested for a physical copy of the same;

- (b) Submits quarterly, half yearly & annual financial results and news releases, if any, of your Company to the National Stock Exchange of India Limited and BSE Limited through their designated web portals and also uploads on Company's website www.poddarpigmentsltd.com in the "Investors" Section. These results are simultaneously published in two leading newspapers i.e. Business Standard, English Newspaper (all editions) and in Hindi Local Newspaper - Nafa Nuksan (Jaipur edition); and
- (C) Promptly report all material information to both Stock Exchanges on which shares of your Company are listed. During the year ended 31<sup>st</sup> March, 2023, no presentation was made to the institutional investors or analysts.

### 8. GENERAL SHAREHOLDERS INFORMATION

A)	<b>Annual General Meeting</b>	Wednesday, 27 <sup>th</sup> September, 2023 at 11.00 A.M. at Crowne Plaza, Sitapura Industrial Area, Tonk Road, Jaipur - 302022
B)	<b>Financial year</b>	Financial Year : 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024 Tentative Schedule of Financial Reporting for 2023-2024 is as follows: First Quarter ended on 30 <sup>th</sup> June, 2023-On or before 14 <sup>th</sup> August, 2023 Second Quarter ending on 30 <sup>th</sup> September, 2023-On or before 14 <sup>th</sup> November, 2023 Third Quarter ending on 31 <sup>st</sup> December, 2023-On or before 14 <sup>th</sup> February, 2024 Fourth Quarter ending on 31 <sup>st</sup> March, 2024-On or before 30 <sup>th</sup> May, 2024
C)	<b>Date of Book Closure</b>	The Board of Directors of the Company has not proposed any Book Closure.
D)	<b>Dividend and its Payment</b>	During the year under review, the Board of Directors in their meeting held on 14 <sup>th</sup> March, 2023, declared an interim dividend of Rs. 3.50 per Equity Share (face value of Rs. 10/- per Equity Share) to the eligible equity shareholders of the Company. The interim dividend has been paid to the eligible equity shareholders within 30 days from the date of declaration.



#### E) Listing of Shares on Stock Exchanges and Stock Code

S. No.	Name and Address of the Stock Exchange	Stock Code
1	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	524570
2	National Stock Exchange of India Limited (NSE) Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	PODDARMENT

Demat ISIN Number for NSDL and CDSL: INE371C01013

The Annual listing fee for the financial year 2022-23 and 2023-24 has been paid to the BSE Ltd. and National Stock Exchange of India Limited.

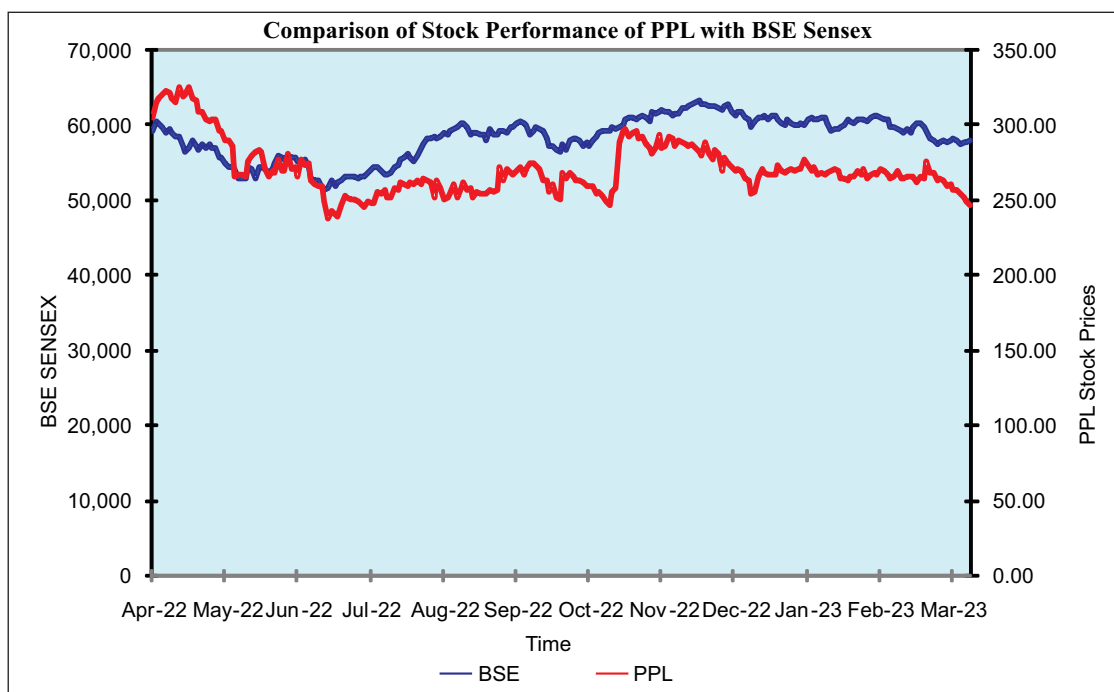
#### F) Listing of Debt Instruments on Stock Exchanges and Codes: N.A.

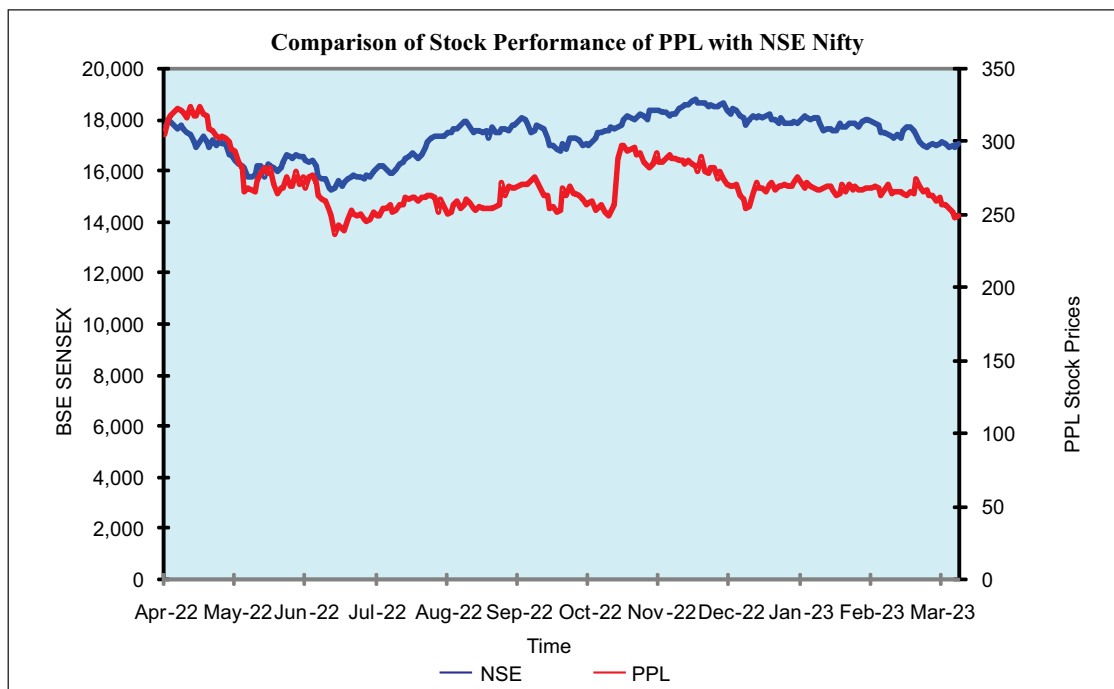
#### G) Market Price Data: High and Low for the period from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023

Month	BSE*			NSE*		
	High (Rs.)	Low (Rs.)	No. of Shares Traded	High (Rs.)	Low (Rs.)	No. of Shares Traded
April, 2022	338.30	299.05	38,361	339.50	297.10	1,99,079
May, 2022	304.75	256.00	24,690	307.95	256.15	87,941
June, 2022	283.95	231.00	19,848	283.35	231.80	66,679
July, 2022	267.05	240.30	15,859	269.70	241.95	52,914
August, 2022	269.00	248.00	33,903	267.70	247.00	2,46,835
September, 2022	294.90	246.20	69,407	294.50	246.20	3,20,616
October, 2022	303.00	244.15	52,954	304.40	244.50	3,65,861
November, 2022	299.00	278.45	29,595	301.00	280.10	1,66,954
December, 2022	290.00	249.00	22,155	291.50	251.40	2,07,195
January, 2023	281.00	258.05	15,364	283.10	262.00	79,869
February, 2023	272.00	257.40	11,468	273.95	259.05	82,740
March, 2023	299.00	243.70	16,737	279.80	245.15	98,148

\*Source: Official website of BSE and NSE

#### H) Share Price Performance in comparison to Broad Based Indices





<b>I)</b>	<b>Registrar and Share Transfer Agent</b>	Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400083 Tel. No. : 022-4918 6000 Fax : 022-4918 6060 Email : rnt.helpdesk@linkintime.co.in
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**J) Share Transfer System**

The Board of Directors of the Company has delegated the authority for approving transfer, transmission, dematerialisation of shares etc. to the Stakeholders Relationship Committee. The Company obtains an annual certificate from Practicing Company Secretary as per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is filed with the Stock Exchanges and available on the website of the Company.

In terms of amended Regulation 40 of the SEBI Listing Regulations with effect from 1<sup>st</sup> April, 2019, transfer of securities in physical form

shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from 24<sup>th</sup> January, 2022, SEBI has made it mandatory for listed Companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/splitting/consolidation of securities, transmission/ transposition of securities. SEBI vide its circular dated 25<sup>th</sup> January 2022, clarified that listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

**K) Distribution of Shareholding as on 31<sup>st</sup> March, 2023**

No. of Equity Shares	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
1-500	11,014	94.46	11,71,703	11.04
501-1000	374	3.21	2,99,572	2.82
1001-2000	129	1.11	1,93,899	1.83
2001-3000	54	0.46	1,37,511	1.30
3001-4000	19	0.16	65,785	0.62
4001-5000	14	0.12	65,085	0.61
5001-10000	19	0.16	1,34,232	1.27
10001 & above	37	0.32	85,42,213	80.51
<b>Total</b>	<b>11,660</b>	<b>100.00</b>	<b>1,06,10,000</b>	<b>100.00</b>



#### L) Categories of Shareholding as on 31<sup>st</sup> March, 2023

Category	No. of Equity Shares	Percentage of Shareholding
Domestic Companies (Promoters)	45,02,892	42.44
Resident Individuals (Promoters)	21,20,766	19.99
Resident Individuals (other than Promoters)	29,24,390	27.57
Domestic Companies (other than Promoters)	2,75,594	2.60
Non Resident Indians	52,160	0.49
Mutual Funds/FIs	25,800	0.24
Foreign Portfolio Investors (Corporate)	50,900	0.48
Investor Education And Protection Fund	4,04,471	3.81
Others (HUF, LLP, Clearing Members)	2,53,027	2.38
<b>Total</b>	<b>1,06,10,000</b>	<b>100.00</b>

#### M) Dematerialization of Shares and Liquidity

As on 31<sup>st</sup> March, 2023, 96.16% of the total equity shares of the Company were held in dematerialized form as compared to 95.74% in the previous year. The Company's shares are actively traded on the Stock Exchanges.

#### N) Outstanding GDR/ADR/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

The Company has not issued GDRs, ADRs, Warrants or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

#### O) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company has an adequate risk assessment and minimisation system in place for foreign exchange risks and activities. The foreign exchange risk is managed through internal strategy of the Company, which is reviewed periodically. The Company does not trade in any commodity and accordingly, no hedging activities for the commodity is carried out.

#### P) Plant locations

The manufacturing activities are being carried out from the following plants:

##### 1. Sitapura Plant

E-10-11 & F-14 to 16, RIICO Industrial Area, Sitapura, Jaipur-302022

##### 2. Chaksu Plant

Greater Sitapura Industrial Park, National Highway 12 (Jaipur-Tonk Road), Village-Brijpura (Chaksu), Jaipur - 303901

#### Q) Address for Correspondence

Shareholders/Beneficial owners are requested to correspond with the Company or Company's RTA with respect to any query, request, information or clarification pertaining to shares and are further advised to quote their folio number, DP & Client ID number as the case may be, in all correspondence with the RTA. Additionally, shareholders may correspond with the Company at the following addresses:

##### Registered Office:

E-10-11 & F-14 to 16, RIICO Industrial Area,  
Sitapura, Jaipur - 302022, Rajasthan  
Phone: 0141 2770 202/03  
Email: com.sec@poddarpigmentsltd.com

#### R) Credit Rating

During the year under review, your Company's credit rating by CRISIL for Long Term Bank Loan facilities is CRISIL A/Stable and for Short Term Bank Loan facilities is CRISIL A1.

## 9. DISCLOSURES

### A) Disclosures on materially significant related party transactions having potential conflict with the interests of the Company at large

In line with the applicable statutory requirements, the Company has formulated a Policy on Related Party Transactions, which is also available on the Company's website at <https://poddarpigmentsltd.com/pdf/Related%20Party%20Transactions%20Policy.pdf>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. There were no related party transactions that may have potential conflict with the interest of the Company at large.

### B) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities, on any matter related to capital markets during the last three years

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities, on any matter relating to the capital markets during the last three years.

