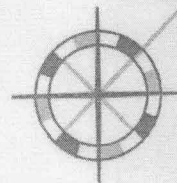
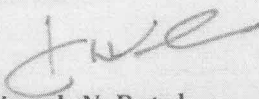

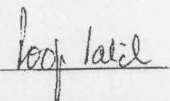



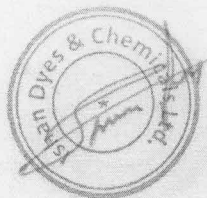
# ISHAN DYES & CHEMICALS LTD.

ISHAN



## FORM A

1	Name of the Company	ISHAN DYES & CHEMICALS LIMITED
2	Annual Financial Statements for the year ended	YEAR ENDED 31 <sup>ST</sup> MARCH 2015
3	Type of Audit observations	UNQUALIFIED
4	Frequency of observations	NOT APPLICABLE
5	To be signed by:	
	Managing Director	 Piyush N. Patel
	CFO	 Chintan Pancholi
	Audit Committee Chairman	 Roopin A. Patel
	Auditors of the Company	For G. S. Mathur & Co. Chartered Accountants FRN: 008744N  CA. Bhargav Vaghela Partner Membership No: 124619



### Registered Office and Factory Address:

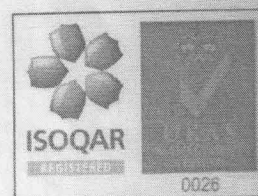
18, G.I.D.C. Estate, Phase-I, Vatva, Ahmadabad - 382 445, Gujarat, INDIA

Phone : +91-79-25832144, 25893607 Fax : +91-79-25833643

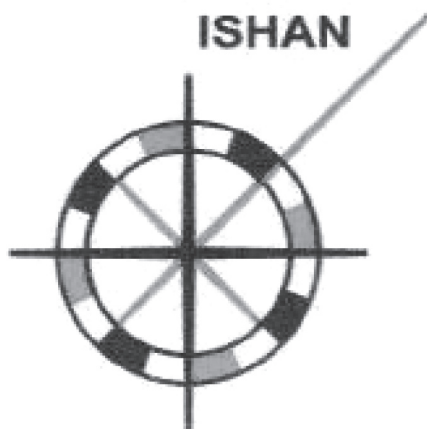
E-mail : ishandyes@yahoo.com; ishan@ishandyes.com

Web : www.ishandyes.com

CIN : L24110GJ1993PLC020737



Certificate No. : 7086  
ISO 9001, ISO 14001



# **ISHAN DYES & CHEMICALS LIMITED**

**22nd Annual Report  
2014-2015**



Corporate Information .....	3
Notice to the Members.....	4
Directors' Report.....	12
Corporate Governance Report .....	32
Management Discussion and Analysis .....	51
Auditors' Report.....	53
Balance Sheet .....	57
Profit & Loss Account.....	58
Cash Flow Statement.....	59
Notes Forming Part of Balance Sheet and Profit & Loss Account.....	60
Proxy Form & Attendance Slip .....	73

## BOARD OF DIRECTORS

SHRI PIYUSH NATVARLAL PATEL  
SHRI SHRINAL PIYUSHBHAI PATEL  
SMT ANILABEN PIYUSHBHAI PATEL  
SHRI MARUT DINESHCHANDRA PATEL  
SHRI RONAK YATINKUMAR DESAI  
SHRI ROOPIN AMRIT PATEL  
SHRI MAYANK HASMUKHBHAI PATEL  
SHRI YATIN GORDHANBHAI PATEL

- Chairman & Managing Director
- Whole-Time Director
- Non-Executive & Non-Independent Director
- Non-Executive & Non-Independent Director
- Non-Executive & Non-Independent Director
- Independent Director
- Independent Director
- Independent Director

## CHIEF FINANCIAL OFFICER

- Shri Chintan Prakashbhai Pancholi

## BANKERS

- Kalupur Commercial Co. Op. Bank Ltd.  
Kotak Mahindra Bank Ltd.  
CITI Bank  
Bank of India  
Axis Bank Ltd.

## STATUTORY AUDITORS

- G.S. Mathur & Co.  
Chartered Accountants  
F-3, Vikram Chamber,  
Income Tax, Ahmedabad – 380009

## INTERNAL AUDITORS

- Dave & Shah  
Chartered Accountants  
F-712, Titanium City Centre,  
100FT Shyamal to Prahladnagar Road,  
Satellite, Ahmedabad – 380015

## REGISTERED OFFICE & FACTORY ADDRESS

- 18, G.I.D.C Estate, Phase – 1,  
Vatva, Ahmedabad – 382445, Gujarat, INDIA  
Tel.: 079-25832144/25893607  
Fax: 079-25833643  
E-mail: ishandyes@yahoo.com  
Website: www.ishandyes.com

## CIN NO

- L24110GJ1993PLC020737

## REGISTRAR AND SHARE TRANSFER AGENT (RTA)

- MCS Share Transfer Agent Limited  
10, Aram Apartment, 12, Sampatrao Colony,  
B/h. Laxmi Hall, Alkapuri,  
Vadodara – 390007  
Tel No:-0265-2314757/2350490  
E-mail: mcsltbaroda@yahoo.com



## 22ND ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND ANNUAL GENERAL MEETING OF ISHAN DYES & CHEMICALS LIMITED WILL BE HELD ON TUESDAY, 29th SEPTEMBER 2015, AT 3.00 P.M. AT REGISTERED OFFICE OF THE COMPANY SITUATED AT 18, G.I.D.C. ESTATE, PHASE-1, VATVA, AHMEDABAD - 382445, TO TRANSACT THE FOLLOWING BUSINESS:**

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2015 and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Marutbhai D. Patel (DIN: 01886954), Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, pursuant to the recommendations of the Audit Committee and the Board of Directors and further pursuant to the resolution passed by the members at the Annual General Meeting held on 23rd September, 2014, the appointment of M/s. G. S. Mathur & Co., Chartered Accountants (Registration No: 008744N), as statutory auditors of the Company to hold office till the conclusion of the 26th AGM to be held in the year 2019 be and is hereby ratified to hold office from the conclusion of 22nd AGM till the conclusion of the 23rd AGM and that the Board of Directors be and is hereby authorized to fix the remuneration payable as mutually agreed between the Board of Directors of the Company with the Auditors."

### SPECIAL BUSINESS:

4. To appoint Shri Ronak Y. Desai (DIN: 02808811) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013("the Act") and the rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, to the extent applicable, Shri Ronak Y. Desai (DIN: 02808811), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of 27th Annual General Meeting of the Company in calendar year 2020."

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

**By order of the Board of Directors  
For ISHAN DYES & CHEMICALS LIMITED**

**10th August, 2015  
Ahmedabad**

**Piyush N. Patel  
Chairman & Managing Director**

Registered office:  
18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445, Gujarat, INDIA  
Tel No: 079-25832144/25893607 Fax: 079-25833643  
Email id: ishandyes@yahoo.com CIN: L24110GJ1993PLC020737

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxy, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the meeting.

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 person or shareholder.

Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

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

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
4. Members/Proxies should bring attendance slips sent herewith duly filled in, for attending the Meeting.
5. Relevant documents referred to in the notice are open for inspection at Registered Office of the Company on all working days, except Saturdays, Sundays and other holidays between 2.00 P.M. to 4.00 P.M. up to the date of this Annual General Meeting at the registered office of the Company.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd September, 2015 to 29th September, 2015 (both days inclusive) for the purpose of the Annual General Meeting.
7. Members are requested to
  - (i) Expeditiously intimate change of address, if any, to the Company/Registrar and Share Transfer Agents quoting reference to their Registered Folio Number.
  - (ii) Write to the Company for any information about accounts at least 10 days in advance of the Annual General Meeting.
8. The Members are requested to dematerialize their shareholdings with their Depository Participants as the Company's Shares are traded compulsorily under demat mode in the Stock Exchanges.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. Nomination forms can be obtained from the Company's Registered Office.
10. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the Company/Share Transfer Agents along with the relevant Share Certificates for consolidation of such Folios in one Folio.
11. The Register of Contracts or Arrangements in which Directors are interested, maintained under section 301 of the





Companies Act, 1956 and Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

12. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies of Annual Report to the Meeting.
13. The Notice of the 22nd Annual General Meeting is available on the website of the Company [www.ishandyes.com](http://www.ishandyes.com) and website of CDSL [www.cdslindia.com](http://www.cdslindia.com)
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
15. Entrance Pass and Proxy Form is annexed. Members are requested to affix their signature at the space provided in the entrance pass and hand over the same at the entrance to the place of meeting.
16. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send communication to shareholders electronically. We request the members who have not registered their email address so far to kindly register/update your email ids with your respective depository participant. In case of physical shares, register/update your email ids with the Company's registrar and share transfer agent register for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
17. 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 by the Companies (Management and Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 22nd Annual General Meeting (AGM). For this purpose, the Company has entered into an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their votes electronically.

The Company is also providing facility for voting by Physical Poll at the venue of the 22nd Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the general meeting but have not casted their votes by availing the remote e-voting facility.

The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

**Instructions for Members for voting electronically are as under:-**

- a) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- b) Click on "Shareholders" tab to cast your vote(s)
- c) Now enter your User ID as follows:
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - Members holding shares in physical form should enter Folio Number registered with the Company
- d) Enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- f) For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

<p><b>PAN</b></p>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<p><b>Date of Birth or Date of Incorporation or Bank Account</b></p>	<p>Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account in DD/MM/YYYY format.</p> <p style="text-align: center;">OR</p> <p># Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (c).</p>

# CDSL users can enter any one of the details viz. dividend bank details or date of birth, in order to login; however, NSDL users mandatorily have to mention their bank account number in order to login. In case bank details are not recorded with the depository, please enter the number of shares held by you as on the cut-off date viz. Tuesday, 22nd September, 2015 in the Dividend Bank details field

- g) After entering these details appropriately, click on **"SUBMIT"** tab.
- h) For Members holding shares in physical form, the login details can be used only for e-voting on the resolutions contained in this Notice. On logging in, Members holding shares in physical form will be directed to the Company selection screen.
- i) Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the electronic holders for voting on resolutions of other companies, as well, 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.
- j) Click on the EVSN of the Company i.e. **"150820045"** along with the Company name **"ISHAN DYES & CHEMICALS LIMITED"**
- k) 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.
- l) Click on the "Resolutions File" Link if you wish to view the entire Notice.
- m) 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.
- n) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote. You can also take a print of the voting done by you.
- o) If an electronic account holder has forgotten the set password, then he has a 'Forgot password' option to reset the password.
- p) Note for Institutional Shareholders:





- Institutional shareholders (i.e. other than Individuals, HUFs, NRIs etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, they have to create a compliance user 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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- q) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### Other Instructions:

- I. The remote e-voting period commences on Friday, 25th September 2015 (9.00 a.m. IST) and ends on Monday, 28th September, 2015 (5.00 p.m. IST) both days inclusive. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date of Tuesday, 22nd September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.
- II. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting.
- III. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on Tuesday, 22nd September, 2015 for determining the eligibility to vote by electronic means or at the Meeting by Physical Poll.
- IV. Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date i.e. Tuesday, 22nd September, 2015, may obtain the User ID and Password by sending an email request to [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com). Members may also call on 079-25832144/25893607 or send a request fax on 079-25833643 to Mr. Chintan Pancholi, Chief Financial officer of the Company, by writing to him at Ishan Dyes & Chemicals Limited, 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445, Gujarat, INDIA.
- V. The Company has appointed Shri Kunal Sharma, Practicing Company Secretary as the Scrutinizer to conduct e-voting and the voting process at the AGM in a fair and transparent manner.
- VI. The Scrutinizer shall, after the conclusion of voting at the Meeting, first count the votes casted by Physical Poll at the Meeting, thereafter unblock the votes casted through remote e-voting in the manner provided in the Rules and make, not later than 3 days of conclusion of the Meeting, consolidated Scrutinizer’s Report of remote e-voting and voting by Physical Poll at the Meeting, of the total votes casted in favor or against, if any, to the Chairman of the Meeting or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting.
- VII. The results declared along with the Scrutinizer’s Report shall also be placed on the Company’s website [www.ishandyes.com](http://www.ishandyes.com) and on the website of CDSL and communicated to BSE Limited where the shares of the Company are listed.
- VIII. The resolutions shall be deemed to be passed on the date of Annual General Meeting of the Company, subject to receipt of sufficient votes.
- IX. You can also update your mobile number and Email id in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting in future. The same may be used in case the Member forgets the password and the same need to be reset.