### C) Vigil Mechanism/Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee

The Company has adopted a Vigil Mechanism/Whistle Blower Policy in terms of the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to provide a formal mechanism to the Directors and employees of the Company to report their genuine concerns and grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics. The policy provides adequate safeguards against victimization of Directors and employees who avail such mechanism and also provides for direct access to the Vigilance Officer and the Chairperson of the Audit Committee. The Audit Committee of the Board is entrusted with the responsibility to oversee the vigil mechanism. During the year, no personnel was denied access to the Chairperson of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at <https://poddarpigmentsltd.com/pdf/7G.%20Whistle%20Blower%20Policy.pdf>

### D) Details of Compliance with mandatory requirements and adoption of the non mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the financial year 2022-23, the Company has complied with the mandatory requirements as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to





Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has also adopted the following non-mandatory requirements:

- The Internal Auditor can report directly to the Audit Committee.
- During the year under review, there is no audit qualification on the Company's Financial Statements.

**E) Web-Link of Policy for Determining Material Subsidiary**

The Company has no subsidiary and hence there is no need to frame any policy for determining "material" subsidiary.

**F) Details of utilization of fund raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations**

During the financial year 2022-23, the Company did not raise any funds through preferential allotment or qualified institutions placement.

**G) Certificate from Company Secretary in Practice regarding Non-disqualification of Directors from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority**

None of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and certificate in this respect received from Shri Babu Lal Patni, Company Secretary in Practice is annexed herewith with this Report.

**H) Acceptance of recommendation of any Committee of the Board, which is mandatorily required, in the relevant financial year**

There was no recommendation of any committee of the Board, which had not been accepted by the Board of Directors during the year under review.

**I) Details of payment to Statutory Auditors**

M/s. K.N. Gutgutia & Co., Chartered Accountants, have been appointed as the Statutory Auditors of the Company. During the year ended 31<sup>st</sup> March, 2023, the Company has paid a consolidated sum of Rs. 5,40,000/- to the Statutory Auditors towards Audit fee including reimbursement of expenses.

**J) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The details of the complaints pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

**K) Loans and advances in the nature of loans to firms/Companies in which directors are interest by name and amount**

During the financial year 2022-23, no loans and advances were given in the nature of loans to firms/Companies in which Directors are interested.

**L) Disclosure of Non-Compliance of any requirement of Corporate Governance Report with reasons**

There has been no non-compliance of any requirement of Corporate

Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**M) Demat Suspense Account/Unclaimed Suspense Account**

The disclosure with respect to demat suspense account/unclaimed suspense account is not applicable as there are no shares issued pursuant to the public issue or any other issue, physical or otherwise during the year ended 31<sup>st</sup> March, 2023 which remained unclaimed and/or lying in the escrow account.

**N) Disclosure of certain types of Agreements binding the Company**

There are no agreements entered into by the shareholders, promoters, promoter group entities, related parties, Directors, Key Managerial Personnel, employees of the Company or of its holding Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

**O) Securities suspended from the trading**

This requirement is not applicable to the Company as the securities i.e. equity shares of the Company are not suspended from trading.

**P) Details of material subsidiaries of the Company including the date and place of incorporation and the name and date of appointment of the Statutory Auditors of such Subsidiaries**

The Company has no subsidiary and therefore said disclosure is not applicable.

**10. DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PARTE OF SCHEDULE II**

**A) The Board**

The Company does not have a Chairperson and therefore the said disclosure is not applicable to the Company.

**B) Shareholders' Rights - Half Yearly Results**

The Company's quarterly/half yearly and yearly results are published in an English Newspaper (Business Standard) having wide circulation and in a Hindi Newspaper (Nafa Nuksan) having circulation in Jaipur. The financial results are not sent separately to the shareholders of the Company. However, the financial results are available on the website of the Company at [www.poddarpigmentsLtd.com](http://www.poddarpigmentsLtd.com), BSE Limited and National Stock Exchange of India Ltd.

**C) Modified opinion(s) in audit report**

There are no qualifications contained in the Audit Report.

**D) Separate positions of the Chairman and the CEO/Managing Director**

The Company does not have a separate position of the Chairperson and therefore the said disclosure is not applicable to the Company.

**E) Reporting of Internal Auditors**

The Internal Auditors of the Company report to the Audit Committee and make detailed report at quarterly Audit Committee meetings.

**11. COMPLIANCE WITH CORPORATE GOVERNANCE**

The Company has complied with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Regulation 17 to 27 and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The



Company submits a quarterly compliance report on Corporate Governance signed by the Compliance Officer to the Stock Exchanges within 21 (Twenty One) days from the close of every quarter. Such quarterly compliance reports on Corporate Governance are also posted on website of the Company.

Compliance of the conditions of Corporate Governance have also been audited by the Statutory Auditors and after being satisfied of the above compliances, they have issued a compliance certificate in this respect. The said certificate is annexed herewith with this Report and the same will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

## **12. GREEN INITIATIVE**

Pursuant to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Companies (Accounts) Rules, 2014 and Regulation 36 of

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

**Manoj Kumar Sonthalia**  
Independent Director  
(DIN:00021297)

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

**Place : Chennai**

**Date : 5<sup>th</sup> August, 2023**

the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company can send Notice of Annual General Meeting, Financial Statements and other communication in electronic form. Your Company will be sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Board's Report along with their annexures etc. for the financial year 2022-23 in electronic mode to the shareholders who have registered their e-mail address with the Company or their respective Depository Participants (DPs).

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company/RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for the Financial Year ended 31<sup>st</sup> March, 2023.

### **For Poddar Pigments Limited**

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

**Place : Jaipur**

**Date : 29<sup>th</sup> May, 2023**



## JOINT MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE

To,  
**The Board of Directors,**  
Poddar Pigments Limited,  
Jaipur

We, to the best of our knowledge and belief, certify that:-

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2023 and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal, or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

### For Poddar Pigments Limited

**Bipin Kumar Bohra**  
Chief Financial Officer

**Gaurav Goenka**  
Joint Managing Director  
(DIN:00375811)

Place : Jaipur

Date : 29<sup>th</sup> May, 2023



## 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 to 16, RIICO Industrial Area,  
Sitapura, Jaipur - 302022

I have examined the relevant registers, records, forms, returns, declarations and disclosures received from the Directors of Poddar Pigments Limited having CIN L24117RJ1991PLC006307 and having registered office at E-10-11 & F-14 to 16, RIICO Industrial Area, Sitapura, Jaipur 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 Directors 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 31<sup>st</sup> March, 2023 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 Gopaldaswamy	00017659	01/07/1994
2.	Mr. Manoj Kumar Sonthalia	00021297	28/02/1994
3.	Mr. Shiv Shankar Poddar	00058025	28/02/1994
4.	Mr. Gaurav Goenka	00375811	28/05/2016
5.	Mr. Mahadevan	00786991	17/06/2016
6.	Ms. Mahima Poddar Agarwal	03588809	25/07/2011
7.	Ms. Lalitha Kumaramangalam	08259526	18/10/2018

Ensuring the eligibility 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.

**Name of the Company : BABU LAL PATNI**

**Secretary in Practice**

**FCS : 2304**

**C.P. No. : 1321**

**UDIN : F002304E000066346**

**P.R. No. : 1455/2021**

**Place : Kolkata**

**Dated : 12/04/2023**



## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
Poddar Pigments Limited

1. We, **K.N. Gutgutia & Co., 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, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E 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 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 statements 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 required 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 (i) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2023.
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.

**For K.N. Gutgutia & Co.,**  
Chartered Accountants  
FRN 304153E

**(B.R. Goyal)**  
Partner  
M. No. 12172  
UDIN: 23012172BGWDDK3388

Place of Signature : Chennai  
Date : 5<sup>th</sup> August, 2023





## 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, 2023

##### 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, 2023, 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, 2023, 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 judgment, 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 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 with reference to financial statements 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 judgment 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)(i) 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 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.

#### **Other Matters**

The financial statements of the Company for the year ended March 31, 2022, were audited by predecessor auditor who expressed an unmodified opinion on those statements on May 26, 2022.

Our opinion is not modified in respect of this matter.

## **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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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.
- iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.(b) The management has represented, that, to the best of its

knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.
- v) The dividend declared or paid during the year by the company is in compliance with section 123 of the Act.
  - vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules 2014 is not applicable for the financial year ended March 31, 2023
2. As required by the Companies (Auditor's Report) Order, 2020 ("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.

**For K.N. Gutgutia & Co.,**  
Chartered Accountants  
FRN 304153E

**(B.R. Goyal)**  
Partner  
M. No. 12172  
UDIN: 23012172DGCWJP8519

Place : Jaipur  
Date : 29<sup>th</sup> May, 2023

## **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 with reference to financial statements of **Poddar Pigments Limited** ("the Company") as of March 31, 2023 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 and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with 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 with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, 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 with reference to the financial statements.

#### **Meaning of Internal Financial Controls with reference to the financial statements**

A company's internal financial control with reference to the financial statements 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 with reference to the financial statements 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 with reference to the financial statements**

Because of the inherent limitations of internal financial controls with reference to the financial statements, 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 with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as of March 31, 2023, based on the internal financial controls with reference to the financial statements 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.

**For K.N. Gutgutia & Co.,**  
Chartered Accountants  
FRN 304153E

**(B.R. Goyal)**  
Partner

M. No. 12172  
UDIN: 23012172DGWCJP8519

**Place : Jaipur**

**Date : 29<sup>th</sup> May, 2023**

## **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 31<sup>st</sup> March, 2023.**

- (i) (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.  
B. The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) As explained to us, physical verification of property, plant and equipment 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.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- (e) According to information and explanations given to us and





- on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, paragraph of 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanation given to us, the company has no Investment, Loans and guarantees or security 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 or amounts which are deemed to be deposits from the public 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 .
- (b) 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.
- (c) According to the records of the Company, there are no dues in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, and other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks during the year. The Company has not taken any loans or borrowings from financial institutions and Government.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not obtained term loans during the year. Accordingly, clause 3(ix)(c) is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company does not have subsidiaries, joint ventures or associate companies (as defined under the Act). Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143 (12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause





- 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (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 (xii) 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)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) During the year, the Company has not entered into any non-cash transaction with Director or person connected with him covered within the meaning of Section 192 of the Act, Hence paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanation given to us by the management, the Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable/paragraph 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any projects. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For K.N. Gutgutia & Co.,**  
Chartered Accountants  
FRN 304153E

**(B.R. Goyal)**  
Partner  
M. No. 12172  
UDIN: 23012172DGWCJP8519

Place : Jaipur  
Date : 29<sup>th</sup> May, 2023



## Balance Sheet as at 31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Particulars	Notes No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	2	10,127.92	9,798.54
Capital Work in Progress	2	-	698.77
Intangible Assets	3	21.42	30.64
<b>Financial Assets</b>			
Investments	4	6,010.16	10,995.16
Other Financial Assets	5	102.21	91.86
Other Non-Current Assets	6	138.91	55.60
<b>Total Non Current Assets</b>		<b>16,400.62</b>	<b>21,670.57</b>
<b>CURRENT ASSETS</b>			
<b>Inventories</b>	7	<b>6,240.99</b>	<b>6,247.43</b>
<b>Financial Assets</b>			
Investments	8	1,012.40	1,220.69
Trade receivables	9	5,335.17	5,230.81
Cash and cash equivalent	10	947.12	103.85
Other Bank Balances	11	2,538.36	111.40
Other Financial Assets	12	140.44	33.62
Current Tax Assets (Net)	13	48.40	77.85
Other Current Assets	14	497.29	563.98
<b>Total Current Assets</b>		<b>16,760.17</b>	<b>13,589.63</b>
<b>Total Assets</b>		<b>33,160.79</b>	<b>35,260.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	15	1,061.00	1,061.00
Other Equity	16	28,309.65	30,687.86
<b>Total Equity</b>		<b>29,370.65</b>	<b>31,748.86</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred Tax Liabilities (net)	17	593.62	987.26
<b>Total Non Current Liabilities</b>		<b>593.62</b>	<b>987.26</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		2,124.16	1,494.82
Other-Financial Liabilities	19	852.36	831.77
Provisions	20	7.78	7.78
Other Current Liabilities	21	212.22	189.71
<b>Total Current Liabilities</b>		<b>3,196.52</b>	<b>2,524.08</b>
<b>Total Equity and Liabilities</b>		<b>33,160.79</b>	<b>35,260.20</b>

Company overview, basis of preparation & significant accounting policies & the accompanying notes (Notes No. 1 to 41) are integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For K.N. Gutgutia & Company

Chartered Accountants  
ICAI'S FRN 304153E

Anil Kumar Sharma  
Company Secretary

Gaurav Goenka  
Joint Managing Director  
DIN: 00375811

B.R. Goyal

Partner  
Membership No. 12172

B.K. Bohra  
Chief Financial Officer

S.S. Poddar  
Managing Director  
DIN: 00058025

Place : Jaipur

Date : 29<sup>th</sup> May, 2023



## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Particulars	Notes No.	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
Revenue from operations (Gross)	22	38,679.54	33,589.77
Less-GST		(4,612.08)	(4,035.84)
Revenue from Operations (Net)		34,067.46	29,553.93
Other income	23	558.59	457.80
<b>Total Revenue</b>		<b>34,626.05</b>	<b>30,011.73</b>
<b>EXPENSES</b>			
Cost of materials consumed	24	23,768.48	21,085.60
Changes in inventories of finished good & work-in-progress	25	(181.01)	(359.21)
Employee benefits expense	26	3,112.24	3,286.48
Finance costs	27	27.29	38.18
Depreciation and amortization expense	2	619.84	213.11
Other expenses	28	3,589.99	2,886.16
<b>Total expenses</b>		<b>30,936.83</b>	<b>27,150.32</b>
<b>Profit/(loss) before tax</b>		<b>3,689.22</b>	<b>2,861.41</b>
<b>Tax expense</b>			
(1) Current tax		818.33	617.35
(2) Deferred tax		126.68	119.04
(3) Adjustment of tax relating to earlier periods		10.16	-
<b>Total Tax Expenses</b>		<b>955.17</b>	<b>736.39</b>
<b>Profit for the year</b>		<b>2,734.05</b>	<b>2,125.02</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit &amp; loss</b>			
a) Remeasurement of defined benefit obligations		(10.96)	(35.55)
Income tax relating to these items		2.76	8.95
b) Change in fair value of investment in equities carried at fair value through OCI		(4,985.00)	6,137.50
Income tax relating to these items		517.56	(517.56)
<b>Other Comprehensive Income for the year, net of tax</b>		<b>(4,475.64)</b>	<b>5,593.34</b>
<b>Total Comprehensive Income for the year</b>		<b>(1,741.59)</b>	<b>7,718.36</b>
<b>Earnings per share</b>			
<b>Basic (Rs.)</b>		<b>25.77</b>	<b>20.03</b>
<b>Diluted (Rs.)</b>		<b>25.77</b>	<b>20.03</b>

Company overview, basis of preparation & significant accounting policies & the accompanying notes (Notes No. 1 to 41) are integral part of the financial statements.