**Contact Details:**

Company	M/s Ishan Dyes & Chemicals Limited Reg. Office: 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445, Gujarat, INDIA Tel No: 079-25832144/25893607, Fax: 079-25833643 Email id: ishandyes@yahoo.com CIN: L24110GJ1993PLC020737
Registrar and Share Transfer Agent	MCS Share Transfer Agent Limited 10, Aram Apartment, 12, Sampatrao Colony, B/h. Laxmi Hall, Alkapuri, Vadodara – 390007 Tel No:-0265-2314757/2350490 E-mail: mcsltbaroda@yahoo.com
E-voting Agency	Central Depository Services (India) Ltd Email id: helpdesk.evoting@cdslindia.com
Scrutinizer	CS Kunal Sharma Practicing Company Secretary F-712 Titanium City Centre, 100FT Shyamal to Prahalladnagar Road, Satellite, Ahmedabad - 380 015 Tel.: 079-65216502, +91 9173430216 Email id: cskunalsharma@gmail.com

**By order of the Board of Directors  
For ISHAN DYES & CHEMICALS LIMITED**

**10th August, 2015  
Ahmedabad**

**Piyush N. Patel  
Chairman & Managing Director**

Registered office:  
18, G.I.D.C Estate,  
Phase – 1, Vatva,  
Ahmedabad – 382445, Gujarat, INDIA  
Tel No: 079-25832144/25893607  
Fax: 079-25833643  
Email id: ishandyes@yahoo.com  
CIN: L24110GJ1993PLC020737



## STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item no: 4

#### **Appointment of Shri Ronak Y. Desai as an Independent Director**

Shri Ronak Y. Desai was appointed as Non Independent Director on the board of the Company and has also acted as Non Independent Director on the Board of the Company till date. Shri Ronak Y. Desai has also expressed his desire to re-categorize him as Independent Director and accordingly the Board of Directors in their meeting held on 10th August 2015 has decided to re-categorize Shri Ronak Y. Desai as an Independent Director on the Board of the Company and proposed this resolution for his appointment in the ensuing Annual General Meeting of the Company as an Independent Director of the Company.

Further, his appointment will be in accordance with the requirements under Section 149(10) of the Companies Act, 2013 and also with the revised Clause 49 of the Listing Agreement to the extent applicable and also he will not be subject to liable to retire by rotation.

In order to give effect to the requirements under the Companies Act, 2013 and revised clause 49 of the Listing Agreement, to the extent applicable it is proposed that Shri Ronak Y. Desai be appointed as an Independent Director under section 149 of the Act read with the revised clause 49 of the Listing Agreement, to hold office for five consecutive years, for a term up to 29th September, 2020. The matter regarding appointment of Shri Ronak Y. Desai as an Independent Director was placed before the Nominations & Remuneration Committee, which has also recommended the same.

Shri Ronak Y. Desai is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. The Company has received notice in writing from member, along with the deposit of requisite amount under section 160 of the Act, proposing his candidature for the office of Director of the Company. The Company has received declaration from Shri Ronak Y. Desai that he met with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, he fulfill the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. He is independent of the management.

Brief resume of Shri Ronak Y. Desai as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his expertise and knowledge, it will be in the interest of the Company that Shri Ronak Y. Desai is appointed as an Independent Director.

Copy of the draft letter for appointment of Shri Ronak Desai as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Except for the respective Director/ his relatives who may be deemed to be interested in the respective resolution at item no. 4 of the Notice as it concerns his appointment as Independent Director, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the respective resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.



**By order of the Board of Directors  
For ISHAN DYES & CHEMICALS LIMITED**

**10th August, 2015  
Ahmedabad**

**Piyush N. Patel  
Chairman & Managing Director**

Registered office:  
18, G.I.D.C Estate,  
Phase – 1, Vatva,  
Ahmedabad – 382445, Gujarat, INDIA  
Tel No: 079-25832144/25893607  
Fax: 079-25833643  
Email id: ishandyes@yahoo.com  
CIN: L24110GJ1993PLC020737



## DIRECTORS' REPORT

To,  
The Members,  
ISHAN DYES AND CHEMICALS LIMITED

Your Directors have pleasure in presenting 22nd Annual Report together with the Audited Financial Statement for the financial year ended 31st March, 2015.

### 1. FINANCIAL RESULTS:

	Amount in Rupees Lacs	
	Current Year (2014-15)	Previous Year (2013-14)
Sales(Net)	4993.64	7,471.16
Other Income	55.32	61.64
<b>Total Revenue</b>	<b>5048.97</b>	<b>7,532.80</b>
<b>Profit before Interest and Depreciation &amp; Exceptional / Extraordinary Items</b>	<b>302.56</b>	<b>964.66</b>
Interest(Net)	48.17	52.18
Depreciation	106.69	208.36
<b>Profit before Exceptional / Extraordinary items</b>	<b>149.70</b>	<b>704.12</b>
Exceptional / Extraordinary expenses	(1.90)	--
<b>Profit before Tax</b>	<b>147.80</b>	<b>704.12</b>
Tax Adjustments (Net)	68.75	(64.28)
<b>Profit after Tax</b>	<b>216.55</b>	<b>639.84</b>

### 2. STATE OF COMPANY'S AFFAIRS AND FINANCIAL PERFORMANCE:

The Company has achieved total revenue of Rs. 5048.97 Lacs and EBITDA (pre exceptional and extraordinary item) of Rs. 302.56 Lacs as against that of Rs. 7532.80 Lacs and Rs. 964.66 Lacs respectively for the previous year. Year under review has witnessed multiple challenges which has affected the operations of the Company and has resulted in lowering of turnover and profit too. Setting up and alignment of expansion plant, pollution treatment constraints and weak international demand etc. factors has adversely affected the production of the Company for few months which in turn resulted in reduction of turnover besides that fall in finished goods prices due to market sentiments has also further supported reduction in sales realization and thereby turnover. On other hand increased key raw material prices, increase in general overheads on account of inflationary pressure and lower absorption of overheads due to lower plant utilization has impacted adversely to increase overall cost of operations and thereby has resulted lowering of profit during year ended as compared with last year.

For the year ended the Company has recorded net profit of Rs. 2.16 Cr as against Rs. 6.40 Cr for the previous financial year ended.

### 3. PROSPECTS & DEVELOPMENTS:

Your management is pleased to mention that plant capacity of the Company has been expanded as well as the systematic and focused approach adopted by the management over a period of last couple of years has helped to improve overall efficiencies of the operations to reduce cost and optimize production together with introduction of new ranges of the products. These factors will benefit the Company over coming years and the management is confident of delivering consistently improved results during coming years.

The business segment of the Company is full of challenges with multiple variables affecting the operations and business of the Company. Key such variables are ecology and allied regulatory compliances, commodity and petro-products price volatility, foreign currency fluctuations, inflationary pressure on operational costs, large working capital need, skilled manpower availability etc. The management of the Company is working with a proactive approach to meet challenges and cater opportunities with an

aim to enhance stakeholder's value. The coming year looks challenging mainly on demand front, availability of manpower as well as compliance for stringent pollution norms. However, the management has charted out systematic plan to overcome all such challenges. Also the management is of the view that falling commodity and crude oil prices will reduce cost of production, fall in overall prices which in turn will boost the demand for the products of the Company such as to benefit to the Company for delivering better performance. Your Company is working to develop a strong export market and also broaden the customer base.

The completed expansion and up gradation project will benefit the Company by increase in production volume due to debottlenecking its plant together with process improvements which will over a period of time further yield better margins. Barring unforeseen circumstances the management is confident to position the Company as a preferred quality producer and exporter of Phthalocyanine blue pigments.

#### **4. CHANGE IN NATURE OF BUSINESS, IF ANY:**

During the Financial Year 2014-15, the company has not changed its nature of business.

#### **5. DIVIDEND:**

In view of future growth plans, recently completed expansion project and also with a view to conserve the resources, your Directors' regret their inability to recommend any Dividend for the financial year 2014-15.

#### **6. FINANCE**

Recently, your Company has successfully raised working capital facilities of Rs. 5 Cr in total and term finance of Rs. 1.50 Cr from The Kalupur Commercial Co. Op. Bank Ltd. There are outstanding private loans and vehicle loans which will be repaid as per schedule in due course.

#### **7. TRANSFER TO RESERVES:**

In view of no dividend for the financial year 2014-15, there is no requirement to transfer any amount to reserves.

#### **8. EXPORTS**

The Export is the thrust area for the growth of the Company and during the year ended recorded gross export turnover of 23.55 Cr which is almost 60% growth over previous year exports of Rs. 14.73 Cr

#### **9. SHARE CAPITAL:**

As on 31st March, 2015, the Share Capital structure of the Company stood as follows:

Particulars	No of Shares	Amount
<b>Authorized Share Capital</b>		
Equity Shares of Rs. 10/- each	1,10,00,000	11,00,00,000
<b>Total</b>	<b>1,10,00,000</b>	<b>11,00,00,000</b>
<b>Issued, Subscribed and Paid up Share Capital</b>		
Equity Shares of Rs. 10/- each	75,09,800	7,50,98,000
<b>Total</b>	<b>75,09,800</b>	<b>7,50,98,000</b>

During the year under review, the Company has not issued any Shares with or without differential rights or Debentures or any other securities by way of Public offer, Private Placement, Preferential allotment, Rights issue, Bonus Issue, Sweat Equity Shares, and Employee Stock Option Scheme or in any such other manners.

#### **10. SEGMENT WISE PERFORMANCE:**

The Company has only one reportable segment of activity i.e. "Chemicals", in accordance with the definition of "Segment" as per the Accounting Standard 17 issued by the Institute of Chartered Accountants of India. The performance of the Company is discussed separately in this Report.





#### **11. SUBSIDIARIES, JOINT VENTURES & ASSOCIATES:**

During the year under review, your Company doesn't have any Subsidiaries, Joint Ventures and Associates.

#### **12. MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis as set out in this report forms an integral part of this Report and provides overview of the business and operations of the Company.

#### **13. PUBLIC DEPOSITS:**

There were no public deposits accepted during the financial year or any amount of principal or interest thereof was outstanding in terms of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, for the financial year ended.

#### **14. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:**

There are no material changes and commitments, which has affected the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

#### **15. CORPORATE GOVERNANCE:**

In compliance with the Clause 49 of the Listing Agreement with the Stock Exchange, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance as set out in this report is forming part of this report.

Revised Clause 49 of the Listing Agreement is not mandatory to the Company hence Auditors Certification has not been obtained. However, as good governance the Company has voluntarily disclosed the Compliance to the best extent possible and accordingly the Management Discussion and Analysis and the Corporate Governance Report on compliance are attached and forming integral part of Annual Report.

#### **16. INDUSTRIAL RELATIONS**

Employee relations during the year were cordial. We appreciate for committed contribution made by employees of the Company at all the levels to sustain during the challenging business scenario.

#### **17. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF THE COMPANY:**

The Board of Directors at their meeting held on 13th August, 2014 formulated the Nomination and Remuneration Policy of your Company on the basis of recommendations made by the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a director and other matters have been outlined in the Corporate Governance Report which forms part of this Report.

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company in advance.

#### **18. PARTICULARS OF EMPLOYEES:**

No employee of the Company was in receipt of remuneration more than the limits specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the financial year ended 31st March 2015.

## 19. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### **Appointments:**

No Director was appointments during the financial year ended on 31st March, 2015. However, Shri Ronak Y Desai has been re-categorized as an Independent Director from Non Independent Director. Accordingly, the Board has approved re-categorization of Shri Ronak Y. Desai as an Independent Director at their meeting held on 10th August, 2015 and also proposed appointment of Shri Ronak Y. Desai as an Independent Director in the ensuing Annual General Meeting.

Further, in compliance with the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Shri Roopin A. Patel, Shri Mayankkumar H. Patel and Shri Yatin G. Patel were appointed as Independent Directors of your Company at the 21st AGM held on 23rd September, 2014 to hold office up to 5 (five) consecutive years up to the 26th AGM to be held in the year 2019.

### **Re-appointments:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company, Shri Marut D. Patel, Non-Executive Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible offered himself for reappointment.

Appropriate resolution for his re-appointment is being placed for your approval at the ensuing AGM. The brief resume of Shri Marut D. Patel and other related information has been detailed in the Corporate Governance Report.

Your Directors recommend his re-appointment as Non-Executive Director of your Company.

None of the independent directors are due for re-appointment.

### **Resignations along with facts of resignation:**

During the financial year 2014-15, no Director has been resigned from the office of Directorship of the Company.

### **Key Managerial Personnel:**

During the year under review, the Company has appointed the following persons as the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Shri Piyushbhai N. Patel	Managing Director
Shri Shrinal P. Patel	Whole-Time Director
Shri Chintan P. Pancholi	Chief Financial Officer

### **Annual Evaluation of Board's Performance:**

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report section in this Annual Report.

### **Declaration of Independence:**

Your Company has received declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed under Section 149(6) of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Clause 49 of the Listing Agreement.

## 20. COMMITTEES OF THE BOARD

As on 31st March, 2015, the Board has following committees:

- Audit committee,
- Nomination and Remuneration committee,
- Stakeholder's relationship committee
- Corporate Social Responsibility Committee



A detailed note on the Board and its committees is provided under the corporate governance report section in this Annual Report.

**21. NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE MEETINGS:**

The details of the number of Board meetings and Audit Committee Meeting of your Company are set out in the Corporate Governance Report which forms part of this Report. The time gap between the two meetings was in accordance with the requirements. All the information required to be furnished to the Board was made available along with detailed Agenda.

**22. DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under Section 134(3) (c) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- (b) the Directors have 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 your Company as at 31st March, 2015 and of the profit and loss statement of the Company for the financial year ended 31st March, 2015;
- (c) proper and sufficient care has been taken 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 annual accounts have been prepared on a 'going concern' basis;
- (e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

**23. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as "Annexure [A]" and form an integral part to this Report.

**24. RELATED PARTY TRANSACTIONS**

During the financial year 2014-15, all transactions entered into with the Related Parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014 and Clause 49 of the Listing Agreement were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the financial year 2014-15, there were no transactions with related parties which can be qualified as material transactions under the Listing Agreement.

The Form AOC- 2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure [B]" to this Report.

**25. LOANS AND INVESTMENTS:**

Details of Loans, guarantees/securities and investments as covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements.

**26. RISK MANAGEMENT:**

At present the company has not identified any element of risk which may threaten the existence of the company.

All the properties and insurable interest of the Company are adequately insured.

**27. VIGIL MECHANISM AND WHISTLE BLOWER POLICY:**

The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The policy provides for a framework and process whereby

concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them.

## **28. CORPORATE SOCIAL RESPONSIBILITY:**

Your Company has constituted the Corporate Social Responsibility (CSR) Committee as per the requirement of the Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended time to time. Shri Piyush N. Patel is the Chairman of the Committee and two other members namely Shri Roopin A. Patel and Shri Mayankkumar H. Patel are the members of said Committee. The Committee has framed the Corporate Social Responsibility Policy of the Company. The philosophy for CSR activity of the Company is mainly focused in the various areas of rural infrastructure development, social upliftment, education, promotion of healthcare and sanitation, ensuring environmental sustainability and promoting rural sports.

During the year under review the Company has not spent any amount on CSR activities due to lack of satisfactory opportunity for such spending. However, the Committee in consultation with the Management of the Company is working out plan for CSR spending in a phased manner over a period of time.

## **29. AUDITORS AND AUDITORS' REPORT:**

### **Statutory Auditors:**

At the 21st Annual General Meeting held on 23rd September, 2014, M/s. G. S. Mathur & Co Chartered Accountants were appointed as statutory auditors of the Company to hold office till the conclusion of the 26th Annual General Meeting to be held in the calendar year 2019. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. G. S. Mathur & Co, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

### **Cost Auditor:**

The Board of Directors had appointed Mr. Manish B. Analkat, Cost Accountant, as the Cost Auditors of your Company for the financial year 2014-15 to conduct the audit of the cost records of your Company and subsequently at the 21st Annual General Meeting, shareholders has ratified his remuneration in relation with the cost audit for the financial year ended on 31st March, 2015.

Further, in terms of notification of Ministry of Corporate Affairs dated 31st December, 2014, your Company does not falls under the Companies engaged in the production of goods or services specified in Table given in under Rule 3 and Rule 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014. Therefore, requirement of maintaining of Cost records and Cost Audit are not applicable to the Company from Financial Year 2015-16

### **Secretarial Audit:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Kunal Sharma, Practicing Company Secretary to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as "Annexure - [C]" to this Report.

## **30. EXPLANATION ON AUDITORS REPORT:**

The notes to the accounts referred to in the Auditors Report are self explanatory and therefore do not call for any separate or further comments or explanations.

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

The information required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with respect to the information on conservation of energy, technology absorption and foreign exchange earnings and outgo is given in "Annexure - [D]" appended hereto and forms part of this Report.

## **32. INTERNAL FINANCIAL CONTROLS:**

The Company has adequate internal controls and checks in commensurate with its business activities. The Company has appointed Internal Auditor with adequate scope of work to carry out internal audit of books of accounts of the Company. The



Board has in consultation with the Internal Auditor and Audit Committee has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

**33. SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:**

There are no significant/material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of your Company and its future operations.

**34. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation for the continued support received from stakeholders, employees at all levels, vendors, customers, bankers, consultants and all associates of the Company.

**By order of the Board of Directors  
For ISHAN DYES & CHEMICALS LIMITED**

**10th August, 2015  
Ahmedabad**

**Piyush N. Patel  
Chairman & Managing Director**

**“Annexure - [A]”**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31st March, 2015**

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

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN:-	L24110GJ1993PLC020737
ii)	Registration Date	30/11/1993
iii)	Name of the Company	Ishan Dyes and Chemicals Limited
iv)	Category / Sub-Category of the Company	Company Limited by shares, Indian Non-Government Company
v)	Address of the Registered office and contact details	18, G.I.D.C Estate, Phase - 1, Vatva, Ahmedabad-382445, Gujarat, INDIA Tel No: 079-25832144/25893607 Fax: 079-25833643 Email id: ishandyes@yahoo.com CIN: L24110GJ1993PLC020737
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited 10, Aram Apartment, 12, Sampatrao Colony, B/h. Laxmi Hall, Alkapuri, Vadodara – 390007 Tel No:-0265-2314757/2350490 E-mail: mcsltdbaroda@yahoo.com

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

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

Sr	Name and description of Main Products / Services	NIC Code	% of total Turnover of the Company
1	Phthalocyanine Blue Products	32045751	100%

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

Sr. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares Held	Applicable section
NIL					





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

##### (i) Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1646860	147410	1794270	23.89	1847770	0	1847770	24.60	0.71
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1):</b>	<b>1646860</b>	<b>147410</b>	<b>1794270</b>	<b>23.89</b>	<b>1847770</b>	<b>0</b>	<b>1847770</b>	<b>24.60</b>	<b>0.71</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>1646860</b>	<b>147410</b>	<b>1794270</b>	<b>23.89</b>	<b>1847770</b>	<b>0</b>	<b>1847770</b>	<b>24.60</b>	<b>0.71</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.(s)	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	9084	0	9084	0.12	5879	0	5879	0.08	-0.04
ii) Overseas									

b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	245543	788310	1033853	13.77	297802	749010	1046812	13.94	0.17
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2053313	1133710	3187023	42.44	2593224	615110	3208334	42.72	0.28
c) Others (specify)									
Non Resident Indians(Non-Repat)	13500	1464510	1478010	19.68	13500	1381510	1395010	18.58	-1.10
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
HUF	7560	0	7560	0.10	5995	0	5995	0.08	-0.02
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Office Bearers	-	-	-	-	-	-	-	-	-
Directors / Relatives	-	-	-	-	-	-	-	-	-
Sub-total (B)(r):-	2329000	3386530	5715530	76.11	2916400	2745630	5662030	75.40	-0.71
<b>Total Public Shareholding (B)=(B)(i)+ (B)(r)</b>	<b>2329000</b>	<b>3386530</b>	<b>5715530</b>	<b>76.11</b>	<b>2916400</b>	<b>2745630</b>	<b>5662030</b>	<b>75.40</b>	<b>-0.71</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>3975860</b>	<b>3533940</b>	<b>7509800</b>	<b>100</b>	<b>4764170</b>	<b>2745630</b>	<b>7509800</b>	<b>100</b>	<b>0.00</b>

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% Change in Share holding during the
		No. of Shares	% of total Shares of the company	%of Shares Pledged / Encumbered to total share	No. of Shares	% of total Shares of the company	%of Shares Pledged / Encumbered to total share	
1	Shrinal P. Patel	639000	8.51	--	639000	8.51	--	--
2	Piyushbhai N Patel	647160	8.62	--	690860	9.20	--	0.58
3	Anilaben P. Patel	234600	3.12	--	242500	3.23	--	0.11



4	Marutbhai D. Patel	272510	3.63	--	275410	3.67	--	0.04
	<b>Total</b>	<b>1794270</b>	<b>23.89</b>	<b>--</b>	<b>1847770</b>	<b>24.60</b>	<b>--</b>	<b>0.71</b>

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

Sr. No.	Promoters Name	Shareholding at the beginning of the year		Increase/ Decrease (Nos.)	Increase/ Decrease (%)	Share holding at the end of the year	
		No. of Shares	% of total Shares of the company			No. of Shares	% of total Shares of the company
1.	Shrinal Patel	639000	8.51	-	-	639000	8.51
2.	Piyushbhai N Patel	647160	8.62	43700	0.58	690860	9.20
3.	Anilaben Patel	234600	3.12	7900	0.11	242500	3.23
4.	Marutbhai D Patel	272510	3.63	2900	0.04	275410	3.67

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase/ Decrease (Nos.)	Increase/ Decrease (%)	Share holding at the end of the year	
		No. of Shares	% of total Shares of the company			No. of Shares	% of total Shares of the company
1.	Shardaben Jayantilal Patel	1081000	14.39	-	-	1081000	14.39
2.	Harshadbhai B. Patel	235900	3.14	-15900	-0.21	220000	2.93
3.	Rajeshkumar P Patel	212400	2.83	107000	1.42	319400	4.25
4.	Bipinbhai R Patel	186010	2.48	-	-	186010	2.48
5.	Dipakbhai C Patel	176300	2.35	-	-	176300	2.35
6.	Amita Y Desai	134900	1.80	-	-	134900	1.80
7.	Rajendra Bhogilal Desai	128600	1.71	-	-	128600	1.71
8.	Bhanuben Natvarlal Patel	101200	1.35	-	-	101200	1.35
9.	Deepak J Patel	93100	1.24	-	-	93100	1.24
10.	Smita Girish Murum	83600	1.11	17000	0.23	100600	1.34

**(v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	Directors/KMP Name	Shareholding at the beginning of the year		Increase/Decrease (Nos.)	Increase/Decrease (%)	Share holding at the end of the year	
		No. of Shares	% of total Shares of the company			No. of Shares	% of total Shares of the company
1.	Piyushbhai Natvarlal Patel	647160	8.62	43700	0.58	690860	9.20
2.	Anilaben Piyushbhai Patel	234600	3.12	7900	0.11	242500	2.93
3.	Marutbhai Dineshchandra Patel	272510	3.63	2900	0.04	275410	3.67
4.	Ronak Yatinkumar Desai	--	--	-	-	--	--
5.	Mayankkumar Hasmukhbhai Patel	22300	0.30	-	-	22300	0.30
6.	Shrinal Piyushbhai Patel	639000	8.51	-	-	639000	8.51
7.	Roopin Amrit Patel	--	--	-	-	--	--
8.	Yatinbhai Gordhanbhai Patel	73700	0.98	-	-	73700	0.98
9.	Chintan Prakashbhai Pancholi	--	--	--	--	--	--

**V. INDEBTEDNESS:**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	316072	29059170	-	29375242
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>316072</b>	<b>29059170</b>	<b>-</b>	<b>29375242</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	5690967	-	5690967
• Reduction	316072	-	-	316072



<b>Net Change</b>	-	<b>5690967</b>	-	<b>5374895</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	34750137	34750137	34750137
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>34750137</b>	-	<b>34750137</b>

#### **VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

##### **A. Remuneration of Managing Director, Whole-Time Director and/or Manager:**

<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/ WTD/ Manager</b>	<b>Total Amount</b>	<b>Name of MD/ WTD/ Manager</b>	<b>Total Amount</b>
		<b>PIYUSH PATEL</b> Managing Director		<b>SHRINAL PATEL</b> Whole Time Director	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000/-		18,00,000/-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.		--		--	
3.	Sweat Equity	--		--	
4.	Commission				
	- as % of profit	--		--	
	- others, specify	--		--	
5.	Others, please specify (Bonus)	1,98,000/-		1,32,000/-	
	<b>Total (A)</b>	<b>2598,000/-</b>		<b>19,32,000/-</b>	
	Ceiling as per the Act	<b>11% of Net Profit</b>			

## B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Anilaben P. Patel	Marut D. Patel	Ronak Y. Desai	Mayankkumar H. Patel	Roopin A. Patel	Yatinbhai G. Patel	
1.	Independent Directors							
	• Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2.	Other Non-Executive Directors							
	• Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		NIL	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (B)=(1+2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	11% of Net Profit						

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd

Sr. No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
		NIL	NIL	Chintan Pancholi	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	3,89,100	3,89,100
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	18,308	18,308





	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission				
	- as % of profit	NIL	NIL	NIL	NIL
	- others, specify	NIL	NIL	NIL	NIL
5.	Others, (Bonus)	NIL	NIL	40,700	40,700
	<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>4,48,108</b>	<b>4,48,108</b>

# **VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
------	------------------------------	-------------------	---	------------------------------	------------------------------------

<b>A. COMPANY</b>	NIL
Penalty	
Punishment	
Compounding	
<b>B. DIRECTORS</b>	NIL
Penalty	
Punishment	
Compounding	
<b>C. OTHER OFFICERS IN DEFAULT</b>	NIL
Penalty	
Punishment	
Compounding	

**“Annexure - [B]”**

**FORM AOC – 2**  
**(Pursuant to Section 134(3) (h) of the Companies Act, 2013 read with 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 Section 188(1) of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

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

(a)	Name(s) of the related party and nature of relationship	NA
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which (a) the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

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

Name(s) of the related party	Nature of relationship	Nature, Duration, Terms of contracts/arrangements/ transactions	Amount (In Rs.)
Piyush N. Patel	Key Managerial Personnel	Loans and Advances received	2,16,00,000
Shrinal P. Patel	Key Managerial Personnel	Loans and Advances received	28,45,000
Piyush N. Patel	Key Managerial Personnel	Loans and Advances repaid	1,62,50,000
Shrinal P. Patel	Key Managerial Personnel	Loans and Advances repaid	21,92,497

**By order of the Board of Directors**  
**For ISHAN DYES & CHEMICALS LIMITED**

**10th August, 2015**  
**Ahmedabad**

**Piyush N. Patel**  
**Chairman & Managing Director**



**“Annexure - [C]”**

**SECRETARIAL AUDIT REPORT**  
for the Financial Year ended 31st March, 2015

*[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,  
Ishan Dyes & Chemicals Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ishan Dyes & Chemicals 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 Company'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 together with necessary management representations, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 in general complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have in general examined the books, papers, minute books, forms and returns filed and other records, as applicable to the Company and to the extent required to be verified by me for the purpose of this certification and as maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (\*)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ;(\*)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ;(\*)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;(\*)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ;(\*)

**(\*) During the year under audit there were no transactions attracting provisions of such regulations**

- (vi) I have relied upon the Management representations in connection with compliances with other application laws.