As per our report of even date

For K.N. Gutgutia & Company

Chartered Accountants  
ICAI'S FRN 304153E

B.R. Goyal

Partner  
Membership No. 12172

Place : Jaipur

Date : 29<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

Anil Kumar Sharma  
Company Secretary

B.K. Bohra  
Chief Financial Officer

Gaurav Goenka  
Joint Managing Director  
DIN: 00375811

S.S. Poddar  
Managing Director  
DIN: 00058025



## Statement of Cash Flow for the year ended 31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	3,689.22	2,861.41
<b>Adjustments for:</b>		
Depreciation and impairment of property, plant and equipment	619.84	213.11
Actuarial (loss)/gains on defined benefit obligations	(10.96)	(35.55)
Net (Gain)/Loss on disposal of property, plant and equipment	(1.97)	(3.26)
Unrealized (Gain)/Loss on Exchange-Net	(34.64)	(38.37)
Net (Gain)/Loss on sale of Investments	(0.97)	(91.56)
Interest income	(17.12)	(5.71)
Finance costs	27.29	38.18
(Gain)/Loss on fair valuation of investment through FVTPL	(45.18)	(67.82)
Liabilities written back	(47.19)	(34.45)
<b>Cash generated from operations before working capital changes</b>	<b>4,178.32</b>	<b>2,835.98</b>
<b>Working capital adjustments:</b>		
(Increase)/decrease in trade receivables	(81.24)	(1,119.31)
(Increase)/decrease in non current financial assets	(10.35)	13.97
(Increase)/decrease in current financial assets bank balance other than cash & cash equivalent	(2,426.96)	5.74
(Increase)/decrease in non current assets	(3.66)	29.18
(Increase)/decrease in other current financial assets	(106.83)	58.18
(Increase)/decrease in other current assets	66.68	(74.44)
(Increase)/decrease in inventory	6.45	(1,925.27)
Increase/(decrease) in other current financial liabilities	67.83	187.08
Increase/(decrease) in other current liabilities	22.52	(0.99)
Increase/(decrease) in trade payables	640.86	307.67
<b>Cash generated from operations</b>	<b>2,353.62</b>	<b>317.79</b>
Income tax paid	799.04	636.97
<b>Net cash flows from operating activities (A)</b>	<b>1,554.58</b>	<b>(319.18)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITY</b>		
Proceeds from sale of property, plant and equipment	84.76	4.01
Purchase of property, plant and equipment	(403.72)	(3,239.93)
Purchase of Intangibles Assets	-	(12.74)
(Purchase)/Sale of current investment	254.44	3,188.43
Interest received	17.12	5.71
<b>Net cash flows used in investing activities (B)</b>	<b>(47.40)</b>	<b>(54.52)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITY</b>		
Interest Paid	(27.29)	(38.18)
Dividends paid to equity holders	(636.62)	(265.27)
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>(663.91)</b>	<b>(303.45)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>843.27</b>	<b>(677.15)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>103.85</b>	<b>781.00</b>
<b>Cash and cash equivalents at the year end</b>	<b>947.12</b>	<b>103.85</b>

### 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

In EEFC Account

**Cash and cash equivalents at year end**

431.43 38.29

515.69 65.56

947.12 103.85

(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 and on behalf of the Board of Directors

For K.N. Gutgutia & Company

Chartered Accountants

ICAI'S FRN 304153E

Anil Kumar Sharma

Company Secretary

Gaurav Goenka

Joint Managing Director

DIN: 00375811

B.R. Goyal

Partner

Membership No. 12172

B.K. Bohra

Chief Financial Officer

S.S. Poddar

Managing Director

DIN: 00058025

Place : Jaipur

Date : 29<sup>th</sup> May, 2023



## STATEMENT OF CHANGES IN EQUITY

### A. Equity Share Capital

For the year ended 31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Balance as at 1 <sup>st</sup> April, 2022	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2023
1,061.00	-	1,061.00

For the year ended 31<sup>st</sup> March, 2022

(Rs. in Lakhs)

Balance as at 1 <sup>st</sup> April, 2021	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2022
1,061.00	-	1,061.00

### B. Other Equity

For the year ended 31<sup>st</sup> March, 2023

(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, 2022	159.00	20,795.60	695.20	-	9,038.06	30,687.86
Profit for the period	-	-	2,734.05	-	-	2,734.05
Other comprehensive income	-	-	-	(8.20)	(4,467.44)	(4,475.64)
<b>Total Comprehensive Income for the Year</b>	159.00	20,795.60	3,429.25	(8.20)	4,570.62	28,946.27
Interim dividend	-	-	(371.35)	-	-	(371.35)
Final dividend	-	-	(265.27)	-	-	(265.27)
Transferred to retained earnings	-	-	(8.20)	8.20	-	-
Transferred to General Reserve	-	2,122.00	(2,122.00)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>159.00</b>	<b>22,917.60</b>	<b>662.43</b>	-	<b>4,570.62</b>	<b>28,309.65</b>

For the year ended 31<sup>st</sup> March, 2022

(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, 2021	159.00	18,991.90	665.75	-	3,418.12	23,234.77
Profit for the period	-	-	2,125.02	-	-	2,125.02
Other comprehensive income	-	-	-	(26.60)	5,619.94	5,593.34
<b>Total Comprehensive Income for the Year</b>	159.00	18,991.90	2,790.77	(26.60)	9,038.06	30,953.13
Final dividend	-	-	(265.27)	-	-	(265.27)
Transferred to retained earnings	-	-	(26.60)	26.60	-	-
Gain on sale of equity instrument (Net of tax)	-	-	-	-	-	-
Transferred to General Reserve	-	1,803.70	(1,803.70)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>159.00</b>	<b>20,795.60</b>	<b>695.20</b>	-	<b>9,038.06</b>	<b>30,687.86</b>





## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023

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

#### 1 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 29<sup>th</sup> May, 2023.

#### 2 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<sup>st</sup> April, 2017. For all periods up to and including for the year ended 31<sup>st</sup> March, 2023, 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 (₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakh (₹ 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.

#### 3 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. 1<sup>st</sup> 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 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



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

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).

#### 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



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

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.

### 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 financials 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 recognizing impairment loss allowance based on 12-month ECL.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized 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 analyzed.

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 recognized 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 recognized 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



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

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 recognized 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.

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 recognized 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 recognized, 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.





## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### 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.

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, 2023 (contd.)**  
**Note No. 2 : NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT**  
**TANGIBLE ASSETS**  
**As at 31<sup>st</sup> March, 2023**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1 <sup>st</sup> April, 2022	Additions	Disposals /Other Adjustments	As at 31 <sup>st</sup> March, 2023	As at 1 <sup>st</sup> April, 2022	Depreciation charged during the year	Deductions /Other Adjustments	As at 31 <sup>st</sup> March, 2023	Net Carrying Amount as on 31.03.23	Net Carrying Amount as on 31.03.22
Leasehold Land	44.24	-	-	44.24	3.54	0.59	-	4.13	40.11	40.70
Freehold Land	1,196.77	-	-	1,196.77	-	-	-	-	1,196.77	1,196.77
Factory Buildings	2,594.23	34.90	2.40	2,626.73	90.43	86.64	0.01	177.06	2,449.67	2,503.80
Non Factory Building	1,336.17	85.07	2.24	1,419.00	65.98	72.25	0.20	138.03	1,280.97	1,270.19
Plant and Machinery	5,009.07	791.80	40.68	5,760.19	1,187.33	323.84	2.12	1,509.05	4,251.14	3,821.74
Electrical Installation	587.65	40.96	33.96	594.64	1.38	58.29	0.08	59.59	535.05	586.27
Furniture and Fittings	162.47	4.15	(0.05)	166.67	68.29	11.74	0.03	80.00	86.67	94.18
Vehicles	321.43	32.33	25.82	327.95	92.65	38.97	20.54	111.08	216.87	228.78
Office Equipments	102.61	33.64	0.67	135.57	46.51	18.30	(0.09)	64.90	70.67	56.11
<b>Total</b>	<b>11,354.65</b>	<b>1,022.84</b>	<b>105.72</b>	<b>12,271.76</b>	<b>1,556.11</b>	<b>610.62</b>	<b>22.89</b>	<b>2,143.84</b>	<b>10,127.92</b>	<b>9,798.54</b>
<b>Capital Work-in-Progress</b>	<b>698.77</b>	<b>(698.77)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>698.77</b>
<b>Total</b>	<b>12,053.42</b>	<b>324.07</b>	<b>105.72</b>	<b>12,271.76</b>	<b>1,556.11</b>	<b>610.62</b>	<b>22.89</b>	<b>2,143.84</b>	<b>10,127.92</b>	<b>10,497.31</b>

**TANGIBLE ASSETS**  
**As at 31<sup>st</sup> March, 2022**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1 <sup>st</sup> April, 2021	Additions	Disposals /Other Adjustments	As at 31 <sup>st</sup> March, 2022	As at 1 <sup>st</sup> April, 2021	Depreciation charged during the year	Deductions /Other Adjustments	As at 31 <sup>st</sup> March, 2022	Net Carrying Amount as on 31.03.22	Net Carrying Amount as on 31.03.21
Leasehold Land	44.24	-	-	44.24	2.95	0.59	-	3.54	40.70	41.29
Freehold Land	1,196.77	-	-	1,196.77	-	-	-	-	1,196.77	1,196.77
Factory Buildings	324.57	2,269.66	-	2,594.23	73.53	16.90	-	90.43	2,503.80	251.04
Non Factory Building	577.65	758.52	-	1,336.17	53.72	12.26	-	65.98	1,270.19	523.93
Plant and Machinery	2,262.94	2,746.20	0.07	5,009.07	1,059.67	127.72	0.06	1,187.33	3,821.74	1,203.27
Electrical Installation	-	587.65	-	587.65	-	1.38	-	1.38	586.27	-
Furniture and Fittings	104.45	58.02	-	162.47	61.66	6.63	-	68.29	94.18	42.79
Vehicles	219.42	114.78	12.77	321.43	72.49	32.29	12.13	92.65	228.78	146.93
Office Equipments	58.36	44.69	0.43	102.61	39.41	7.43	0.33	46.51	56.10	18.95
<b>Total</b>	<b>4,788.40</b>	<b>6,579.52</b>	<b>13.27</b>	<b>11,354.65</b>	<b>1,363.43</b>	<b>205.20</b>	<b>12.52</b>	<b>1,556.11</b>	<b>9,798.54</b>	<b>3,424.97</b>
<b>Capital Work-in-Progress</b>	<b>3,621.04</b>	<b>(2,922.27)</b>	<b>-</b>	<b>698.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>698.77</b>	<b>3,621.04</b>
<b>Total</b>	<b>8,409.44</b>	<b>3,657.25</b>	<b>13.27</b>	<b>12,053.42</b>	<b>1,363.43</b>	<b>205.20</b>	<b>12.52</b>	<b>1,556.11</b>	<b>10,497.31</b>	<b>7,046.01</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (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. Nil Lakhs) were purchased during the year.
- 2.2 Amount in Plant & machinery included Rs. Nil (P.Y. Rs. 87.49 Lakhs) mandatory Capital Spare capitalised .
- 2.3 **CWIP aging schedule as at 31<sup>st</sup> March, 2022**

	Amount in CWIP for a period of			Total
	Less than 1 year			
	1-2 years	2-3 years	Total	
Projects in Progress	310.13	388.64	-	698.77

(Rs. in Lakhs)

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

(Rs. in Lakhs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 1 <sup>st</sup> April, 2022	Additions	Disposals /Other Adjustments	As at 31 <sup>st</sup> March, 2023	As at 1 <sup>st</sup> April, 2022	Depreciation charged during the year	Deductions /Other Adjustments	As at 31 <sup>st</sup> March, 2023	Net Carrying Amount as on 31.03.22	Net Carrying Amount as on 31.03.22
Computer Software	58.24	-	-	58.24	27.60	9.22	-	36.82	21.42	30.64
<b>Total</b>	<b>58.24</b>	<b>-</b>	<b>-</b>	<b>58.24</b>	<b>27.60</b>	<b>9.22</b>	<b>-</b>	<b>36.82</b>	<b>21.42</b>	<b>30.64</b>

### NON CURRENT ASSETS - INTANGIBLE ASSETS

(Rs. in Lakhs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 1 <sup>st</sup> April, 2021	Additions	Disposals /Other Adjustments	As at 31 <sup>st</sup> March, 2022	As at 1 <sup>st</sup> April, 2021	Depreciation charged during the year	Deductions /Other Adjustments	As at 31 <sup>st</sup> March, 2022	Net Carrying Amount as on 31.03.22	Net Carrying Amount as on 31.03.21
Computer Software	45.50	12.74	-	58.24	19.69	7.91	-	27.60	30.64	25.81
<b>Total</b>	<b>45.50</b>	<b>12.74</b>	<b>-</b>	<b>58.24</b>	<b>19.69</b>	<b>7.91</b>	<b>-</b>	<b>27.60</b>	<b>30.64</b>	<b>25.81</b>





## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

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

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
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	6,010.00	10,995.00
	<u>6,010.00</u>	<u>10,995.00</u>
Investment in Government Securities		
Unquoted (measured at amortised cost)		
6 Years National Savings Certificates	0.16	0.16
	<u>0.16</u>	<u>0.16</u>
<b>Total</b>	<u><u>6,010.16</u></u>	<u><u>10,995.16</u></u>
Aggregate amount of Quoted Investments (Cost)	1,439.38	1,439.38
Aggregate amount of Quoted Investment (Market Value)	6,010.00	10,995.00
Aggregate amount of Unquoted Investment	0.16	0.16

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, 2023	As at 31 <sup>st</sup> March, 2022
Security Deposits	102.21	91.86
<b>Total</b>	<u><u>102.21</u></u>	<u><u>91.86</u></u>

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

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Capital Advances	121.80	42.15
Advances other than Capital Advances :		
Advance against supply of Goods and Services	3.07	0.31
Balances with Government & Statutory Authorities	5.66	5.66
Others	8.38	7.48
<b>Total</b>	<u><u>138.91</u></u>	<u><u>55.60</u></u>

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

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Raw Materials	4,090.12	4,463.66
Work-In-Progress	297.18	299.69
Finished Goods	1,113.93	930.41
Consumable Stores	739.76	553.67
<b>Total</b>	<u><u>6,240.99</u></u>	<u><u>6,247.43</u></u>



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### 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, 2023	As at 31 <sup>st</sup> March, 2022
Unquoted (measured at fair value through profit or loss)			
Investment in Mutual Fund			
SBI - Banking & PSU Fund-Regular Plan-Growth	10,999.14 (10,999.14)	290.17	280.30
UTI Treasury Advantge Fund-Regular Plan-Growth	22,293.17 (22,293.17)	669.82	636.75
Nippon India Equity Hybrid Fund-Segregated portfolio-1-Monthly dividend Plan	1,699,554.57 (1,699,554.57)	0.17	0.17
Nippon India Equity Hybrid Fund-Segregated portfolio-2-Monthly dividend Plan		-	-
Aditya-Birla Sun Life Arbitrage Fund	1,963,397.62	52.24	-
SBI Floating Rate Debt Fund Regular Growth	- (8,110,159.00)	-	303.47
<b>Total</b>		<b>1,012.40</b>	<b>1,220.69</b>
Aggregate amount of Unquoted Investment (Cost)		<b>750.00</b>	<b>1,000.02</b>
Aggregate amount of Unquoted Investment (NAV)		<b>1,012.40</b>	<b>1,220.69</b>

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 8.3 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Trade Receivables</b>		
a) Trade Receivable considered good-Secured	1,123.79	1,131.67
b) Trade Receivable considered good-Unsecured	4,211.38	4,099.14
<b>Total</b>	<b>5,335.17</b>	<b>5,230.81</b>

#### Trade Receivables aging schedule as on 31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade receivables-considered good	5,097.94	22.14	53.05	0.47	8.75	5,182.35
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	67.22	31.99	31.27	-	20.50	150.98
iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	1.84	-	1.84
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
<b>Total</b>	<b>5,165.16</b>	<b>54.13</b>	<b>84.32</b>	<b>2.31</b>	<b>29.25</b>	<b>5,335.17</b>



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

Trade Receivables aging schedule as on 31<sup>st</sup> March, 2022

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables– considered good	5,172.12	22.82	1.24	12.22	0.01	5,208.41
(ii) Undisputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables– credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	1.88	20.52	-	22.40
(v) Disputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-
<b>Total</b>	<b>5,172.12</b>	<b>22.82</b>	<b>3.12</b>	<b>32.74</b>	<b>0.01</b>	<b>5,230.81</b>

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

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Balances With Banks :</b>		
In Current/Cash Credit Account	431.43	38.29
EEFC Account	515.69	65.56
<b>Total</b>	<b>947.12</b>	<b>103.85</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, 2023	As at 31 <sup>st</sup> March, 2022
Bank balance in Unpaid Dividend Account (Refer Note no. 11.1)	287.31	110.40
Other Fixed Deposits	2,251.05	1.00
<b>Total</b>	<b>2,538.36</b>	<b>111.40</b>

Note No. 11.1:- Includes Rs. 33.61 Lakhs on account of TDS on Dividend Payable.

### Note No. 12 : CURRENT FINANCIAL ASSET - OTHER CURRENT FINANCIAL ASSETS (Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance recoverable in cash or kind or for value to be received		
Discount & Commission Receivable	36.73	0.67
Interest Receivable	83.00	12.80
Misc. Receivable	1.19	1.19
Advance to Employee (Refer Note no 12.1)	8.11	5.74
Security Deposit with Shipping Line	7.30	7.70
Other Claims Receivable	4.11	5.52
<b>Total</b>	<b>140.44</b>	<b>33.62</b>

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





## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### Note No. 13 : CURRENT ASSETS - CURRENT TAX ASSETS (NET)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance Tax	2,208.10	3,868.37
Tax deducted at Source	50.78	36.28
Less: Provision For Tax	(2,210.48)	(3,826.80)
<b>Total</b>	<b>48.40</b>	<b>77.85</b>

### Note No. 14 : CURRENT ASSET - OTHER CURRENT ASSETS

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advances to Suppliers	204.29	43.42
Statutory and Other Receivables	246.46	492.04
Others	46.54	28.52
<b>Total</b>	<b>497.29</b>	<b>563.98</b>

### Note No. 15 : EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Authorised Share Capital		
1,25,00,000 (Previous year 1,25,00,000 ) Equity Shares of Rs. 10/- each	1,250.00	1,250.00
	<b>1,250.00</b>	<b>1,250.00</b>
Issued, Subscribed and Paid-up Share Capital		
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
	<b>1,061.00</b>	<b>1,061.00</b>

#### 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, 2023		As at 31 <sup>st</sup> March, 2022	
	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%

#### 15.4 Details of Equity Shares held by the Promoters at the end of the Year

Promoter's Name	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	No. of Shares	% Holding	% Change during the Year	No. of Shares	% Holding	% Change during the Year
G.K.S Logistic Private Limited	4,502,892	42.44%	0.00%	4,502,892	42.44%	0.00%
Kusum Poddar	884,766	8.34%	0.00%	884,766	8.34%	0.00%
Mahima Poddar Agarwal	605,000	5.70%	0.00%	605,000	5.70%	0.00%
Rochna Poddar	102,000	0.96%	0.00%	102,000	0.96%	-4.60%
Shiv Shankar Poddar	529,000	4.99%	0.00%	529,000	4.99%	4.60%



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### Note No. 16 : OTHER EQUITY

(Rs. in Lakhs)

Particulars	Refer Note No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
General Reserve	16.1	22,917.60	20,795.60
Capital Redemption Reserve	16.2	159.00	159.00
Retained Earnings	16.3	662.43	695.20
Other Reserves	16.4	4,570.62	9,038.06
<b>Total</b>		<b>28,309.65</b>	<b>30,687.86</b>

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>16.1 General Reserve</b>		
Balance at the beginning of the year	20,795.60	18,991.90
Add: Transferred from Retained Earnings	2,122.00	1,803.70
<b>Balance at the end of the year</b>	<b>22,917.60</b>	<b>20,795.60</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	695.20	665.75
Add: Profit for the year	2,734.05	2,125.02
Gain on sale of equity instrument	-	-
	3,429.25	2,790.77
Less: Appropriation		
Final Dividend	265.27	265.27
Interim Dividend	371.35	-
Transferred to General Reserve	2,122.00	1,803.70
	2,758.62	2,068.97
Items of other comprehensive income recognised directly in retained earnings		
Net actuarial gain/(loss) on defined benefit plan, net of tax	(8.20)	(26.60)
<b>Balance at the end of the year</b>	<b>662.43</b>	<b>695.20</b>
<b>16.4 Other Reserves</b>		
Equity instrument through Other Comprehensive Income		
Balance at the beginning	9,038.06	3,418.12
Add/(Less): Change in Fair Value	(4,467.44)	5,619.94
Add/(Less): Transferred to retained earnings on disposal of Equity	-	-
<b>Balance at the end of the year</b>	<b>4,570.62</b>	<b>9,038.06</b>
<b>Total Other Equity</b>	<b>28,309.65</b>	<b>30,687.86</b>

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

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Arising on account of :</b>		
Accelerated Depreciation on Property Plant & Equipments including Research & Development Equipments	535.73	421.83
Fair Valuation of Mutual Funds	66.04	55.55
Income tax on Gain in Fair valuation of Equity investments	-	517.56
	601.77	994.94
Less: Deferred Tax Assets		
<b>Arising on account of :</b>		
Section 43B of Income-tax Act, 1961	8.15	7.68
	8.15	7.68
<b>Deferred Tax Liabilities (Net)</b>	<b>593.62</b>	<b>987.26</b>



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### Note No. 18 : CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
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	2,124.16	1,494.82
<b>Total</b>	<b>2,124.16</b>	<b>1,494.82</b>

Note No. 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, 2023	As at 31 <sup>st</sup> March, 2022
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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.	-	-

### Trade Payables aging schedule As at 31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	2040.91	72.40	2.73	8.12	2,124.16
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>2,040.91</b>	<b>72.40</b>	<b>2.73</b>	<b>8.12</b>	<b>2,124.16</b>

### As at 31<sup>st</sup> March, 2022

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1469.07	3.54	16.25	5.96	1494.82
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,469.07</b>	<b>3.54</b>	<b>16.25</b>	<b>5.96</b>	<b>1,494.82</b>

### Note No. 19 : OTHER CURRENT FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Unpaid and unclaimed dividends (Note no. 19.1)	253.70	110.40
Security Deposits Dealer (Unsecured)	85.40	85.40
Security Deposits Other (Unsecured)	115.33	145.78
Employees related Liabilities	66.98	63.08
Discount/Commission Payable	153.52	190.69
Expenses Payable	177.25	236.24
Others	0.18	0.18
<b>Total</b>	<b>852.36</b>	<b>831.77</b>

Note No. 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.



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### Note No. 20 : CURRENT LIABILITIES - PROVISION

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Provision for Employee Benefits	7.78	7.78
<b>Total</b>	<b>7.78</b>	<b>7.78</b>

### Note No. 21 : CURRENT LIABILITIES - OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Statutory dues	42.23	40.05
TDS Payable	96.43	58.98
Others advances from customer	73.56	90.68
<b>Total</b>	<b>212.22</b>	<b>189.71</b>

### Note No. 22 : REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>Sale of Products (Gross) (Net of Rebate &amp; Discounts)</b>	<b>38,334.00</b>	<b>33,298.66</b>
Less - GST	(4,612.08)	(4,035.84)
	<b>33,721.92</b>	<b>29,262.82</b>
<b>Other Operating Revenues</b>		
Export Benefits	335.48	282.16
Miscellaneous Sale	10.06	8.95
	<b>345.54</b>	<b>291.11</b>
<b>Total</b>	<b>34,067.46</b>	<b>29,553.93</b>

#### 22.1 Details of Sale of Products

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Special Master Batches	33,686.61	29,254.95
Others	35.31	7.87
<b>Total</b>	<b>33,721.92</b>	<b>29,262.82</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, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>Interest Income</b>		
On Fixed Deposits	83.09	1.15
On Others	4.23	3.60
<b>Net Gain/(Loss) on sale of Investments</b>		
On Current investments	0.97	91.56
<b>Gain/(Loss) on fair valuation of investment at FVTPL</b>	<b>45.18</b>	<b>67.82</b>
<b>Other Non Operating Income</b>		
Gain on sale/discard of PPE (Net of Loss)	1.97	3.26
Excess Provision/liabilities no longer required written back	47.19	34.45
Net Gain/(Loss) on Foreign currency transaction and translation	258.27	218.25
Insurance and Other Claims (Net)	5.38	3.58
Miscellaneous Income	112.31	34.13
<b>Total</b>	<b>558.59</b>	<b>457.80</b>



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### Note No. 24 : COST OF MATERIALS CONSUMED

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Raw Material Consumed (Refer Note No.- 24.1 & 24.2)	23,768.48	21,085.60
<b>Total</b>	<b>23,768.48</b>	<b>21,085.60</b>

#### 24.1 Details of Raw Material Consumed

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Polymer Resins	8,466.26	7,997.44
Pigments	14,301.50	12,285.82
Waxes	643.51	615.88
Others	357.21	186.46
<b>Total</b>	<b>23,768.48</b>	<b>21,085.60</b>