I have also examined compliance with the applicable clauses of the following:

- (i) *Secretarial Standards issued by The Institute of Company Secretaries of India – Since the Secretarial Standards were not notified hence compliances under same were not applicable to the Company during audit period.*
- (ii) The Listing Agreements entered into by the Company with respective Stock Exchange.

During the period under review the Company has in general complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a. Non-appointment of Whole-Time Company Secretary in terms of Section 203 of the Companies Act, 2013.
- b. Not provided E-Voting facility to the members by way of passing resolution through postal ballot.

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) 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.
- (iii) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes 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:

- a. The registered office of the Company has been shifted outside the local limits but within the same state through Postal Ballot.
- b. The Company has delisted its Equity Shares from Ahmedabad Stock Exchange and Vadodara Stock Exchange.

**Place: Ahmedabad**  
**Date: 10th August, 2015**

**Kunal Sharma**  
**ACS No. A34708**  
**C P No.: 12987**

#### *Disclaimer*

*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 and the Secretarial Audit Report is provided on the basis of necessary management representation from the Company.*



**“Annexure - [D]”**

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

(Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014)

**A. CONSERVATION OF ENERGY**

Several measures are undertaken to conserve and optimize the use of energy which will be continued.

**FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, POWER, FUEL AND WATER CONSUMPTION**

		<b>31/03/2015 Amount in Rupees</b>
<b>1.</b>	<b>Electricity</b>	
a)	Purchased unit in kwh	46,95,660
	Total Amount (Rs.)	3,82,85,206
	Rate/Unit (Rs.)	8.15
b)	Own generation	
	Through Diesel Generator Units in kwh	Nil
	Unit per liter of diesel oil (kwh)	Nil
	Liter of Diesel	Nil
	Total amount (Rs.)	Nil
	Cost/Units (Rs.)	Nil
<b>2.</b>	<b>Coal</b>	
	Quantity (Kg)	45,64,940
	Total Amount (Rs.)	2,17,82,496
	Average Rate (Rs./MT)	4.77
<b>3.</b>	<b>Water</b>	
	Quantity (M3)	1,26,000
	Total Cost (Rs.)	10,06,800
	Average Rate (Rs./M3)	8.00

**B. TECHNOLOGY ABSORPTION**

- (i) The Company has carried out process improvement, energy conservation, yield improvements, pollution control treatment and product quality up-gradation efforts as a part of technology absorption, adaptation and innovation. It has also carried out in-house R&D activities.
- (ii) Above efforts have resulted in reduction in production cost due to process improvement and overall increase in operational efficiencies to optimize plant capacities and reduce cost.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Not Applicable

- (iv) The expenditure incurred on Research and Development

No Specific expenditure has been incurred on R & D.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The total exports during the period were Rs. 23.55 Cr. (Previous Year Rs. 14.72 Cr). The Company is focusing and putting all its efforts to tap new export markets and widen its clientele base. Also Company supplies under deemed exports.

Total Foreign Exchange used and earned as on 31st March, 2015

		Amount in Rupees
(i)	Used :	
	a) Imports (CIF)	81,43,095
	b) Other expenditure	12,01,506
(ii)	Earned :	
	Exports (F.O.B.)	23,55,35,035





## REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2014-15:

(In terms of SEBI circular no CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014, compliances with the provisions of revised Clause 49 of the listing agreement is not mandatory for the Company. However as a part of good governance and disclosures to investors, the Company has decided voluntarily complying the same and accordingly disclosures are made to the best practical extent)

### 1. COMPANY'S PHILOSOPHY:

The Company emphasizes the need for full transparency and accountability in all its transactions, in order to enhance and protect the interests of its stakeholders at all levels. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

Your Company believes that good governance brings about sustained corporate growth and long term benefits for stakeholders. Accordingly the Company has established good practice in Corporate Governance which is implemented by the Board of Directors. We consistently review on a periodical basis all systems, policies and delegations so as to establish adequate and sound systems of risk management and internal controls.

### 2. BOARD OF DIRECTORS:

The Board of Directors is entrusted with the ultimate responsibility for the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

Whole-Time Director of the Company.

#### A. Composition, Attendance Records and Details of Directorships held in other Companies and Committees:

As on March 31, 2015 the Board comprises of Eight (8) Directors out of which Two (2) are Executive Directors and Three (3) are Non-Executive and Non-Independent Directors and other Three (3) are Independent Directors. The details for the Board of Directors are as under:

Name of the Director(s)	Category	No of Board Meetings Attended	Attendance at the last AGM held on 23rd Sept., 2014	No of outside Directorships including Private Limited Companies	No of outside Committees position held*		
		Held	Attended			Held	Attended
Piyushbhai N. Patel (Promoter)	Executive – Managing Director	7	7	Yes	2	NIL	NIL
Shrinal P. Patel (Promoter)	Executive – Whole Time Director	7	7	Yes	1	NIL	NIL
Anilaben P. Patel (Promoter)	Non-Executive & Non-Independent	7	7	Yes	NIL	NIL	NIL
Marutbhai D. Patel (Promoter)	Non-Executive & Non-Independent	7	1	No	1	NIL	NIL

Ronak Y. Desai	Non-Executive & Non-Independent	7	1	Yes	NIL	NIL	NIL
Mayankkumar H. Patel	Independent Director	7	4	Yes	NIL	NIL	NIL
Roopin A. Patel	Independent Director	7	7	Yes	NIL	NIL	NIL
Yatinbhai G. Patel	Independent Director	7	1	Yes	NIL	NIL	NIL

\*Only Audit Committee and Stakeholders Relationship Committee in other Public Companies have been considered for the Committees position.

None of Directors of the Company is either member in more than Ten (10) committees and/or Chairman of more than Five (5) committees in other companies in which he/she is Director.

All the Directors bring rich and varied experience and also they contribute an active role in the meetings of the Board and its committees. The detail profile of Directors is provided in Annexure-1 to this report.

### **B. Independent Directors:**

Your Company has at its last Annual General Meeting (AGM) held on 23rd September, 2014 appointed Shri Mayankkumar H. Patel, Shri Yatin G. Patel and Shri Roopin A. Patel as Independent Directors pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement for the period of five (5) consecutive years upto the conclusion of 26th Annual General Meeting to be held in calendar year 2019.

In terms of Section 149(7) of the Companies Act, 2013, the Independent Directors have submitted declarations that they meet the criteria of Independence as per Section 149(6) of the Companies Act, 2013 and the Listing Agreement.

Further, the Independent Directors have confirmed that they do not hold directorship in more than seven listed companies.

Your Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 and Clause 49 of the Listing Agreement. During the ensuing Annual General Meeting it is proposed to appoint Shri Ronak Y. Desai as an Independent Director in view of re-categorization of him from Non – Independent Director to Independent Director as approved and recommended by the Board of Directors.

### **Board Meetings**

During the year 2014-2015, there were in total Seven (7) Board Meetings held on 30th May, 2014, 10th June, 2014, 13th August, 2014, 14th October, 2014, 10th November, 2014, 20th January, 2015 and 2nd February, 2015. The maximum time gap between the two meetings did not exceed (120) one hundred and twenty days. All the information required to be furnished to the Board was made available along with detailed Agenda.

### **C. Board Procedure**

Board meets at least once in quarter wherein they review quarterly performance, business operations, general affairs of the Company and financial results. The agenda along with notice of each meeting in writing is circulated in advance to the Board Members. The information as specified in Annexure X to the Clause 49 of the Listing Agreement is regularly made available to the Board. The minutes of the meeting of Board and its Committees are captured in accordance with the provisions of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and also circulated in advance to all Directors and Members of the Committee and confirmed at subsequent meeting.



#### **D. Familiarisation Programme**

Your Company has adopted orientation program for all its Directors including the Independent Directors. The Company through such program familiarize the Directors with a brief background of the Company, Directors roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading by Insiders, etc.

#### **E. Independent Directors' Meeting**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of the Independent Directors of the Company was held on 2nd February, 2015, without the attendance of Non-Independent Directors and members of the management. In said meeting, Independent Directors inter alia discussed:

- the performance of Non-Independent Directors and the Board as a whole;
- the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- the performance of various committees of the Board

#### **F. Evaluation of Board Effectiveness**

In terms of provisions of the Companies Act, 2013 read with Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board.

Accordingly, the performance evaluation of the Board and each Director was carried out for the financial year ended 31st March, 2015. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company, suggestions and experience contributed to the Board.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors.

### **3. CODE OF CONDUCT:**

Your Company has adopted a Code of Conduct for all the employees including Board Members and Senior Management Personnel of the Company in accordance with the requirement under Clause 49 of the Listing Agreement. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2015.

A declaration regarding compliance of Code by the Board is separately annexed to the Annual Report.

### **4. COMMITTEES OF THE BOARD**

As on 31st March, 2015, your Company has total 4 (Four) Committees of the Board, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The terms of reference of each Committee were approved by the Board and are in line with the requirements of Companies Act, 2013 and Clause 49 of the Listing Agreement.

## A. **Audit Committee:**

### **Constitution of the Committee**

As on March 31, 2015 composition of members of Audit Committee and their details are mentioned below:

Shri Roopin A. Patel	Chairman	Independent Director
Shri Mayank H. Patel	Member	Independent Director
Shri Ronak Y. Desai	Member	Non-Executive and Non-Independent

The composition and terms of reference of the Audit Committee are in conformity with the Section 177 of the Companies Act, 2013 together with Clause 49 of the Listing Agreement. All the minutes of the Audit Committee are placed before the Board for its information. All the members of the Audit Committee are financially literate and have requisite experience in financial management. Mr. Roopin Patel, Chairman of the Committee is a Chartered Accountant having experience and knowledge in the areas of accounts, taxation, finance, banking and projects.

### **Terms of reference**

The terms of reference of the Audit Committee are as under:

1. 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;
2. Recommending to the Board for appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of the fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. 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.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems;
7. 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.
8. Discussions with internal auditors any significant findings and follow up thereon.
9. 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.
10. Discussions 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.
11. 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.
12. The Audit Committee shall mandatorily review the following information.
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the audit committee), submitted by Management ;
  - c. Management letters/letters of internal control weaknesses issued by the statutory auditors ;



- d. Internal audit reports relating to internal control weakness ; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
13. To review the functioning of the Whistle Blower mechanism;
  14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  15. To look into any other matter which may be referred to it by the Board.
  16. In addition to the above, the Committee shall have such functions / role / powers as may be specified in the Companies Act, Listing Agreement with Stock Exchanges or any other applicable law.

### ***Meetings held and attendance***

During the Financial year 2014-15, four meetings were held on 30th May, 2014, 13th August, 2014, 10th November, 2014 and 2nd February, 2015. The attendance record of the members is as follows:

Name of the Member	No of Meetings	
	<i>Held</i>	<i>Attended</i>
Shri Roopin A. Patel (Chairman)	4	4
Shri Ronak Y. Desai (Member)	4	1
Shri Mayank H. Patel (Member)	4	4

Mr. Roopin A. Patel, Chairman of the Audit Committee, was present at the last Annual General Meeting held on 23rd September, 2014.

### **B. Nomination and Remuneration Committee**

During the financial year 2014-15, in compliance with Section 178 of the Companies Act, 2013 read with Companies (Meetings of the Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement, "Nomination and Remuneration Committee" of the Board of Directors of the Company was formed after merging and re-constituting the erstwhile Remuneration Committee.

### ***Composition of the Committee***

As on 31st March, 2015 the Remuneration Committee consists of the following Directors:

Shri Roopin A. Patel	Chairman	Independent Director
Shri Mayank H. Patel	Member	Independent Director
Shri Yatinbhai G. Patel	Member	Independent Director
Shri Ronak Y. Desai	Member	Non-Executive and Non-Independent

The Composition of this committee is also in compliance with the requirements of Section 178 of the Companies, Act 2013, and the clause 49 of the listing agreement.

The compensation grades of the senior managerial personnel are governed by the HR policies of the Company. Managerial remuneration is regulated in terms of Section 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013.

### ***Terms of reference***

The terms of reference of the Nomination and Remuneration Committee are as under:

1. The Committee shall have meetings periodically as it may deem fit.

2. The Committee shall invite such of the executives to be present at the meetings of the Committee required by it.
3. The Committee shall have the following powers and functions :
  - a. Identify persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
  - b. Carry on the evaluation of every Director's performance;
  - c. Formulate criteria for determining qualifications, positive attributes and independence of a Director;
  - d. Recommend to the Board a policy, relating to the remuneration of the directors, Key Managerial Personnel and other employees;
  - e. Formulate criteria for evaluation of Independent Directors and the Board; and
  - f. Devise a policy on Board Diversity;
4. To administer and supervise Employee Stock Option Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS.
5. To Review HR Policies and initiatives.

In accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors at their meeting held on 13th August, 2014 formulated the Nomination and Remuneration Policy of the Company.

#### **Nomination and Remuneration Policy of the Company:**

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, inter alia, the following responsibilities:

- Formulate the criteria for appointment as a Director:

The Committee shall formulate broad guidelines and parameters required to be fulfilled for becoming a Director of the Company and review the same ongoing basis. The broad parameters are qualifications, skills, expertise, inter personal qualities, positive attributes, experience, social standing, etc factors.

- Identify persons who are qualified to be Directors:

The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening and reviewing candidates for appointment as Directors, whether Independent, Non-Executive or Executive.

- Nominate candidates for Directorships subject to the approval of Board:

The Committee recommends to the Board the appointment of potential candidates as Non-Executive Director or Independent Director or Executive Director, as the case may be.

- Approve the candidates required for senior management positions:

The Committee shall lay down criteria qualifications, skills, expertise and qualities required for senior management positions like Managing Director & CEO, CFO and Company Secretary and members of the Management Committee of the Company.

- Evaluate the performance of the Board:

The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board and the Board. The Committee may seek the support and guidance of external experts and agencies for this purpose as may be required.



- Evaluate the performance of the Managing Director or Whole-time Director and determine their compensation:

The Committee shall evaluate the performance of the Managing Director or Whole-time Director by setting their Key Performance Objectives at the beginning of each financial year. The Committee shall also approve their compensation package(s) in accordance with applicable laws, in line with the Company's objectives, shareholders' interests, comparable with industry standards and in commensurate with the role and responsibilities

- Review performance and compensation of senior management:

The Committee shall review the performance of the senior management of the Company. The Committee shall ensure that the remuneration to the Key Managerial Persons and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company, roles and responsibilities, functional areas, industry standards etc factors.

### ***Details of Remuneration paid to all the Directors***

The details of remuneration paid to the Directors of the Company during the financial year 2014-15 are as under:

Directors	Remuneration paid/payable during 2014-15(in Rs)				Shares held by Non-Executive Directors
	Sitting Fees	Salary & Perks	Commission	Total	
Shri Piyushbhai N. Patel	NIL	25,98,000	NIL	25,98,000	N.A.
Shri Shrinal P. Patel	NIL	19,32,000	NIL	19,32,000	N.A.
Smt. Anilaben P. Patel	NIL	NIL	NIL	NIL	2,42,500
Shri Roopin A. Patel	NIL	NIL	NIL	NIL	NIL
Shri Yatinbhai G. Patel	NIL	NIL	NIL	NIL	74,200
Shri Ronak Y. Desai	NIL	NIL	NIL	NIL	NIL
Shri Mayankkumar H. Patel	NIL	NIL	NIL	NIL	22,300
Shri Marutbhai D. Patel	NIL	NIL	NIL	NIL	2,75,410
<b>Total:</b>	<b>NIL</b>	<b>45,30,000</b>	<b>NIL</b>	<b>45,30,000</b>	

\* The Company has no practice of paying any sitting fees to Independent Directors. Also executive directors are not eligible for sitting fees and remuneration paid to them is in terms of managerial contract approved by the board of directors and shareholders. Shri Piyushbhai N. Patel and Shri Shrinal P. Patel are eligible for commission linked with profit of the Company in terms of the managerial contract, however, keeping in view past losses and with a view to conserve resources both of them have voluntarily forgone same for the financial year 2014-15.

Stock Option Scheme: The Company does not have any stock option scheme for any of its director or employees

### ***Number of Meetings held and attendance records:***

The meetings of Remuneration Committee were held from time to time to conduct the business in relation with references as mentioned above from time to time as and when required.

During the Financial Year 2014-15, the meeting was held on 23rd September, 2014. The attendance records of the Members are as follows:

Name of the Member	No of Meetings	
	<i>Held</i>	<i>Attended</i>
Shri Roopin A. Patel(Chairman)	1	1
Shri Ronak Y. Desai(Member)	1	1
Shri Mayank H. Patel(Member)	1	1
Shri Yatinbhai G. Patel(Member)	1	1

### C. Stakeholders Relationship Committee:

During the financial year 2014-15, the nomenclature of the Stakeholders/Investors Grievance Committee was changed to “Stakeholders Relationship Committee” pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

#### **Composition of the Committee**

The Committee comprise of 3 (Three) Directors. The Chairman of the Committee is a Non-Executive Director.

As on March 31, 2015 composition of members of the Committee and their details are mentioned below:

Shri Roopin A. Patel Smt. Anilaben P. Patel Shri Piyushbhai N. Patel	Chairman Member Member	Independent Director Non-Executive and Non-Independent Executive Director
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#### **Terms of Reference**

The terms of reference of the Committee are as under:

- To specifically look into the redressal of Investors’ Grievances pertaining to:
  - Transfer and Transmission of Shares and Debentures.
  - Dividends, Interests and Redemption Proceeds of Debentures.
  - Dematerialization of Shares and Debentures.
  - Replacement of Lost, Stolen, Mutilated Share and Debenture Certificates.
  - Non-receipt of Rights, Bonus, Split Share Certificates.
- To look into other related issues towards strengthening Investors’ Relations.
- To consider and approve issuance of Share/Debenture Certificates including Duplicate Share/ Debenture Certificates.
- To look into the reasons for any defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of nonpayment of Declared Dividends) and Creditors.
- To review the reports submitted by the Registrars and Share Transfer Agents of the Company at half-yearly basis.

#### **Number of Meetings held and attendance records:**

The meetings of Stakeholders Relationship Committee were held from time to time to conduct the business in relation with references as mentioned above from time to time as and when required.

During the Financial Year 2014-15, the meeting was held on 23rd September, 2014. The attendance records of the Members are as follows:





Name of the Member	No of Meetings	
	<i>Held</i>	<i>Attended</i>
Shri Roopin A. Patel	1	1
Smt. Anilaben P. Patel	1	1
Shri Piyushbhai N. Patel	1	1

#### **Investors' Grievances Redressal:**

There were no pending complaints/transfers as on 31st March, 2015 and also there were no complaints which were not resolved to the satisfaction of Shareholders. The summary of status of complaints/request received, disposed and pending as on March 31, 2015 is as under:

No. of complaints / request received	No. of complaints/request not solved to the satisfaction of shareholders/investors	No. of pending complaints/request
NIL	NIL	NIL

The minutes of Shareholders Relationship Committee are placed before the Board for its information.

All Share transfer and correspondence thereon are handled by the Company's Registrars and Share Transfer Agents viz. MCS Share Transfer Agent Limited, 10, Aram Apartment, 12, Sampatrao Colony, B/h. Laxmi Hall, Alkapuri, Vadodara – 390007, Tel No:-0265-2314757/2350490, E-mail: mcsitdbaroda@yahoo.com

#### **Compliance officer:**

Mr. Shrinal P. Patel, Whole Time Director of the Company has been appointed as the Compliance Officer, as required by the Listing Agreement. He has been entrusted the task of overseeing the Share Transfer work done by the Registrars and Share Transfer Agents and attending to grievances of the Shareholders and Investors intimated to the Company directly or through SEBI and Stock Exchanges. All complaints/grievances intimated during the year, have been resolved.

There are no pending legal matters, in which the Company has been made a party, before any other Court(s)/ Consumer Forum(s) etc., on Investors grievances.

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

The composition of the CSR Committee is in line with provisions of Section 135 of the Companies Act, 2013.

As on March 31, 2015 composition of members of the Committee and their details are mentioned below:

Shri Piyushbhai N. Patel	Chairman	Executive Director
Shri Roopin A. Patel	Member	Independent Director
Shri Mayankkumar H. Patel	Member	Independent Director

#### **Number of Meetings held and attendance records:**

During the Financial Year 2014-15, the meeting was held on 23rd September, 2014. The attendance records of the Members are as follows:

Name of the Member	No of Meetings	
	<i>Held</i>	<i>Attended</i>
Shri Piyushbhai N. Patel (Chairman)	1	1
Shri Roopin A. Patel (Member)	1	1
Shri Mayank H. Patel (Member)	1	1

The CSR Committee is empowered pursuant to its terms of reference, inter alia, to:

1. Recommend the amount of expenditure to be incurred on the CSR activities;
2. Monitor implementation and adherence to the CSR Policy of the Company from time to time;
3. Prepare a transparent monitoring mechanism for ensuring implementation of the projects programmes/activities proposed to be undertaken by the Company; and
4. Such other activities as the Board of Directors may determine from time to time.

The Board of Directors of the Company at their meeting held on 13th August, 2015 approved the CSR Policy of the Company on the recommendations of the CSR Committee.

## 5. SUBSIDIARY COMPANIES

Your Company doesn't have any Subsidiaries.

## 6. RELATED PARTY TRANSACTIONS

During the financial year 2014-15, the Company has entered into Related Party Transactions ("RPTs") in its ordinary course of business and on arms' length basis; and in accordance with the provisions of the Companies Act, 2013.

The transactions with Related Parties are referred to the Audit Committee/Board for its approval at the scheduled quarterly meetings or as may be called upon from time to time along with all relevant and stipulated information of such transaction(s).

The details of the RPTs are set out in the Notes to Financial Statements forming part of this Annual Report.

## 7. DISCLOSURES:

- i. The Board has received disclosures from Directors and/or key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. Transactions with related parties, if any, are disclosed in "Notes on Accounts" annexed to Financial Statements of the year. All related parties transactions are entered after approval from the board in accordance with the requirements of the Companies Act, 2013 and interested directors did not participated in the discussions or proceedings of the agenda of such transaction and the remaining board of directors has approved the transaction unanimously.
- ii. The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- iii. Though there is no formal Whistle Blower Policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee of the Board of Directors of the Company. The Company has periodic review and reporting to the Board of Directors of risk assessment by senior executives with a view to minimize risk.



- iv. The Compliance Officer is responsible for compliances in respect of Company Law, SEBI, Stock Exchange rules and regulations and other related laws and legal issues in general.
- v. As a matter of transparency and good governance, key operational and financial data is furnished to the Directors in every meeting of the Board. Management Discussions and Analysis report forming part of the Annual Report is enclosed.

## 8. GENERAL BODY MEETINGS:

### A. Details of Annual General Meetings held during last 3 years and details of Special Resolutions passed thereat are given below:

Annual General Meeting	Date and Time	Venue	Details of Special resolutions passed
21st Annual General Meeting (2013-14)	23rd September, 2014 at 03.00 p.m	18, G.I.D.C. Estate, Phase – I, Vatva, Ahmedabad – 382 445.	NIL
20th Annual General Meeting (2012-13)	27th September, 2013 at 11.30 am	1st Floor, Dinsha Chambers, Borsad- 388540	Re-appointment of Mr. Piyushbhai N. Patel as Managing Director from 1st June, 2013 and re-appointment of Mr. Shrinal P. Patel as Whole Time Director from 1st February, 2013.
19th Annual General Meeting (2011-12)	29th September, 2012 at 11.00 am	1st Floor, Dinsha Chambers, Borsad- 388540	NIL

### B. Postal Ballot

- (i) During the financial year 2014-15, the members of the Company has approved change in place of registered office of the Company outside the local limits of any city, town or village but within the same state by way of postal ballot vide notice dated 10th June, 2014:

#### (ii) Procedure of Postal Ballot

- The Board of Directors at its meeting held on 10th June, 2014 has appointed Mr. Kunal Sharma as the Scrutinizer for conducting Postal Ballot voting process
- The Company has completed the dispatch of Notice of Postal Ballot dated 10th June, 2014 together with the explanatory statement on 11th July, 2014 along with forms and postage prepaid business reply envelope to all shareholders, whose name[s] appeared on the Register of Members on 13th June, 2014 and the last date of receipt of forms was 11th August, 2014.
- The result of the voting pattern was declared by the Chairperson of the company on 13th August, 2014 based on the report of the Scrutinizer.

## 9. RECONCILIATION OF SHARE CAPITAL

On a quarterly basis, a qualified practicing Chartered Accountant / Company Secretary carried out a Share Capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

## 10. MEANS OF COMMUNICATION:

Half yearly/Quarterly Results are not been sent to shareholders; instead shareholders are intimated these through press.

The Quarterly, Half-yearly and Annual Results of the Company's financial performance are published in the newspapers viz. Economic Times (English) and Economic Times (Gujarati). These, before release to the press, are informed to the Bombay Stock Exchange.

## 11. WEBSITE AND NEWS RELEASES:

A separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company from time to time particularly about the financial results of the Company.

## 12. GENERAL SHAREHOLDERS INFORMATION:

### A. Annual General Meeting: Date, time and venue:

22nd Annual General Meeting on 29th September, 2015 at 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad - 382445

### B. Financial Calendar(Tentative):

Quarter ended 30 June, 2015	1st week of August, 2015
Quarter ended 30 September, 2015	1st week of November, 2015
Quarter ended 31 December, 2015	1st week of February, 2016
Year ended 31 March, 2016	Mid of May, 2016
Annual General Meeting for the year ending March 31, 2016	August/ September 2016

### C. Date of Book Closure:

23rd September 2015 to 29th September 2015 (both days inclusive)

### D. Dividend Payment date:

No Dividend has been proposed for the year ended 31st March, 2015, hence not applicable.

### E. Corporate Identification Number(CIN):

The CIN of the Company allotted by Ministry of Corporate Affairs, Government of India is L24110GJ1993PLC020737

### F. Listing on Stock Exchange(s):

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and listing fees as applicable till date has been paid.

### G. Stock Code(Equity Shares):

Bombay Stock Exchange Limited (BSE) - Security Code No. 531109

### H. Stock Market Data:

The monthly high and low prices and volumes of shares of the Company at BSE Limited BSE) for the year ended 31st March, 2015 are as under:

Month/ Year	No. of Shares Traded	Bombay Stock Exchange Limited(BSE)	
		High (Rs)	Low (Rs)
Apr-2014	7,200	18.15	16.75
May-2014	5,050	19.95	18.10
Jun-2014	17,343	24.00	18.30



Jul-2014	10,570	34.00	25.20
Aug-2014	24,115	29.30	25.75
Sep-2014	70,434	27.30	21.85
Oct-2014	8,397	25.75	22.10
Nov-2014	22,479	27.95	22.50
Dec-2014	11,096	30.10	20.95
Jan-2015	3,904	26.65	22.05
Feb-2015	9,139	22.05	16.50
Mar-2015	48,059	16.50	13.70

#### I. Performance of Share price in comparison to broad based indices – BSE Sensex

Month/ Year	Share Price of the Company (Rs)			BSE Sensex (Rs)		
	High	Low	Closing Price	High	Low	Closing Price
Apr-2014	18.15	16.75	18.15	22939.31	22197.51	22417.80
May-2014	19.95	18.10	19.90	25375.63	22277.04	24217.34
Jun-2014	24.00	18.30	24.00	25725.12	24270.20	25413.78
Jul-2014	34.00	25.20	26.75	26300.17	24892.00	25894.97
Aug-2014	29.30	25.75	27.50	26674.38	25232.82	26638.11
Sep-2014	27.30	21.85	24.75	27354.99	26220.49	26630.51
Oct-2014	25.75	22.10	23.20	27894.32	25910.77	27865.83
Nov-2014	27.95	22.50	23.50	28822.37	27739.56	28693.99
Dec-2014	30.10	20.95	27.45	28809.64	26469.42	27499.42
Jan-2015	26.65	22.05	22.05	29844.16	26776.12	29182.95
Feb-2015	22.05	16.50	16.50	29560.32	28044.49	29361.50
Mar-2015	16.50	13.70	15.85	30024.74	27248.45	27957.49

#### J. Registrars and Share Transfer Agents:

M/s MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agents of the Company. The Contact details are as follows:

MCS Share Transfer Agent Limited  
10, Aram Apartment, 12, Sampatrao Colony, B/h. Laxmi Hall, Alkapuri, Vadodara – 390007  
Tel No:-0265-2314757/2350490 E-mail: mcsltbaroda@yahoo.com

#### K. Share Transfer System:

Company's shares are compulsorily traded in the demat segment on the Stock Exchange, and most of the transfer of shares take place in the electronic form.

For expediting the physical transfer of shares, the Board has delegated the Share Transfer formalities to the Share Transfer Committee, to approve the transfer of shares. Physical transfers are affected well within the stipulated period of 15 days.

The Company obtains from a Company Secretary in Practice, half yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

## L. Shareholding Pattern:

Shareholding Pattern as on 31st March 2015.

Sr. No.	Category	No. of Shares	% of shareholding
A	Promoters Shareholding	18,47,770	24.60%
	Total (A)	18,47,770	24.60%
B	Public Shareholding		
	Non Institutions		
1	Body Corporates	5,879	0.08%
2	Individual Shareholders having Share Capital upto Rs. 1 Lakh	10,46,812	13.94%
3	Individual Shareholders having Share Capital in excess of Rs. 1 Lakh	32,08,334	42.72%
4	Non Resident Individuals	13,95,010	18.58%
5	HUF	5,995	0.08%
	Total(B)	56,62,030	75.40%
	<b>Grand Total (A+ B)</b>	<b>75,09,800</b>	<b>100.00%</b>

## M. Distribution of Share:

Distribution of shareholding as on 31st March, 2015

Category	No. of Shareholders	% to Total No. of Shareholders	No. of Shares	% to Total Shares
1-500	1,201	66.28	3,23,689	4.32
501-1000	197	10.87	1,63,647	2.18
1001-2000	92	5.08	1,44,010	1.92
2001-3000	48	2.65	1,23,315	1.64
3001-4000	24	1.32	86,675	1.15
4001-5000	135	7.45	6,62,300	8.82
5001-10000	56	3.09	4,49,360	5.98
10001-50000	41	2.27	8,62,084	11.48
50001-100000	3	0.16	2,42,300	3.22
100000 & above	15	0.83	44,52,420	59.29

## N. Dematerialisation of Shares:

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The shares of your Company are to be compulsorily traded in the dematerialized form. As on 31st March, 2015 total 47,64,170 Equity Shares comprising of 63.44% of Paid-up Capital of the Company, have been dematerialized by the Investors and bulk of transfers take place in the demat segment.

The Company has not issued any GDR's/ADR's/Warrants or any convertible instruments. Also the Company has not raised any deposits from the public during the financial year 2014-15.

**O. Plant Location:**

The Company's plant is located at 18, G.I.D.C Estate, Phase-1, Vatva, Ahmedabad – 382445, Gujarat, INDIA

**P. Investors Correspondence:**

Registered Office	Secretarial Department	Registrar & Share Transfer Agents
Ishan Dyes and Chemicals Ltd 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445, Gujarat, INDIA Tel No: 079-25832144/25893607 Fax: 079-25833643 Email id: ishandyes@yahoo.com	The Compliance Officer Ishan Dyes and Chemicals Ltd 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445, Gujarat, INDIA Tel No: 079-25832144/25893607 Fax: 079-25833643 Email id: ishandyes@yahoo.com	MCS Share Transfer Agent Limited 10, Aram Apartment, 12, Sampatrao Colony, B/h. Laxmi Hall, Alkapuri, Vadodara – 390007 Tel No:-0265-2314757/2350490 E-mail: mcsltdbaroda@yahoo.com

**13. GREEN INITIATIVE:**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA), by its recent Circulars, enabling electronic delivery of documents including the Annual Report, Quarterly, Half Yearly results etc. to shareholders at their e-mail address previously registered with the Depository Participants (DPs)/Company/Registrars & Share Transfer Agents. 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 address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with R&T agent, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

**14. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

Your Company's Code of Conduct for Prevention of Insider Trading covers all the Directors, senior management personnel, persons forming part of promoter(s)/promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company. The Directors, their relatives, senior management personnel, persons forming part of promoter(s)/promoter group(s), designated employees etc. are restricted in purchasing, selling and dealing in the shares of the Company while in possession of unpublished price sensitive information about the Company as well as during certain periods known as "Trading Window Closure Period".

The Board of Directors at its meeting held on 22nd May 2015 approved and adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulation, 2015.

**15. CEO/CFO CERTIFICATION:**

The Company is duly placing a certificate to the Board from the Chairman & Managing Director in accordance with the provisions of Clause 49 of the Listing Agreement. The aforesaid certificate duly signed by the Chairman & Managing Director has been placed before the Board in their meetings

**16. COMPLIANCE CERTIFICATE:**

Revised Clause 49 of the Listing Agreement is not mandatory to the Company hence Auditors Certification has not been obtained.

**For and on behalf of the Board**  
**ISHAN DYES & CHEMICALS LIMITED**

**Piyush N. Patel**  
**Chairman & Managing Director**  
**Ahmedabad, 10th August, 2015**



## DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2015.

**10th August, 2015**  
**Ahmedabad**

**Piyush N. Patel**  
**Chairman & Managing Director**





## CEO/CFO CERTIFICATE UNDER CLAUSE 49 (IX) OF THE LISTING AGREEMENT

**To**  
**The Board of Directors**  
**Ishan Dyes & Chemicals Limited**

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Ishan Dyes & Chemicals Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2015 and based on our knowledge and belief, we state that :
  - (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 2014-15, 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 have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies, if any.
- (d) We further certify that –
  - (i) there have been no significant changes in internal control over financial reporting during the year 2014-15;
  - (ii) there have been no significant changes in accounting policies during the year 2014 15; and
  - (iii) There have been no materially significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

**Piyush N. Patel**  
**Chairman & Managing Director**

**Chintan Pancholi**  
**Chief Financial Officer**

**Place: Ahmedabad**  
**Date: 10th August, 2015**

## Annexure - 1

Details of Directors including Directors to be appointed / reappointed at the ensuing Annual General Meeting:  
(this also includes information Pursuant to Clause 49 of the Listing Agreement)

Name	Age	Qualifications	Experience	
<b>Piyushbhai N. Patel</b>	60 Yrs	B.E. (Mechanical Engineer)	He is having rich experience in the business of Chemicals, general Trading and Banking. He is also actively involved with various social, industrial and trade association activities.	He is the key promoter and associated with the Company since incorporation. Presently he is Chairman and Managing Director of the Company.  He holds 6,90,860 Shares in the Company
<b>Shrinal P. Patel</b>	30 Yrs	BBA(Business Finance, Psychology and Bioscience) from University of Florida	He is having rich experience in the areas of Marketing, finance and Business operations.	He is Co-promoter of the Company and associated as a Whole-Time Director of the Company since 2010 and contributed to accelerate the growth of the Company to achieve present scale of operations and performance.  He holds 6,39,000 Shares in the Company
<b>Anilaben P. Patel</b>	57 Yrs	B.A. (Psychology)	She is having experience of general administration and involved into various social activities.	She is one of the key promoters of the Company. Presently she is a promoter director liable to retire by rotation.  She holds 2,42,500 Shares in the Company
<b>Marutbhai D. Patel</b>	59 Yrs	Graduate	He is NRI and has rich experience of running retail business of over 30 years.	He is co-promoter of the Company and associated as Non-executive Director of the Company since 08/09/1994. He is non independent director liable to retire by rotation. His terms expires at the ensuing annual general meeting and being eligible has offered himself for reappointment. He holds 2,72,510 Shares in the Company.
<b>Ronak Y. Desai</b>	30 Yrs	H.Sc	He is having rich experience in the areas of quarry, mining and Infrastructure projects.	The Board of Directors had first appointed Mr. Ronak Y. Desai as an Additional Director of the Company with effect from 30/04/2005. Mr. Ronak Y. Desai is proposed to be reappointed as an Independent Director of the Company. He holds NIL Shares in the Company.



<b>Mayankkumar H. Patel</b>	41 Yrs	Undergraduate	He is farmer and actively involved with agricultural business.	<p>The Board of Directors had first appointed Mr. Mayankkumar H. Patel as an Additional Director of the Company with effect from 28/01/2010.</p> <p>At the 21st Annual General Meeting of the Company held in the year 2014, shareholders have approved his appointment as an Independent Director for a period of 5 years.</p> <p>He holds 22,300 Shares in the Company</p>
<b>Roopin A. Patel</b>	38 Yrs	Chartered Accountant	He is practicing Chartered Accountant and having vast experience in the field of accounts, finance, taxation and banking.	<p>The Board of Directors had first appointed Mr. Roopin A. Patel as an Additional Director of the Company with effect from 20/09/2010.</p> <p>At the 21st Annual General Meeting of the Company held in the year 2014, shareholders have approved his appointment as an Independent Director for a period of 5 years.</p> <p>He holds NIL Shares in the Company</p>
<b>Yatinbhai G. Patel</b>	60 Yrs	Graduate	He is a Graduate and having rich experience in the areas of Finance and Management.	<p>The Board of Directors had first appointed Mr. Yatin G. Desai as an Additional Director of the Company with effect from 07/09/2011.</p> <p>At the 21st Annual General Meeting of the Company held in the year 2014, shareholders have approved his appointment as an Independent Director for a period of 5 years.</p> <p>He holds 73,700 Shares in the Company</p>

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **A. INDUSTRY STRUCTURE AND DEVELOPMENT**

Your Company has registered satisfactory performance during the financial year ended on 31st March 2015 with a turnover of Rs. 49.93 Cr with EBITDA of Rs. 3.02 Cr. The Profit after Tax for the year ended amounted to Rs. 2.16 Cr.

During the year the management has successfully completed its new project for expansion of capacity and up-gradation of plant. The Management's proactive measures for efficiency and productivity improvements will over a period of time benefits to the operations of the Company in terms of higher productivity, new grades of the products, optimization of plant capacity and increase in exports.. First quarter of the year has also witnessed volume growth, increase in turnover and margins for the operations of the Company. Your Company maintained its position as one of the market leader in quality Phthalocyanine blue producer and exporter.

Your Company's current products include various kinds of Phthalocyanine Blue range of products like CPC Blue, Pigment Alpha Blues and Pigment Beta Blue. All these products are having wide applications for various industrial purposes.

### **B. OPPORTUNITIES, THREATS, RISK AND CONCERNS**

Your Company has gained its position in the domestic as well as international markets due to its quality products and continuous improvements which in turn has helped us to develop and maintain long term relationship with the clients and further supported us to spot for the new opportunities. This systematic approach has delivered favorable results for the Company to grow at the steady rate by creating sustainable demand from satisfied customer base and repetitive orders from them and in turn increased profitability.