#### 24.2 Details of imported & indigenous raw material consumed:

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023		Year Ended 31 <sup>st</sup> March, 2022	
	Amount	%	Amount	%
Imported	10,734.94	45.16%	9,398.17	44.57%
Indigenous	13,033.54	54.84%	11,687.43	55.43%
<b>Total</b>	<b>23,768.48</b>	<b>100.00%</b>	<b>21,085.60</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, 2023		Year Ended 31 <sup>st</sup> March, 2022	
	Amount	%	Amount	%
<b>Inventories at the beginning of the year</b>				
Finished Goods	930.41		670.88	
Work-In-Progress	299.69		200.01	
	<b>1,230.10</b>		<b>870.89</b>	
<b>Inventories at the end of the year</b>				
Finished Goods	1,113.93		930.41	
Work-In-Progress	297.18		299.69	
	<b>1,411.11</b>		<b>1,230.10</b>	
<b>Total</b>	<b>(181.01)</b>		<b>(359.21)</b>	

### Note No. 26 : EMPLOYEE BENEFITS EXPENSE

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Salaries, Wages & Allowances etc.	2,902.83	3,096.32
Contribution to Provident and Other Funds	171.09	160.20
Staff Welfare Expenses & other benefits	38.32	29.96
<b>Total</b>	<b>3,112.24</b>	<b>3,286.48</b>

### Note No. 27 : FINANCE COST

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>Interest Expenses</b>		
To Banks on Working Capital Loans	6.29	10.03
On Security Deposits and Others	6.27	5.82
<b>Other Borrowing Costs</b>		
Other Financial Charges	14.73	22.33
<b>Total</b>	<b>27.29</b>	<b>38.18</b>





## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### Note No. 28 : OTHER EXPENSES

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>Manufacturing Expenses</b>		
Stores, Spare Consumed	224.68	147.04
Packing Material Consumed	114.32	139.51
Power & Fuel	559.55	467.76
Repairs to Buildings	105.01	11.61
Repairs to Machinery	43.12	26.70
Water Charges	8.07	6.76
Other Manufacturing Expenses	6.49	6.48
	<b>1,061.23</b>	<b>805.86</b>
<b>Selling Expenses</b>		
Commission on Sales	163.73	205.84
Sales Promotion Expenses	49.65	23.04
Transport & Forwarding Expenses	424.52	390.87
	<b>637.90</b>	<b>619.75</b>
<b>R &amp; D Expenses (Refer Note No.- 28.3)</b>	<b>626.66</b>	<b>494.47</b>
<b>Administration Expenses</b>		
Bank Charges	20.19	21.69
Insurance	80.74	62.64
Rent	29.42	30.73
Repairs & Maintenance	93.22	32.25
Rates & Taxes	10.41	9.40
Advertisement	26.53	7.00
Directors' Fees	3.10	1.90
<b>Auditors' Remuneration (Refer Note No.- 28.1)</b>	<b>5.40</b>	<b>3.00</b>
<b>Corporate Social Responsibility Expenses (Refer Note No.- 28.2)</b>	<b>67.00</b>	<b>60.77</b>
Travelling Expense	219.24	113.47
Printing & Stationary	12.14	8.79
Legal & Professional Expenses	399.97	332.14
Other Expenses	296.84	282.30
	<b>1,264.20</b>	<b>966.08</b>
<b>Total</b>	<b>3,589.99</b>	<b>2,886.16</b>

#### 28.1 Payment to Statutory Auditors

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Audit Fees	3.00	3.00
Tax Audit Fees	1.00	-
Reimbursements	0.15	-
Issue of Certificates	1.25	-
<b>Total</b>	<b>5.40</b>	<b>3.00</b>

#### 28.2 Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of Companies Act, 2013 read with Schedule VII.

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Total expenditure required to be spent on CSR	66.92	60.77
- Expenditure incurred during the year towards CSR	67.00	60.77
- Unspent amount (Excess spent)	(0.08)	-



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### 28.3 Details of Research & Development Expenses :

(Rs. in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Material Consumed	130.01	92.84
Salary, Wages and Bonus	387.05	321.68
Power & Fuel Expenses	46.06	40.13
Others (Net of Sales realisation)	63.54	39.82
<b>Total</b>	<b>626.66</b>	<b>494.47</b>

### Note No. 29 : DISCLOSURE AS PER IND AS 2 'INVENTORIES'

Inventory Consumed of Rs. 374.69 Lakhs (PY Rs. 314.98 Lakhs) have been recognised as expense. The details are as under: (Rs. in Lakhs)

Particulars	2022-23	2021-22
Fuel & Oil	35.69	28.43
Packing Material	114.32	139.51
Store & Spares	224.68	147.04
<b>Total</b>	<b>374.69</b>	<b>314.98</b>

### Note No. 30 : DISCLOSURE AS PER IND AS 12 'INCOME TAX'

#### a) Tax Expense

i) The company has opted for income tax rate as applicable under section 115BAA of the Income Tax Act, 1961. Accordingly, the provision for income tax and deferred tax balances have been recorded/remeasured using the tax rate as applicable.

#### ii) Income Tax recognised in statement of profit & loss.

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Current Tax Expenses</b>		
Current year	818.33	617.35
Adjustment for earlier year	10.16	-
<b>Total current Tax expenses</b>	<b>828.49</b>	<b>617.35</b>
Deferred Tax Expenses	126.68	119.04
<b>Total Tax expenses</b>	<b>955.17</b>	<b>736.39</b>

#### iii) Income tax recognised in other comprehensive income

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	Gross amount	Tax (expense)/Benefit	Net of tax	Gross amount	Tax (expense)/Benefit	Net of tax
- Net actuarial gain/(loss) on defined benefit plan	(10.96)	2.76	(8.20)	(35.55)	8.95	(26.60)
- Net gain/(loss) on fair value of equity instrument	(4,985.00)	517.56	(4,467.44)	6,137.50	(517.56)	5,619.94

#### iv) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Profit before tax</b>	<b>3,689.22</b>	<b>2,861.41</b>
Tax using the domestic tax rate of 25.168% (Previous Year 25.168%)	928.50	720.16
<b>Tax effect of :</b>		
Non deductible tax expenses including effect of deferred tax	173.75	68.95
Deductable tax expenses including weighted deductions	(283.92)	(171.76)
<b>Total tax expenses in the statement of profit and loss</b>	<b>818.33</b>	<b>617.35</b>



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### v) Movement in Deferred Tax Balances

31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Particulars	Net balance 01.04.2022	Recognised in Profit & Loss	Recognised in OCI	Net balance 31.03.2023
Difference in written down value as per the books of accounts and Income Tax	421.83	113.90	-	535.73
Fair valuation of Mutual fund	55.55	10.49	-	66.04
Others	517.56	-	(517.56)	-
<b>Tax assets/liabilities</b>	<b>994.94</b>	<b>124.39</b>	<b>(517.56)</b>	<b>601.77</b>
Less : Deferred Tax Assets	(7.68)	(0.47)	-	(8.15)
<b>Net tax (assets) liabilities</b>	<b>987.26</b>	<b>123.92</b>	<b>(517.56)</b>	<b>593.62</b>

31<sup>st</sup> March, 2022

(Rs. in Lakhs)

Particulars	Net balance 01.04.2021	Recognised in Profit & Loss	Recognised in OCI	Net balance 31.03.2022
Difference in written down value as per the books of accounts and Income Tax	329.73	92.10	-	421.83
Fair valuation of Mutual fund	38.46	17.09	-	55.55
Others	-	-	517.56	517.56
<b>Tax (assets)/liabilities</b>	<b>368.19</b>	<b>109.19</b>	<b>517.56</b>	<b>994.94</b>
Less : Deferred Tax Assets	(8.59)	0.91	-	(7.68)
<b>Net tax (assets)/liabilities</b>	<b>359.60</b>	<b>110.10</b>	<b>517.56</b>	<b>987.26</b>

## Note No. 31 : DISCLOSURE AS PER IND AS 19 'EMPLOYEE BENEFIT'

### A) 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 basis 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, 2023		31 <sup>st</sup> March, 2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
<b>Present Value of obligation as at the beginning of the period</b>	<b>953.51</b>	<b>244.65</b>	922.64	202.08
Current service cost	74.36	19.61	65.25	19.06
Interest cost	68.84	17.66	62.37	13.66
Past Service Cost	-	-	-	-
Actuarial (gain)/loss	(0.70)	(43.03)	39.26	34.96
Benefit paid	(7.82)	(1.83)	(136.01)	(25.11)
<b>Present value of obligation as at period ended</b>	<b>1,088.19</b>	<b>237.06</b>	953.51	244.65

### Changes in the Fair Value of Plan Assets

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
<b>Fair value of plan assets, at the beginning of the period</b>	<b>906.43</b>	<b>215.23</b>	870.12	187.31
Actual Return on plan assets	53.78	15.69	62.82	13.52
Fund Charges	-	-	(0.29)	-
Employer's contributions	52.18	-	109.79	39.50
Benefits paid	(7.82)	(1.83)	(136.01)	(25.11)
<b>Fair value of plan assets, end of the year</b>	<b>1,004.57</b>	<b>229.09</b>	906.43	215.23



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### Amount recognized in the balance sheet consists of:

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
<b>Present value of defined benefit obligation</b>	<b>1,088.19</b>	<b>237.06</b>	953.51	244.65
Fair value of plan assets	<b>1,004.57</b>	<b>229.09</b>	906.43	215.23
<b>Net liability</b>	<b>(83.62)</b>	<b>(7.97)</b>	(47.08)	(29.42)
<b>Amounts in the balance sheet:</b>				
Current Liability	230.40	3.42	155.23	3.52
Non-current liabilities	<b>857.79</b>	<b>233.64</b>	798.28	241.13
<b>Net liability</b>	<b>1,088.19</b>	<b>237.06</b>	953.51	244.65

### Total amount recognized in Profit or Loss consists of:

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Total Service Cost	<b>74.36</b>	<b>19.61</b>	65.25	19.06
Interest Income	-	-	-	-
<b>Net Interest</b>	<b>74.36</b>	<b>19.61</b>	65.25	19.06

### Amount recognized in other comprehensive income consists of:

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Actuarial Gain/(Loss) on Obligation	<b>0.70</b>	-	(39.26)	-
Actuarial Gain/(Loss) on Assets	<b>(11.66)</b>	-	3.71	-
<b>Total Actuarial Gain/(Loss) recognised in (OCI)</b>	<b>(10.96)</b>	-	(35.55)	-

### Actuarial Gain/(Loss) on obligation Consists:

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	(13.24)	-
Actuarial gain/(loss) arising from changes in financial assumptions	<b>27.33</b>	<b>9.10</b>	(31.23)	(10.00)
Actuarial gain/(loss) arising from changes in experience adjustments on plan liabilities	<b>(28.02)</b>	<b>(52.13)</b>	83.72	44.96
<b>Total Actuarial Gain/(Loss)</b>	<b>(0.69)</b>	<b>(43.03)</b>	39.26	34.96

### 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, 2023		31 <sup>st</sup> March, 2022	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligation as at period ended	<b>1,088.19</b>	<b>237.06</b>	953.51	244.65
Fair value of plan assets at period end	<b>1,004.57</b>	<b>229.09</b>	906.43	215.23
Unfunded status excess of Actual over estimated.	<b>(83.62)</b>	<b>(7.97)</b>	(47.08)	(29.42)
<b>Assets/(Liabilities) recognized in the Balance Sheet</b>	<b>(83.62)</b>	<b>(7.97)</b>	(47.08)	(29.42)



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### B) Defined benefit Obligation

#### I) Actuarial assumption

The following were the principal actuarial assumption at the reporting date.

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Discount rate*	7.34%	7.22%
Expected return on plan assets**		
Salary escalation rate**	8.50%	7.90%
Valuation Methodology	Projected Unit Credit Method	Projected Unit Credit Method

\* The discount rate assumed is 7.34% 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 determine considering several applicable factor 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.

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50 % movement)	(28.88)	30.46	(26.77)	28.03
Salary escalation rate (0.50% movement)	30.95	(28.71)	27.72	(26.72)

#### III) Expected Maturity analysis of the defined benefits plan in future years

Particulars	First Year	Second Year	Two to Third Year	More than 3 Years
Gratuity	230.41	196.31	85.52	575.96
<b>Total</b>	<b>230.41</b>	<b>196.31</b>	<b>85.52</b>	<b>575.96</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 -

- A) **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.
- B) **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.
- C) **Discount Rate :** Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) **Mortality & disability :** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) **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. 258.27 Lakhs (P.Y. 2021-22 : Rs. 218.25 Lakhs).

### Note No. 33 : DISCLOSURE AS PER IND AS 24 'RELATED PARTY DISCLOSURES'

#### A) List of related party

##### i) Parties holding significant influence

- I) GKS Logistics Pvt Limited
- II) GKS Holdings Pvt Limited

##### 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. Sonthalia - Non Executive & Independent Director
- Shri N. Gopaldaswamy - 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





## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (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	2022-23	2021-22
Rent Paid to Smt. Sushma Sureka	-	5.00
Rent Paid to M/s. GKS Holdings Pvt. Limited	9.00	18.00
Maintenance/Travelling Expenses Paid to Adroit Imperia Apartment owners Association	-	7.92
Rent/Electricity Expenses received from M/s. GKS Holdings Pvt. Limited	0.56	0.56
Rent/Electricity Expenses received from M/s. GKS Logistics Pvt. Ltd.	1.12	1.11

#### 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	2022-23	2021-22
<b>Short Term Employee Benefits</b>		
Salaries & Allowances	258.00	654.67
Contribution to Provident Fund	21.60	24.60
Others - perquisites value	27.80	41.42
Commission on Profit to the Directors	39.90	34.20
<b>Total</b>	<b>347.30</b>	<b>754.89</b>

#### iii) Sitting Fees paid to Non executive/Independent Director Rs. 3.10 Lakhs (Previous Year Rs. 1.90 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'

(Rs. in Lakhs)

Particulars	Units	For the Year Ended 31 <sup>st</sup> March, 2023	For the Year Ended 31 <sup>st</sup> March, 2022
<b>Basic Earning per Share</b>			
Basic net earnings Attributable to Equity Shareholders	Rs. Lakhs	2,734.05	2,125.02
Number of shares outstanding	No.	106.10	106.10
Basic Earnings per share	Rs.	25.77	20.03
<b>Diluted Earning per Share</b>			
Diluted net earnings Attributable to Equity Shareholders	Rs. Lakhs	2,734.05	2,125.02
Number of shares outstanding	No.	106.10	106.10
Diluted Earning Per Share	Rs.	25.77	20.03

### 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	2022-23	2021-22
<b>(A) Claims against company not acknowledged as Debts:-</b>		
(i) Income Tax matters in appeals	-	9.25
<b>(B) Guarantees:-</b>		
(i) Letter of Credit against purchase of raw materials	-	467.42
(ii) Bonds Executed with Customs & GST Authorities	30.00	30.00
(iii) Bonds Executed with Customs Authorities for EPCG Licence	357.39	357.39
(iv) Bonds Executed with Customs Authorities for advance licence	487.06	381.55

#### (iii) Commitments

- Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 619.20 Lakhs (P.Y. Rs 158.42 Lakhs), and advance given Rs. 121.80 Lakhs (P.Y. Rs. 1.95 Lakhs).
- Other Commitment : NIL



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### 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 (e.g. 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 counterparty 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.

#### a) Carrying amount of maximum credit risk as on reporting date

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Financial assets for which loss allowance is measured using 12 month Expected Credit Loss (ECL)		
Non-current Investment	6,010.16	10,995.16
Other Non-Current Financial Assets	102.21	91.86
Current Investment	1,012.40	1,220.69
Cash & Cash Equivalent	947.12	103.85
Bank balances other than cash and cash equivalents	2,538.36	111.40
Other Current Financial Assets	140.44	33.62
	<b>10,750.69</b>	<b>12,556.58</b>
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss (ECL)		
Trade Receivables	5,335.17	5,230.81
<b>Total</b>	<b>16,085.86</b>	<b>17,787.39</b>

#### 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 31.03.2023	-	5,165.16	170.01	5,335.17
Impairment loss recognised on above	-	-	-	-
Gross Carrying amount as on 31.03.2022	-	5,172.12	58.70	5,230.82
Impairment loss recognised on above	-	-	-	-



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

### 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.

(Rs. in Lakhs)

Contractual Maturities of Financial Liabilities As at 31.03.2023	3 Month or less	3-12 months	1-2 years	2-5 years	More than 5 year	Total
Trade payable	2,124.16	-	-	-	-	2,124.16
Other financial liabilities	819.93	32.43	-	-	-	852.36
<b>Total</b>	<b>2,944.09</b>	<b>32.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,976.52</b>

(Rs. in Lakhs)

Contractual Maturities of Financial Liabilities As at 31.03.2022	3 Month or less	3-12 months	1-2 years	2-5 years	More than 5 year	Total
Trade payable	1,494.82	-	-	-	-	1,494.82
Other financial liabilities	801.25	30.52	-	-	-	831.77
<b>Total</b>	<b>2,296.07</b>	<b>30.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,326.59</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 31.03.2023	USD	Amount	EURO	Amount
Trade receivable	19.52	1,604.10	2.91	260.27
Trade payable	10.52	864.22	0.50	44.81
<b>Net exposure</b>	<b>9.00</b>	<b>739.88</b>	<b>2.41</b>	<b>215.46</b>

(Rs. in Lakhs)

Foreign currency exposure as at 31.03.2022	USD	Amount	EURO	Amount
Trade receivable	21.72	1,645.93	6.49	546.35
Trade payable	5.81	440.63	0.22	18.93
<b>Net exposure</b>	<b>15.91</b>	<b>1,205.30</b>	<b>6.27</b>	<b>527.42</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, 2023 (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:

- For Investments in Equity Investments-Quoted Market prices are used.
- For Investments in Mutual funds-Closing NAV is used.
- The carrying amount of 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	31.03.2023		
	FVTPL	FVTOCI	Amortized cost i.e. carrying value
<b>Financial Assets:</b>			
Investments			
Equity instrument	-	6,010.00	-
Mutual fund	1,012.40	-	-
National saving certificate	-	-	0.16
Trade Receivables	-	-	5,335.17
Cash and Cash Equivalents	-	-	947.12
Bank balances other than cash and cash equivalent	-	-	2,538.36
Security deposit	-	-	109.51
Other Financial Assets	-	-	133.14
<b>Total Financial Assets</b>	<b>1,012.40</b>	<b>6,010.00</b>	<b>9,063.46</b>
<b>Financial Liability:</b>			
Trade Payables	-	-	2,124.16
Other Financial Liabilities	-	-	852.36
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>2,976.52</b>

(Rs. in Lakhs)

Particulars	31.03.2022		
	FVTPL	FVTOCI	Amortized cost i.e. carrying value
<b>Financial Assets:</b>			
Investments			
Equity instrument	-	10,995.00	-
Mutual fund	1,220.69	-	-
National saving certificate	-	-	0.16
Trade Receivables	-	-	5,230.81
Cash and Cash Equivalents	-	-	103.85
Bank balances other than cash and cash equivalent	-	-	111.40
Security deposit	-	-	99.56
Other Financial Assets	-	-	25.92
<b>Total Financial Assets</b>	<b>1,220.69</b>	<b>10,995.00</b>	<b>5,571.70</b>
<b>Financial Liability:</b>			
Trade Payables	-	-	1,494.82
Other Financial Liabilities	-	-	831.77
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>2,326.59</b>

#### B) Fair Value Hierarchy

#### As at 31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Financial Instrument measured at Fair Value - recurring fair value measurement	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Equity Instruments	6,010.00	-	-	6,010.00
Investments in Mutual Funds	-	1,012.40	-	1,012.40
<b>Total</b>	<b>6,010.00</b>	<b>1,012.40</b>	<b>-</b>	<b>7,022.40</b>



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

As at 31<sup>st</sup> March, 2022

(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	10,995.00	-	-	10,995.00
Investments in Mutual Funds	-	1,220.69	-	1,220.69
<b>Total</b>	<b>10,995.00</b>	<b>1,220.69</b>	<b>-</b>	<b>12,215.69</b>

### C) Fair value of financial assets and liabilities measured at amortised cost

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		
	Level	Carrying Value	Fair Value
<b>Financial Assets</b>			
Trade receivables	3	5,335.17	5,335.17
Cash and cash equivalent	3	947.12	947.12
Other Bank Balances	3	2,538.36	2,538.36
Other Financial Assets	3	140.44	140.44
Security Deposits	3	109.51	109.51
<b>Financial Liabilities</b>			
Trade payables	3	2,124.16	2,124.16
Other-Financial Liabilities	3	852.36	852.36

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022		
	Level	Carrying Value	Fair Value
<b>Financial Assets</b>			
Trade receivables	3	5,230.81	5,230.81
Cash and cash equivalent	3	103.85	103.85
Other Bank Balances	3	111.40	111.40
Other Financial Assets	3	33.62	33.62
Security Deposits	3	99.56	99.56
<b>Financial Liabilities</b>			
Trade payables	3	1,494.82	1,494.82
Other-Financial Liabilities	3	831.77	831.77

### 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





## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023 (contd.)

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'

Particulars	For the Year Ended 31 <sup>st</sup> March, 2023	For the Year Ended 31 <sup>st</sup> March, 2022
Revenue from external customers	8,682.67	7,336.37
India	29,996.87	26,253.40
<b>TOTAL</b>	<b>38,679.54</b>	<b>33,589.77</b>

### 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 2022-23 - Rs. 66.92 Lakhs (Year 21-22- Rs. 60.77 Lakhs).

B. Amount spent during the year on:

Particulars	Year 2022-23			Year 2021-22		
	Paid	Yet to be paid	Total	Paid	Yet to be paid	Total
i) Construction/Acquisition of any assets	-	-	-	-	-	-
ii) Purposes other than (i) above	67.00	-	67.00	60.77	-	60.77

\* Pl. refer Note no. 28.2

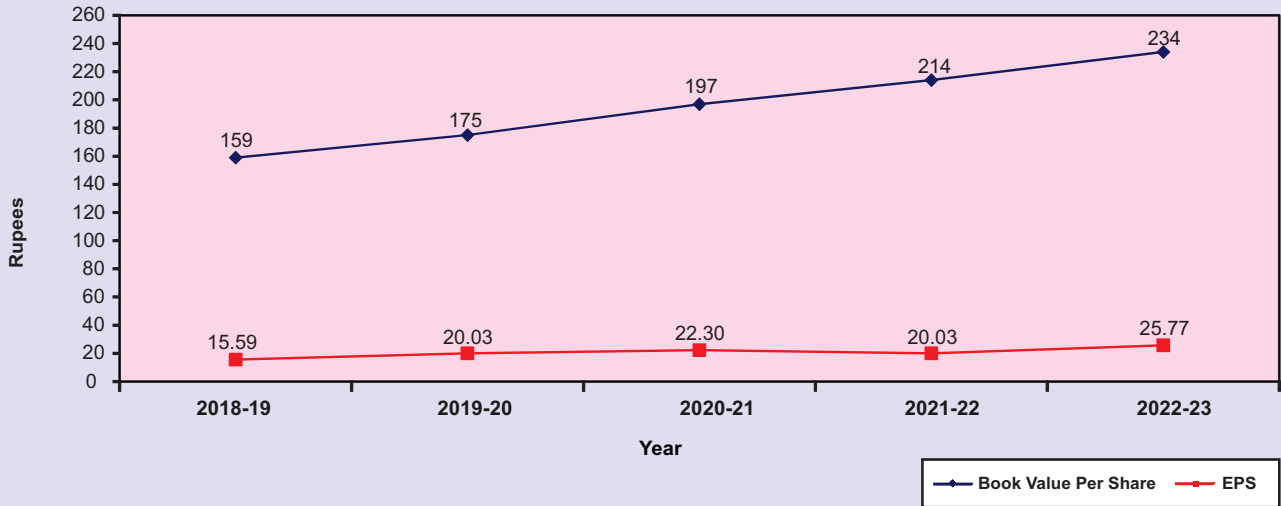
### Note No. 40 : STRUCK OFF COMPANY

The company does not have any transactions with companies struck-off under section 248 of the Companies Act, 2013 or section 560 of companies Act, 1956.

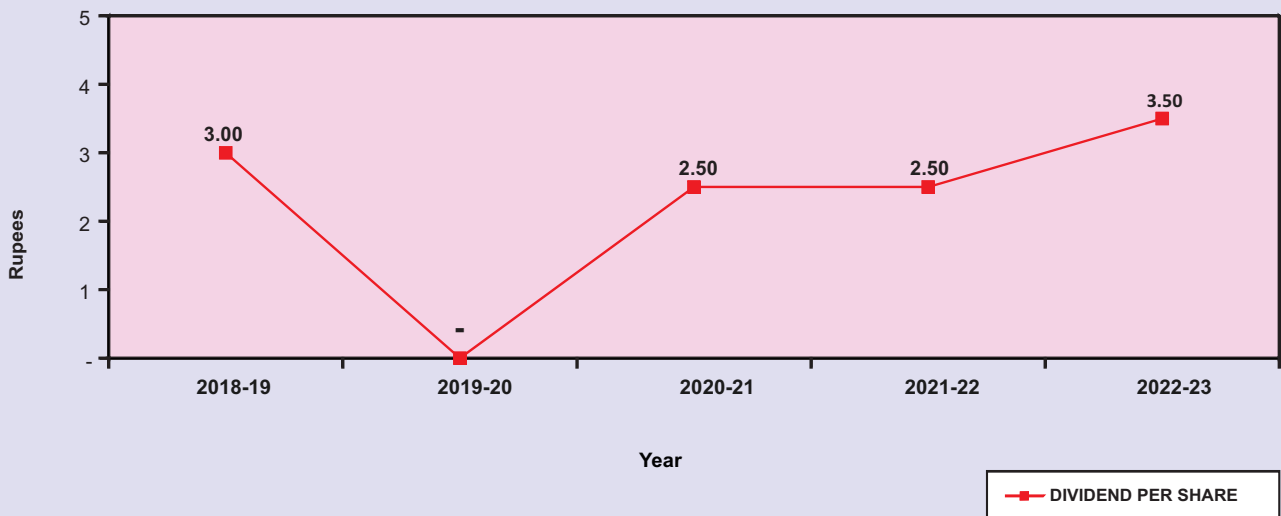
### Note No. 41 : FINANCIAL PERFORMANCE RATIOS

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance
Current ratio	Current Assets	Current Liabilities	5.24	5.38	(2.61)
Debt-equity ratio	Total Debt	Total Equity	-	-	-
Debt service coverage ratio	Profit before Interest, Tax and Exceptional Items	Interest Expense+Principal Repayments made during the period for long term loans	-	-	-
Return on equity ratio	Profit after Tax	Shareholders equity	11.02	9.36	17.82
Inventory turnover ratio	Cost of Goods sold	Closing Inventory	4.06	3.54	14.65
Trade receivables turnover ratio	Revenue from Operations	Trade Receivables	7.19	6.37	12.87
Trade payables turnover ratio	Cost of Goods sold	Trade Payables	11.92	14.79	(19.40)
Net capital turnover ratio	Revenue from Operations	Working Capital	2.85	3.04	(6.06)
Net profit ratio	Profit after Tax	Revenue from Operations	7.07	6.33	11.73
Return on capital employed	Profit before Interest & Tax	Capital employed	14.99	12.77	17.38
Return on investment	Income Generated from invested funds	Avg Invested funds	5.25	4.16	26.08