Going forward, your Company considers challenges and threats mainly on account of fluctuation in the prices of various raw materials which are linked to world petro products and commodity prices, foreign exchange fluctuations, environmental regulations, and general global demand situation. Availability of skilled manpower and contract work force would be another set of challenges to be managed carefully for the growth of the Company.

Your Company has identified the major thrust areas of sensitive business factors to concentrate on, which it believes to be critical for achievement of organizational goals. A well-defined structure has been laid down to assess, monitor and mitigate risk associated with these areas on a continuous basis.

### **C. OUTLOOKS FOR 2015-16**

With the fall in crude oil and commodity prices, the management is of the view that overall cost of production will come down which in turn will support demand and opening up of growth in export market due to reduced pricing. The first quarter has delivered good results and the Company is having good order book position which will support volume growth in coming quarters of the year. Also fall in key raw material prices will benefit the Company due to reduction in cost of production. The management of the Company has charted out growth plan and anticipates volume growth and increased export business during current financial year. Barring unforeseen circumstances, the management is confident of delivering better results during current financial year.

### **D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

We have a strong integrated internal control system which is deemed to be adequate considering the nature and scale of our class of business.

### **E. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO THE OPERATIONAL PERFORMANCE**

During the year under review, your Company has achieved satisfactory financial results and details are provided in directors' report. The Company was also successful to increase export business during the year ended by achieving export turnover of Rs. 23.55 Cr.



## **F. MATERIAL DEVELOPMENTS ON HUMAN RESOURCES**

Human Resource programs and initiatives in the Company are aligned to meet the future business plans and needs. Your Company believes in investing in people to develop and expand their capability. The Company has been able to create a favorable work environment that motivates performance, customer focus and innovation. The Company's strategies are based, inter alia, on processes of continuous learning and improvements..

**By order of the Board of Directors  
For ISHAN DYES & CHEMICALS LIMITED**

**10th August, 2015  
Ahmedabad**

**Piyush N. Patel  
Chairman & Managing Director**

## Independent Auditors' Report

To the Members of Ishan Dyes & Chemicals Ltd.

### 1. Report on the Financial Statements :

We have audited the accompanying financial statements of Ishan Dyes & Chemicals Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### 2. Management's responsibility for the Financial Statement

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). 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.

### 3. Auditors' Responsibility

- a. Our responsibility is to express an opinion on these financial statements based on our audit.
- b. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
- c. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- d. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- e. 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.

### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.



## 5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - e. On the basis of the written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in note no. 31 ;
    - (ii) the Company did not have any long-term contracts including derivative contracts which may lead to foreseeable losses;
    - (iii) the Company does not have any dues that are required to be transferred to the Investor Education and Protection Fund.

Place: Ahmedabad  
Date: 9th May, 2015

For, G S MATHUR & CO  
Chartered Accountants

Bhargav Vaghela  
Partner  
Membership No.124 619  
F.R.N.: 008744N

**Annexure to the Independent Auditors' Report of even date to the members of Ishan Dyes & Chemicals Ltd. on the financial statements for the year ended 31st March 2015.**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

**I. In respect of fixed assets :**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies between book records and the physical inventories have been noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

**II. In respect of inventories :**

- (a) The inventories have been physically verified at reasonable intervals by the management.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification

III. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets, purchase of inventory and sale of goods. During the course of our audit no major weakness has been noticed in the internal controls. We have not observed any failure on the part of the company to correct major weakness in internal control system.

V. The company has not accepted any deposits under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under and as such the question of compliance under the Companies Act or any other directives or orders does not arise.

VI. On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 in respect of products of 'the company' covered under the rules under said section have been made and maintained. However we are neither required to carry out nor have carried out any detailed examination of such accounts and records.

**VII. In respect of statutory dues:**

- (a) According to the information and explanations give to us, the Company in general is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable
- (b) The dues outstanding in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:





Name of the Statute	Nature of dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Penalty u/s 271 (1) (b)	Not determined	AY 2011-12	DCIT, Circle-3, Baroda
Income Tax Act	Short payment and Interest u/s 201(1A)	4.92	AY 2015-16	ITO (TDS)- Anand

- (c) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- VIII. The Company does not have any accumulated cash losses at the end of the financial year and has not incurred cash losses in the current and the immediately preceding financial year.
- IX. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or a bank or to debenture-holders during the year.
- X. The Company has not given guarantees for loans taken by others from banks and financial institutions.
- XI. In our opinion, the Company has applied the term loans for the purposes they were obtained when specified.
- XII. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: Ahmedabad  
Date: 9th May, 2015

For, G S MATHUR & CO  
Chartered Accountants

Bhargav Vaghela  
Partner  
Membership No.124 619  
F.R.N.: 008744N



**ISHAN DYES & CHEMICALS LTD.**  
**Balance Sheet as at 31st March, 2015** (Currency - Indian Rupees)

		Notes	As at 31st March 2015	As at 31st March 2014
I.	<b>EQUITY AND LIABILITIES</b>			
1	Shareholders's funds			
	(a) Share Capital	3	7,50,98,000	7,50,98,000
	(b) Reserves and surplus	4	10,22,03,760	8,05,49,032
2	Non-current liabilities			
	(a) Long-Term Borrowings	5	3,47,50,137	2,93,75,242
	(b) Long-term provisions	6	30,00,000	1,50,00,000
3	Current liabilities			
	(a) Trade payables	7	10,61,25,908	3,77,99,349
	(b) Other current liabilities	8	1,28,31,412	69,79,021
	(c) Short-term provisions	9	48,18,343	47,68,261
	<b>Total - Equity &amp; Liabilities</b>		<b>33,88,27,560</b>	<b>24,95,68,904</b>
II.	<b>ASSETS</b>			
1	Non-current Assets			
	(a) Fixed assets			
	(i) Tangible Assets	10	12,29,55,587	7,06,56,424
	(ii) Intangible Assets	10	-	-
	(iii) Capital work-in-progress	10	-	1,86,55,118
	(b) Non-current investments	11	5,000	5,000
	(c) Deferred tax assets (net)	12	89,61,454	87,10,807
	(d) Long-term loans and advances	13	3,16,53,977	2,36,97,237
2	Current Assets			
	(a) Inventories	14	6,78,15,710	7,25,14,127
	(b) Trade receivables	15	8,36,16,179	2,46,69,612
	(c) Cash and cash equivalents	16	15,54,509	50,18,431
	(d) Short-term loans and advances	17	2,22,65,144	2,56,42,146
	<b>Total Assets</b>		<b>33,88,27,560</b>	<b>24,95,68,904</b>
<b>Notes 1 to 41 form an integral part of these financial statements</b>				

As per our report of even date attached  
For, G S Mathur & Co.  
Chartered Accountants

Bhargav Vagehla - Partner  
M. No. : 124 619  
FRN: 008744N  
Place : Ahmedabad  
Date : 9th May, 2015

For and on behalf of the Board of Directors  
Ishan Dyes & Chemicals Ltd.

Piyush N. Patel - Chairman & Managing Director  
Shrinal P. Patel - Whole Time Director  
Roopin Patel - Director  
Chintan Pancholi - Chief Financial Officer

Place : Ahmedabad  
Date : 9th May, 2015



**ISHAN DYES & CHEMICALS LTD.**  
**Statement of Profit & Loss for the year ended 31st March, 2015**

(Currency - Indian Rupees)

Particulars		Notes	As at 31st March 2015	As at 31st March 2014
I.	Revenue from operations	18	49,93,64,374	74,71,15,918
II.	Other Income	19	55,32,774	61,64,403
III.	Total Revenue		<b>50,48,97,148</b>	<b>75,32,80,321</b>
IV.	Expenses:			
	Cost of materials consumed	20	30,60,00,693	51,73,25,795
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	65,66,511	(1,53,38,339)
	Employee benefits expense	22	4,31,84,511	2,88,53,415
	Finance Costs	23	48,17,170	52,17,570
	Depreciation and amortization expense		1,06,69,362	2,08,36,294
	Other Expenses	24	11,86,88,980	12,59,73,564
	Total Expenses		<b>48,99,27,227</b>	<b>68,28,68,299</b>
V.	Profit before extraordinary items and tax		1,49,69,921	7,04,12,022
VI.	Extraordinary Items	25	1,90,824	-
VII.	Profit / (Loss) before tax		<b>1,47,79,097</b>	<b>7,04,12,022</b>
VIII.	Tax expense:			
	(1) Current tax		30,00,000	1,50,00,000
	(2) Short/(Excess) Provision of Tax in respect of earlier year		7,01,030	(21,49,111)
	(3) Deferred Tax		(2,50,647)	(64,23,146)
	(4) MAT Credit of earlier years		(1,03,26,014)	-
IX.	Profit for the year		<b>2,16,54,728</b>	<b>6,39,84,279</b>
X.	Earnings per equity shares (Nominal Value per Share Rs. 10/-, Previous Year Rs.10/-)			
	(a) Basic	30	2.88	8.52
	(b) Diluted	30	2.88	8.52

**Notes 1 to 41 form an integral part of these financial statements**

As per our report of even date attached  
For, G S Mathur & Co.  
Chartered Accountants

Bhargav Vagehla - Partner  
M. No. : 124 619  
FRN: 008744N  
Place : Ahmedabad  
Date : 9th May, 2015

For and on behalf of the Board of Directors  
Ishan Dyes & Chemicals Ltd.

Piyush N. Patel - Chairman & Managing Director  
Shrinal P. Patel - Whole Time Director  
Roopin Patel - Director  
Chintan Pancholi - Chief Financial Officer

Place : Ahmedabad  
Date : 9th May, 2015



**ISHAN DYES & CHEMICALS LTD.**  
**Cash flow statement for the year ended 31 March 2015**

(Currency - Indian Rupees)

Particulars	As at 31st March 2015	As at 31st March 2014
Cash flow from operating activities	1,47,79,097	7,04,12,022
Net profit before tax		
Adjustments for :		
Cash flow from extraordinary item	1,90,824	-
Depreciation	1,06,69,362	2,08,36,294
Finance Cost	48,17,170	52,17,570
Interest Income	(3,77,092)	(2,90,975)
Loss/(profit) on sale of fixed assets (net)	18,386	10,67,289
Operating profit before working capital changes	<b>3,00,97,747</b>	<b>9,72,42,200</b>
Adjustment for change in working capital		
(Increase)/decrease in Inventories	46,98,417	14,47,316
Increase in Trade receivables	(5,89,46,564)	10,29,36,690
(Increase)/decrease in Loans and advances	57,46,276	(2,93,26,018)
Increase in Trade payables and other current liabilities, provisions	6,22,29,032	(12,20,26,662)
Gratuity Paid	-	(14,25,588)
Cash flow from extraordinary item	(1,90,824)	-
Cash generated from operations	4,36,34,084	4,88,47,936
Direct taxes refund/(paid)	(37,01,030)	-
Net cash generated from operating activities	<b>3,99,33,054</b>	<b>4,88,47,936</b>
Cash flow from investing activities		
Purchase of fixed assets (including capital work in progress)	(4,49,31,793)	(2,85,67,412)
Proceeds from sale of fixed assets	6,00,000	8,58,020
Interest received	3,77,092	2,90,975
Net cash used in investing activities	<b>(4,39,54,701)</b>	<b>(2,74,18,417)</b>
Cash flow from financing activities		
Proceeds from long term borrowings	53,74,895	-
Repayment of long term borrowings	-	(1,15,19,475)
Interest paid	(48,17,170)	(52,17,570)
Net cash used in financing activities	<b>5,57,725</b>	<b>(1,67,37,045)</b>
Net increase/(decrease) in cash and cash equivalents	(34,63,922)	46,92,474
Cash and cash equivalents at the beginning of year	50,18,431	3,25,956
Cash and cash equivalents at the end of year	<b>15,54,509</b>	<b>50,18,430</b>
Components of cash and cash equivalents		
Cash in hand	2,67,648	67,342
Balance with scheduled banks		
- current accounts	5,24,791	33,08,886
- deposit account	7,62,071	16,42,202
	<b>15,54,509</b>	<b>50,18,430</b>

Notes :

- Figures given in brackets indicate cash outflow
- The cash flow statement has been prepared under Indirect Method as per the Accounting Standard 3 Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the classification of the current year.

This is the Cash flow statement referred to in our report of even date



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### 1 BACKGROUND:

Ishan Dyes and Chemicals Ltd. was incorporated on 26th July 1993 under the Companies Act, 1956. The company is engaged into the business of manufacturing Copper Phthalocyanine Crude Blue (CPC Blue) and Pigment Blues. The products of the company are also exported and well established in the domestic market.

### 2 SIGNIFICANT ACCOUNTING POLICIES:

#### i. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

"The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the Accounting Standards notified in the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

##### **Current / Non-current classification**

The Revised Schedule VI to the Act requires assets and liabilities to be classified as either Current or Non-current. An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within twelve months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the balance sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the revised Schedule VI to the Act."

#### ii. USE OF ESTIMATES

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known / materialize.

#### iii. TANGIBLE ASSETS

Fixed Assets are stated at cost of acquisition / construction or book value and includes amounts added on revaluation less accumulated depreciation and impairment loss, if any.

#### iv. INTANGIBLE ASSETS

Intangible Assets are generally stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion.