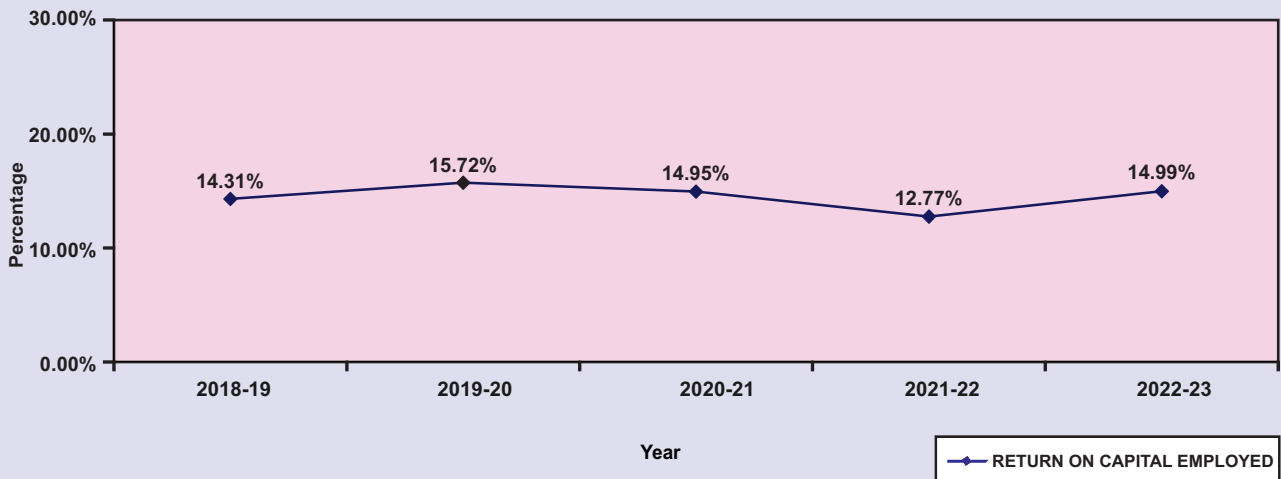
### BOOK VALUE PER SHARE & EPS



### DIVIDEND PER SHARE



### RETURN ON CAPITAL EMPLOYED





**AN ISO 9001 : 2015 COMPANY**



**MARKET LEADERS IN INDIA**  
for more than two decades

Experience

**THE PODDAR ADVANTAGE™**

Sets you Apart

**GLOBAL PRESENCE**  
in more than 30 countries

AN ISO 9001:2015 QMS CERTIFIED  
COMPANY MANUFACTURING COLOR &  
ADDITIVE MASTERBATCHES

[www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com)



## NOTICE

Dear Member,

NOTICE is hereby given that the **THIRTY SECOND ANNUAL GENERAL MEETING** of the members of Poddar Pigments Limited (“Company”) will be held **ON WEDNESDAY, 27<sup>TH</sup> SEPTEMBER, 2023 AT 11.00 A.M.** at Crowne Plaza, Sitapura Industrial Area, Tonk Road, Jaipur - 302022, to transact the following business(es):

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023, together with the Reports of the Board of Directors and the Auditor's thereon.
2. To confirm the Interim Dividend of Rs. 3.50 per share on Equity Shares of Rs. 10/- for the financial year 2022-23 as Final Dividend.
3. To appoint a Director in place of Shri Gaurav Goenka (DIN:00375811), 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 2023-24 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 60,000/- (Rupees Sixty Thousand Only) plus applicable GST and out of pocket expenses, if any, in connection with the Cost Audit payable to M/s. K.G. Goyal & Associates (Firm Reg. No. 000024), Cost Accountants, Jaipur, who have been appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2024, be and is hereby ratified.”

5. To approve the appointment of Shri Gajendra Kumar Bhandari (DIN:00649176), as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Gajendra Kumar Bhandari (DIN:00649176) who is eligible for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for first term of five consecutive years i.e. from 1<sup>st</sup> October, 2023 to 30<sup>th</sup> September, 2028, notwithstanding that Shri Gajendra Kumar Bhandari (DIN:00649176) will cross the age of 75 years during the tenure of his appointment.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds,

matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

6. To approve the appointment of Shri R. Mohan (DIN:01492721) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri R. Mohan (DIN:01492721) who is eligible for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for first term of five consecutive years i.e. from 1<sup>st</sup> October, 2023 to 30<sup>th</sup> September, 2028.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. To adopt the new set of Articles of Association of the Company and in this regard, to consider and if thought fit, to pass the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013 (“the Act”), Schedule I made thereunder read with the Rules framed thereunder, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and on recommendation of the Board of Directors of the Company, the approval of the members be and is hereby accorded to adopt new set of Articles of Association in line with the provisions of the Companies Act, 2013, in place of existing set of Articles of Association of the Company as placed before the meeting.

**RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that they shall be deemed to have given their approval 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: 0141-2770202/203  
E-mail: com.sec@poddarpigmentsltd.com  
Website: www.poddarpigmentsltd.com  
CIN: L24117RJ1991PLC006307

**By order of the Board of Directors  
For Poddar Pigments Limited**

**Anil Kumar Sharma**  
Company Secretary  
FCS No. 9382

**Place : Jaipur**

**Date : 5<sup>th</sup> August, 2023**



## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE AGM. A PROXY FORM IS ATTACHED HERewith.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") setting out the material facts relating to the resolutions in respect of all Special Businesses specified above and information of the Directors proposed to be appointed at the Annual General Meeting as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 and other applicable provisions, is annexed hereto and forms part of this Notice.
3. Pursuant to Section 152 and other applicable provisions of the Act, Shri Gaurav Goenka (DIN:00375811), Joint Managing Director, is retiring by rotation and being eligible, offers himself for re-appointment. The relevant details pursuant to the SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are annexed to this notice. Requisite declarations have been received from the Director seeking re-appointment.
4. During the period beginning twenty-four hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, a member entitled to vote at the meeting is entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than three days of notice of such intention to inspect is given in writing to the Company.
5. The route map of the venue of the meeting is annexed to this Annual Report. The prominent landmark for easy location of the venue of the meeting is Poddar Circle, Opposite JECC, Sitapura, Jaipur.
6. A Proxy shall not have the right to speak at the AGM and shall not be entitled to vote, except on a Poll/through ballot paper.
7. When a Member appoints a Proxy and both the Member and the Proxy attends the AGM, the Proxy stands automatically revoked.
8. In case of joint holders attending the AGM, only such joint holders who are higher in the order of names will be entitled to vote.
9. Members, proxies and authorised representatives, desirous of attending the AGM, must bring the attendance slip (annexed to this Annual Report) to the AGM duly completed and signed and hand over the same at the venue entrance.
10. Corporate members who are intending to send their authorised

representatives pursuant to Sections 113 of the Act, as the case may be, to attend the AGM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at [ppincha@gmail.com](mailto:ppincha@gmail.com) with a copy marked to [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com), latest by Tuesday, 26<sup>th</sup> September, 2023 upto 5.00 P.M. Corporate Members can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

11. The voting rights of the members shall be in proportion to their shareholding of the paid-up share capital of the Company as on the cut-off date for e-voting i.e. Wednesday, 20<sup>th</sup> September, 2023. Any person/entity, who acquires shares of the Company and becomes a member after sending notice of this AGM and holding shares of the Company as on cut-off date for e-voting i.e. Wednesday, 20<sup>th</sup> September, 2023, may refer to this notice and other relevant communication including remote e-voting instructions, hosted on the Company's website [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com).
12. In terms of the provisions of the Companies Act, 2013 read together with the Rules made thereunder and the MCA circulars, the copy of the Annual Report including Financial Statements, Board's Report etc. and this notice are being sent by electronic mode, to those members who have registered their email addresses with their respective depository participants or with the Registrar & Share Transfer Agent of the Company, unless any member has requested for a physical copy of the same. However, in case a member wishes to receive a physical copy of the Annual Report, he/she is requested to send an email to [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com) duly quoting his/her DP ID and Client ID or the Folio number, as the case may be. The members are requested to kindly register/update their email address and contact details with your Depository Participant.

The Annual Report 2022-23 including notice convening the AGM has been uploaded on the website of the Company at [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <http://www.bseindia.com> and [www.nseindia.com](http://www.nseindia.com), respectively. The notice of AGM is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

13. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the members with effect from 1<sup>st</sup> April, 2020 and the Company is required to deduct TDS from the dividend paid to the members at prescribed rates under the Income Tax Act, 1961 (the "IT Act"). In general, to enable compliance with TDS requirements, members are requested to complete and/or update their residential status, PAN and category as per the IT Act with their Depository Participants ("DPs") or in case shares are held in physical form, with the Company by sending documents.
14. Link Intime India Private Limited is acting as Registrar & Share Transfer Agent (RTA) for both physical and electronic form of shareholdings. All communications relating to shares should be addressed to:-  
Link Intime India Private Limited  
C-101, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West),  
Mumbai - 400083 (Maharashtra)  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Tel: 022-4918 6000





15. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, Bank Mandate details, etc., to their Depository Participants (“DP”) in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting documents. Further, the members may note that SEBI has mandated the submission of PAN by every participant in the securities market. For other service requests, members are requested to submit a duly filled and signed Form ISR-1, ISR-2, ISR-3, SH-13, SH-14 as may be applicable.
16. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14. Members who are either not desiring to register nomination or would want to opt out, are requested to fill and submit Form No. ISR-3. The said forms can be downloaded from the RTA’s website at [www.linkintime.co.in](http://www.linkintime.co.in). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
17. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio by submitting duly filled and signed form ISR-4.
18. As per Regulation 40 of the Listing Regulations, securities of listed Companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019. In view of the above and to avail the benefits of dematerialization (Demat), members are requested to consider dematerializing their physical shares. Members can contact the Company’s Registrar and Transfer Agent, Link Intime India Private Limited (“Registrar” or “RTA”) at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) for any assistance in this regard.
19. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members during the AGM. All documents referred to in this notice will also be available for inspection at the registered office of the Company without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e. 27<sup>th</sup> September, 2023. Members seeking to inspect such documents can send an email at [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com).
20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Link Intime India Private Limited/Company.
21. In terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the “IEPF Rules”), the Company has transferred the unpaid or unclaimed dividend declared up to the financial year 2015-16 to the Investor Education and Protection Fund (“the IEPF”) established by the Central Government.
22. Members are requested to note that, dividends if not encashed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”). Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in Form No. IEPF-5 available on <http://www.iepf.gov.in> and following the procedure as prescribed under the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time).
23. To support the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form. An email ID registration form is annexed to this notice.
24. Members holding shares in electronic form are requested to intimate any change in their email ID 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 in their email ID or Bank mandates to the Company/Registrar and Share Transfer Agent i.e. Link Intime India Private Limited quoting reference of the registered folio number.
25. Members are requested to 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.
26. Members seeking any information with regard to the Financial Statements are requested to write to the Company Secretary at least seven days before the date of AGM at [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com), so as to enable the management to keep the information ready at the meeting.
27. In compliance with the provisions of Section 108 of the Companies Act, 2013 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 on each resolutions outlined in the notice of the AGM by using electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (“remote e-voting”).

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Agency to provide remote e-voting facility.

The facility for voting through polling paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through polling paper. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

The remote e-voting period begins on Sunday, 24<sup>th</sup> September, 2023 (9.00 A.M. IST) and ends on Tuesday, 26<sup>th</sup> September, 2023



(5.00 P.M. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. 20<sup>th</sup> September, 2023 may cast their votes electronically. The e-voting module shall be disabled thereafter. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice of AGM and holds shares as on the cut-off date i.e. 20<sup>th</sup> September, 2023, may obtain the login ID and password by sending a request at [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com). However, if a member is already registered with the CDSL for e-voting, then he/she can use the existing user id and password for casting the vote. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

**THE INSTRUCTIONS FOR E-VOTING ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all

shareholders' resolutions. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facilities to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
<p><b>Individual Shareholders holding securities in Demat mode with CDSL Depository</b></p>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p><b>Individual Shareholders holding securities in demat mode with NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open a web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.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. You will have to enter your User ID and Password. 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 redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.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’</li> </ol>



	section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the 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 provider website for casting your vote during the remote e-Voting period.
<b>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on the e-Voting option, you will be redirected to the NSDL/CDSL Depository site after successful authentication, wherein you can see the 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.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
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 evoting@nsdl.co.in or call at 022-4886 7000 and 022-2499 7000.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.
  - 1) The shareholders should log on to the e-voting website www.evotingindia.com.
  - 2) Click on the “Shareholders” module.
  - 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field.</li> </ul>

- (ii) After entering these details appropriately, click on the “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach the ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for Poddar Pigments Limited.
- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.



- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA, if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company at the email address viz. [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com) or RTA email id at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding e-Voting from

the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

28. The Board of Directors of the Company in compliance with the Companies (Management and Administration) Rules, 2014, has appointed Mr. Akshit Kumar Jangid (Membership No. FCS 11285 and CP No. 16300 partner of M/s. Pinchaa & Co., Company Secretaries, as the Scrutinizer for conducting the voting through remote e-voting process in a fair and transparent manner at the AGM.
29. The Scrutinizer shall count the votes cast during the AGM and unblock the votes cast through remote e-voting immediately after the conclusion of voting at the AGM. The scrutinizer will thereafter finalise and submit the 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 counter sign the same.  
  
The Results of voting will be declared within two working days from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's Equity Shares are listed (BSE Limited & National Stock Exchange of India Ltd.) and shall also be displayed on the Company's website [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com) and CDSL's website [www.evotingindia.com](http://www.evotingindia.com). The results will also be displayed on the notice board of the Company at its Registered Office. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on the date of the AGM i.e. 27<sup>th</sup> September, 2023.
30. For any investor related queries, you are requested to email at [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com).

#### **EXPLANATORY STATEMENT**

As required under Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the special businesses mentioned under Item Nos. 4 to 7 of the accompanying notice:

##### **Item No. 4**

As per the provisions of Section 148 of the Companies Act, 2013 (“the Act”) read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have an audit of its cost records conducted by a Cost Accountant in Practice for products covered under the Companies (Cost Records and Audit) Rules, 2014. The Board, based on the recommendation of the Audit Committee, has approved the re-appointment of M/s. K.G. Goyal & Associates, Cost Accountants, (Firm Registration Number 000024) as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending 31<sup>st</sup> March, 2024, at a remuneration of Rs. 60,000/- plus applicable GST and out of pocket expenses, if any.

In accordance with Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company.





Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the notice for ratification of the remuneration payable to the Cost Auditors, for the financial year ending 31<sup>st</sup> March, 2024.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the agenda item and to take decision thereon.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the notice for approval of the members. None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested except to the extent of their shareholding in the Company in the Resolution as set out at Item No. 4 of the notice.

#### **Item No. 5 & 6**

The Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee (“NRC”), has approved the appointment of Shri Gajendra Kumar Bhandari (DIN:00649176) and Shri R. Mohan (DIN:01492721) as an Independent Director, not liable to retire by rotation, for a first term of five consecutive years i.e. from 1<sup>st</sup> October, 2023 upto 30<sup>th</sup> September, 2028 (both days inclusive), subject to approval of the members.

Shri Gajendra Kumar Bhandari (DIN:00649176), aged about 74 years, is B. Sc. in Electrical Engineering from Ranchi University and has vast experience in manufacturing business related to Chemical Industries, Glass Industries, etc. Shri R. Mohan (DIN:01492721), aged about 55 years is a Chartered Accountant and has vast experience in the field taxation, finance, accounting, consultancy, etc. The detailed profile and specific areas of expertise of Shri Gajendra Kumar Bhandari (DIN:00649176) and Shri R. Mohan (DIN:01492721) are provided in the Annexure attached to this Notice.

The Company has received notices in writing from members of the Company as per the provisions of Section 160 of the Companies Act, 2013 proposing their candidature for the office of Independent Director of the Company.

Shri Gajendra Kumar Bhandari (DIN:00649176) and Shri R. Mohan (DIN:01492721) have given their consent to act as an Independent Director and declarations to the Board, inter alia, confirming that (i) They meet the criteria of Independence as provided under Section 149(6) of the Act and rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) They are not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority, (iii) They are eligible to be appointed as a Director in terms of Section 164 of the Act, (iv) They are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact the ability to discharge their duties with an objective independent judgment and without any external influence, and; (v) They have registered themselves in data bank for Independent Director as required under Rule 6(1) & 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2019 (as amended).

In terms of Regulation 17(1A) of the SEBI Listing Regulations, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect. Shri Gajendra Kumar Bhandari (DIN:00649176), who will attain the age of 75 years during the tenure of his proposed term of appointment with effect from 1<sup>st</sup> October, 2023. Accordingly, the Board recommends passing of the Special Resolution by the members of the Company in

relation to appointment of Shri Gajendra Kumar Bhandari (DIN:00649176) as an Independent Director.

In the opinion of the Board, Shri Gajendra Kumar Bhandari (DIN:00649176) and Shri R. Mohan (DIN:01492721) are persons having integrity, possesses relevant expertise/experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and are independent of the management.

Based on their experience, the Board considers it desirable and in the interest of the Company to have Shri Gajendra Kumar Bhandari (DIN:00649176) and Shri R. Mohan (DIN:01492721) on the Board of the Company and accordingly, the Board recommends the Special/Ordinary Resolution for appointment of Shri Gajendra Kumar Bhandari (DIN:00649176) and Shri R. Mohan (DIN:01492721) as an Independent Director as set out at Item No. 5 & 6 of the Notice for approval by the members. All the relevant documents and records in relation to appointment of the Independent Directors would be available for inspection by the members.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the agenda item and to take decision thereon.

Except Shri Gajendra Kumar Bhandari (DIN:00649176) and Shri R. Mohan (DIN:01492721) being the appointees and their relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested except to the extent of their shareholding in the Company in the Resolutions as set out at Item No. 5 & 6 of the notice.

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

The existing Articles of Association (“AOA”) is based on the erstwhile Companies Act, 1956 and several regulations in the existing AOA contains references to specific Section of the Companies Act, 1956 and some regulations are no longer in conformity with the Companies Act, 2013. Further, in order to make the Articles of Association of the Company in line with the Companies Act, 2013 and rules made thereof, it is proposed to replace the existing Articles of Association of the Company by a new set of Articles.

In view of the same, the Board of Directors in their meeting held on 5<sup>th</sup> August, 2023 adopted new set of the Articles of Association of the Company, subject to approval of members of the Company.

Pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013 read with the applicable Rules, consent of the members is sought by way of special resolution as set out at Item No. 7 of the notice for adoption of new set of Articles of Association of the Company. The Board of Directors in their meeting held on 5<sup>th</sup> August, 2023 had accorded their approval and recommended to the members for adoption of new set of Articles of Association.

The existing AOA of the Company and the copy of proposed AOA would be available on the Company's website at [www.poddarpigmentsltd.com](http://www.poddarpigmentsltd.com) for perusal by the members. Member(s) interested in obtaining a physical copy of the AOA can send their request at the Company's e-mail address at [com.sec@poddarpigmentsltd.com](mailto:com.sec@poddarpigmentsltd.com).

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the agenda item and to take decision thereon.





The Board recommends the Special Resolution as set out at Item No. 7 of the notice for approval of the members. None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any

way, concerned or interested except to the extent of their shareholding in the Company in the Resolution as set out at Item No. 7 of the notice.

**PROFILE OF DIRECTORS SEEKING APPOINTMENTS/RE-APPOINTMENT AT THE 32<sup>ND</sup> ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ON GENERAL MEETINGS ISSUED BY THE ICSI:**

Particulars	Shri Gaurav Goenka	Shri Gajendra Kumar Bhandari	Shri R. Mohan
DIN	00375811	00649176	01492721
Date of Birth and Age	1 <sup>st</sup> June, 1975, 48 Years	23 <sup>rd</sup> April, 1949, 74 Years	10 <sup>th</sup> July, 1968, 55 Years
Date of first Appointment on the Board	28 <sup>th</sup> May, 2016	Not Applicable	Not Applicable
Qualifications	B. Sc. - Boston University	B.Sc. in Electrical Engineering from Ranchi University.	Chartered Accountant
Experience and expertise in specific functional area	Garments Manufacturing, Real Estate Development and SAP Implementation.	Expertise in manufacturing business related to Chemical Industries, Glass Industries, etc.	Audit, Taxation, Accounting, Finance, Consultancy, etc.
Brief Resume	He is having more than 25 years of experience in the field of Foreign Trade, Marketing, Business Administration and other allied activities related to operation and management of large corporates.	He has more than 40 years experience in manufacturing business related to Chemical Industries, Glass Industries, etc.	A professional with over 32 years experience in Audit, Taxation and Consultancy.
Relationship with other Directors, Manager and Other Key Managerial Personnel of the Company	Daughter's Husband of Shri S.S. Poddar, Managing Director	None	None
Nature of appointment/re-appointment	Re-appointment	Appointment	Appointment
Terms and Conditions of appointment/re-appointment	Re-appointed as Joint Managing Director with effect from 1 <sup>st</sup> April, 2022 upto 30 <sup>th</sup> September, 2024. In terms of Section 152(6) of the Companies Act, 2013, he is liable to retire by rotation and being eligible, offers himself for re-appointment.	Appointment as an Independent Director for a period of five consecutive years with effect from 1 <sup>st</sup> October, 2023.	Appointment as an Independent Director for a period of five consecutive years with effect from 1 <sup>st</sup> October, 2023.
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Remuneration drawn in financial year 2022-23 was Rs. 1.97 Crore and the Remuneration in financial year 2023-24 will be paid as per Special Resolution passed in the AGM held on 8 <sup>th</sup> September, 2021.	No Remuneration drawn in financial year 2022-23 and Sitting Fee is payable in financial year 2023-24, if appointed.	No Remuneration drawn in financial year 2022-23 and Sitting Fee is payable in financial year 2023-24, if appointed.
Shareholding in the Company	Nil	3,820	400
The number of meetings of the Board attended during the year	6 out of 6	NA	NA
Names of listed entities in which the person also holds the Directorship and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years	Nil	Nil	Nil
Directorships held in other public Companies (excluding foreign Companies and Section 25 Companies)	Nil	Nil	Nil



Particulars	Shri Gaurav Goenka	Shri Gajendra Kumar Bhandari	Shri R. Mohan
Memberships/Chairmanships of committees of other public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil	Nil	Nil
In case of Independent Directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	He has the requisite skills and capabilities as required for business requirements of the Company.	He has the requisite skills and capabilities as required for business requirements of the Company.

**Registered Office:**

E-10-11 & F-14 to 16,  
RIICO Industrial Area,  
Sitapura, Jaipur-302 022  
Tel: 0141-2770202/203  
E-mail: com.sec@poddarpigmentsltd.com  
Website: www.poddarpigmentsltd.com  
CIN: L24117RJ1991PLC006307

**By order of the Board of Directors  
For Poddar Pigments Limited**

**Anil Kumar Sharma**  
Company Secretary  
FCS No. 9382

**Place : Jaipur**

**Date : 5<sup>th</sup> August, 2023**

**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 the 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 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 email address with the Company. I/We, do hereby agree and authorise the Company to send me/us all the communications in electronic mode at the e-mail address mentioned below. Please register the email address/mobile number mentioned below for sending communication through e-mail/mobile.

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

Name of the Registered Holder (1<sup>st</sup>): .....

Name of the Joint Holder(s) (2<sup>nd</sup>): ..... (3<sup>rd</sup>): .....

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.

### Route Map for 32<sup>nd</sup> AGM Venue



**Crowne Plaza, Sitapura Industrial Area, Tonk Road, Jaipur - 302022**



**Form No. MGT-11  
Proxy form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

CIN : L24117RJ1991PLC006307

Name of the Company : Poddar Pigments Limited

Registered office : E-10-11 & F-14 to 16, RIICO Industrial Area, Sitapura,  
Jaipur-302 022 (Rajasthan)

Name of the member(s) : .....

Registered address : .....

E-mail Id : .....

Folio No/ Client Id : .....

DPID : .....

I/We, being the member (s) of ..... shares of the above named Company, hereby appoint

1. Name: ..... Address:.....  
..... E-mail Id:.....  
Signature:....., or failing him
2. Name: ..... Address:.....  
..... E-mail Id:.....  
Signature:....., or failing him
3. Name: ..... Address:.....  
..... E-mail Id:.....  
Signature:.....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the thirty second Annual General Meeting of the Company, to be held on Wednesday, 27<sup>th</sup> September, 2023 at 11.00 A.M. at Crowne Plaza, Sitapura Industrial Area, Tonk Road, Jaipur – 302022 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	For	Against
	<b>Ordinary Business</b>		
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2023, together with the Reports of the Board of Directors and the Auditor's thereon.		
2	To confirm the Interim Dividend of Rs. 3.50 on Equity Shares for the financial year 2022-23 as Final Dividend.		



S. No.	Resolutions	For	Against
3	To appoint a Director in place of Shri Gaurav Goenka (DIN:00375811), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.		
	<b>Special Business</b>		
4	To ratify the remuneration of Cost Auditors for the financial year 2023-24.		
5	To approve the appointment of Shri Gajendra Kumar Bhandari (DIN:00649176), as an Independent Director of the Company.		
6	To approve the appointment of Shri R. Mohan (DIN:01492721), as an Independent Director of the Company.		
7	To adopt the new set of Articles of Association of the Company.		

Signed this..... day of September, 2023

.....  
Signature of Shareholder

.....  
Signature of Proxy holder(s)

**Revenue  
Stamp  
of Re. 1/-**

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

.....

### **Poddar Pigments Limited**

CIN: L24117RJ1991PLC006307

Registered Office: E-10-11 & F-14 to 16, RIICO Industrial Area, Sitapura, Jaipur - 302 022 (Rajasthan)

Tel: 0141-2770202/203, E-mail: com.sec@poddarpigmentsltd.com

Website: www.poddarpigmentsltd.com

### **ATTENDANCE SLIP**

32<sup>nd</sup> Annual General Meeting - 27<sup>th</sup> September, 2023

Folio No. / DP ID Client ID No.	
Name of First named Member/Proxy/Authorised Representative	
Name of Joint Member(s), if any	
No. of Shares held	

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/we hereby record my/our presence at the 32<sup>nd</sup> Annual General Meeting of the Company being held on Wednesday, the 27<sup>th</sup> September, 2023 at 11.00 A.M. at Crowne Plaza, Sitapura Industrial Area, Tonk Road, Jaipur - 302022.

Signature of First holder/Proxy/Authorised Representative :

Signature of 1<sup>st</sup> Joint Holder :

Signature of 2<sup>nd</sup> Joint Holder :

Note(s):

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the AGM Meeting Venue.
2. Only Shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.