#### v. INVESTMENTS

Current Investments are carried at lower of cost and fair value. Long term investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

## vi. **DEPRECIATION**

Effective 1st April 2014, the Company depreciates its Fixed Assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV to the Companies Act, 1956.

- (i) In case of pre-owned assets, the useful life is estimated on a case to case basis.
- (ii) Depreciation on additions to the assets or on sale/discardment of assets, is calculated prorata from the month of such addition or upto the month of such sale/discardment, as the case may be.
- (iii) Based upon the future projections, the Company has estimated the economic useful life of the assets and accordingly the assets have been depreciated.

## vii. **INVENTORIES**

The inventory is valued as follows:

- |       |                        |  |
|-------|------------------------|--|
| (i)   | Raw Materials          | At Cost First in First out.                    |
| (ii)  | Stores and Spare parts | At Cost First in First out.                    |
| (iii) | Finished Goods         | Valued at lower of cost or Net Relisable Value |
| (iv)  | Work in Process        | At cost by using absorption cost method.       |

As per normal practices the cost of finished goods includes all direct cost and normal fixed overheads. However, it does not include selling and distribution cost. Value of stock of finished goods at the date of Balance Sheet includes duties and taxes if any applicable.

## viii. **RETIREMENT BENEFITS**

### 1) **GRATUITY**

The Trustees of Ishan Dyes and Chemicals Limited Employees' Gratuity Fund has a fund arrangement (cash accumulation policy) with Life Insurance Corporation of India (LIC) to administer its gratuity benefit scheme. The contributions towards the said funds which are as determined by LIC are charged to revenue each year. Company ascertains the Liability towards Gratuity at the year-end and provision for the differential amount between the liability determined on Actuarial Valuation and Fund balance is provided in the books of account.

### 2) **PROVIDENT FUND**

Liability is determined on the basis of contribution as required under the statute/rules.

## ix. **CENVAT CREDIT**

CENVAT Credit is accounted on accrual basis on purchase of materials.

## x. **FOREIGN CURRENCY TRANSACTIONS**

"Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the year-end rates. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year is recognised as income or expense, as the case may be.

Any premium or discount arising at the inception of the forward exchange contract is recognized as income or expense over the life of the contract."

## xi. **REVENUE RECOGNITION**

Revenue / Income is recognised when no significant uncertainty as to determination or realisation exists.

## xii. **PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :**

Provision involving substantial degree of estimation in measurement is recognised when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in notes, if any. Contingent Assets are neither recognised nor disclosed in the financial statement.



### xiii. **BORROWING COSTS**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

### xiv. **TAXES ON INCOME**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/ period. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation and losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

### xv. **DOUBTFUL DEBTS/ADVANCES**

Provision is made in the accounts in respect of debts/advances which in the opinion of the management are considered doubtful of recovery.

### xvi. **IMPAIRMENT LOSS**

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

## 3 **Share Capital**

3.a The Number and amount of shares Authorised, issued, subscribed & fully paid up and subscribed but not fully paid up:-

Share Capital	"As at 31st March 2015"		"As at 31st March 2014"	
Authorised	Number	Rs.	Number	Rs.
Equity Shares of Rs. 10/- each	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
Issued, Subscribed & Fully Paid				
75,09,800 Equity Shares of Rs. 10/- each	75,09,800	7,50,98,000	75,09,800	7,50,98,000
Total	75,09,800	7,50,98,000	75,09,800	7,50,98,000

3.b The Number and amount of shares Authorised, issued, subscribed & fully paid up:-

Share Capital	"As at 31st March 2015"		"As at 31st March 2014"	
	Number	Rs.	Number	Rs.
Equity Shares Outstanding at the beginning of the year	75,09,800	7,50,98,000	75,09,800	7,50,98,000
Equity Shares issued during the year	-	-	-	-

Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	75,09,800	7,50,98,000	75,09,800	7,50,98,000

### 3.c Shareholders holding more than 5% of shares in the company :-

Name of Shareholder	"As at 31st March 2015"	"As at 31st March 2014"
---------------------	-------------------------	-------------------------

Authorised	"No. of Shares held"	% of Holding	"No. of Shares held"	% of Holding
Shardaben J. Patel	10,81,000	14.39%	10,81,000	14.39%
Piyush N. Patel	6,90,860	9.20%	6,47,160	8.62%
Shrinal P. Patel	6,39,000	8.51%	6,39,000	8.51%

### 3.d Shares issued for other than cash, Bonus issue and Shares bought back

- 1 No shares had been allotted as fully paid up pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the balance sheet date.
- 2 No shares had been allotted as fully paid up by way of bonus shares during the period of five years immediately preceding the balance-sheet date.
- 3 No shares had been bought back during the period of five years immediately preceding the balance sheet date.

## 4 Reserves and Surplus

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
a. Securities Premium Account Balance as per last account	53,75,000	53,75,000
b. Revaluation Reserve Balance as per last account	1,21,36,953	1,21,36,953
c. Surplus in Statement of Profit & Loss Balance as per last account	6,30,37,079	(9,47,200)
Add: Profit for the year	2,16,54,728	6,39,84,279
Balance as per end of the year	8,46,91,807	6,30,37,079
Total	10,22,03,760	8,05,49,032

## 5 Long Term Borrowings

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Vehicle Loans from Kotak Mahindra Prime Ltd. (Secured by Hire Purchase of vehicle where the vendors have a lien on and right of repossession of specific vehicle)	-	3,16,072
Unsecured Loans Inter corporate Deposits \$ From related party From unrelated party	60,02,503 2,87,47,634	2,90,59,170
Total	3,47,50,137	2,93,75,242





\$ Unsecured loans are repayable on demand and carrying interest rate 9% p.a.

## 6 Long Term Provisions

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Provision for Income Tax	30,00,000	1,50,00,000
<b>Total</b>	<b>30,00,000</b>	<b>1,50,00,000</b>

## 7 Trade Payables

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Micro, Small & Medium Enterprises		
Others	10,61,25,908	3,77,99,349
<b>Total</b>	<b>10,61,25,908</b>	<b>3,77,99,349</b>

## 8 Other Current Liabilities

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Statutory Liabilities	11,80,121	26,04,156
Repayment due within 1 year Secured Vehicle Loans #	1,16,51,291	43,74,865
<b>Total</b>	<b>1,28,31,412</b>	<b>69,79,021</b>

# Loans are carrying interest rate in the range of 11 - 15% from Kotak Mahindra Prime Limited secured by car.

## 9 Short Term Provisions

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
a. Provision for employee benefits	11,80,121	26,04,156
Salary & Reimbursements	15,24,446	22,81,628
Gratuity Payable	4,66,099	69,79,021
Leave Encashment	8,56,410	6,89,873
Bonus	17,70,455	16,37,017
b. Others		
Duty & Taxes Payable on Finished Goods	-	-
Other Expenses	2,00,933	1,59,743
<b>Total</b>	<b>48,18,343</b>	<b>47,68,261</b>

Fixed Assets	"Balance as at 1st April 2014 "	"Additions during the year"	"Disposals during the year"	"Balance as at 31st March 2015"	"Balance as at 1st April 2014"	"Depreciation provided for the year"	Reversals	"Balance as at 31st March 2015"	"Balance as at 31st March 2015"	"Balance as at 31st March 2014"
Tangible Assets										
Land	1,87,44,820	-	-	1,87,44,820	-	-	-	-	1,87,44,820	1,87,44,820
Factory Building	1,57,86,692	3,72,38,697	-	5,30,25,388	94,36,370	5,44,519	-	99,80,889	4,30,44,499	63,50,322
Office Building	50,06,230	-	-	50,06,230	4,82,419	2,26,191	-	7,08,610	42,97,621	45,23,811
Electrical Fittings	1,07,96,277	18,63,117	-	1,26,59,394	89,60,053	2,06,337	-	91,66,390	34,93,004	18,36,224
Plant & Machinery	5,28,23,546	1,43,39,551	-	6,71,63,097	4,77,86,167	8,05,287	-	4,85,91,454	1,85,71,642	50,37,379
Plant & Equipment	1,04,99,138	84,34,425	-	1,89,33,563	9,63,796	9,63,796	-	28,53,282	1,60,80,281	86,09,652
Office Equipments	32,90,061	79,612	-	33,69,673	18,89,486	2,50,345	-	11,04,096	22,65,577	24,36,310
Computer	11,08,247	36,500	-	11,44,747	8,53,751	1,28,715	-	9,91,158	1,53,589	2,45,804
Furniture & Fixtures	16,30,919	-	-	16,30,919	8,62,443	2,09,728	-	7,92,007	8,38,912	10,48,640
Vehicles	3,11,51,104	15,95,010	10,96,350	3,16,49,764	5,82,279	73,34,444	4,77,964	1,61,84,123	1,54,65,641	2,18,23,461
Capital Work in Progress	1,86,55,118			1,86,55,118						1,86,55,118
<b>Grand Total</b>	<b>16,94,92,152</b>	<b>6,35,86,912</b>	<b>10,96,350</b>	<b>23,19,82,714</b>	<b>8,01,80,611</b>	<b>1,06,69,362</b>	<b>4,77,964</b>	<b>9,03,72,009</b>	<b>12,29,55,587</b>	<b>8,93,11,542</b>
<b>Previous Year</b>	<b>15,81,81,181</b>	<b>2,85,67,412</b>	<b>31,81,220</b>	<b>18,35,67,372</b>	<b>7,46,75,447</b>	<b>2,08,36,294</b>	<b>12,55,911</b>	<b>9,42,55,830</b>	<b>8,93,11,542</b>	<b>8,35,05,734</b>

Deduction in Vehicles includes sale of car for Rs. 6,00,000/-

#### Detail of Capital Work in Progress:

Particulars	"Balances at the beginning of the year "	" Addition / (Capitalised) during the year "	" Balances at the end of the year "
Capital Work in Progress	1,86,55,118	(1,86,55,118)	-

Certain assets have been fully depreciated and the same has not been shown in the Gross Block and Accumulated Depreciation respectively. The amount of such Gross Block and Accumulated Depreciation is as under:

Tangible Assets	13,63,03,713
Intangible Assets	1,40,75,220
<b>Total</b>	<b>15,03,78,933</b>

Accordingly, in above schedule gross block is understated by Rs. 15,03,78,933/- and also Accumulated Depreciation is understated by same amount of Rs. 15,03,78,933/- . In view of NIL Net Block of such assets which are fully depreciated, it has no financial implication.



## 11 Non-current Investments

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Investments in Others	5,000	5,000
<b>Total</b>	<b>5000</b>	<b>5000</b>

## 12 Deferred tax assets (net)

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Opening Balance	87,10,807	22,87,661
Deferred Tax Liability		
Provisions	(9,62,829)	-
Deferred Tax Assets		
Depreciation on Fixed Assets	(7,12,182)	64,23,146
<b>Total</b>	<b>89,61,454</b>	<b>87,10,807</b>

## 13 Long Term Loans & Advances

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
<b>a. Capital Advances</b>		
Unsecured and considered good	89,44,818	97,00,923
<b>b. Security Deposits</b>		
Unsecured and considered good	31,95,149	31,95,149
<b>c. MAT Credit Entitlement as per last account</b>	<b>91,87,996</b>	<b>1,08,01,165</b>
<b>Add : MAT Credit of earlier year</b>	<b>1,03,26,014</b>	
<b>Total</b>	<b>3,16,53,977</b>	<b>2,36,97,237</b>

## 14 Inventories

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
a. Raw Materials and components	42,18,493	26,61,562
b. Work-in-progress	6,24,60,012	6,41,96,857
c. Finished goods	2,19,371	50,49,037
d. Stores and Spares	3,10,000	3,91,513
f. Fuel	3,55,505	2,14,442
g. ETP Material	2,52,329	716
<b>Total</b>	<b>6,78,15,710</b>	<b>7,25,14,127</b>

## 15 Trade Receivables

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Trade Receivables outstanding for a period less than six months from the date they are due for payment Unsecured and considered good	7,90,33,145	2,29,06,463
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured and considered good	45,83,034	17,63,149
<b>Total</b>	<b>8,36,16,179</b>	<b>2,46,69,612</b>

**16 Cash and cash equivalent**

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
a. Bank balance		
In Deposit Account	5,24,791	33,08,886
In Current Account	7,62,071	16,42,202
b. Cash on Hand	2,67,648	67,342
<b>Total</b>	<b>15,54,509</b>	<b>50,18,431</b>

**17 Short-Term loans and advances**

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Balances with Government Authorities	1,95,86,542	2,11,55,070
Deposits	16,642	16,642
Others	26,61,960	44,70,435
<b>Total</b>	<b>2,22,65,144</b>	<b>2,56,42,147</b>

**18 Revenue from Operations**

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Sale of Products	55,42,51,421	80,62,82,438
Less: Excise Duty	5,48,87,047	5,91,66,519
<b>Total</b>	<b>49,93,64,374</b>	<b>74,71,15,918</b>

**19 Other Income**

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Interest Income	3,77,092	2,90,975
Export Incentive	38,34,496	29,89,697
Foreign Exchange Fluctuation	7,80,874	16,58,790
Job Work Income	3,60,000	-
Discounts	1,47,834	6,94,655
Others	32,478	5,30,286
<b>Total</b>	<b>55,32,774</b>	<b>61,64,403</b>

**20 Cost of materials consumed**

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Opening Stock	26,61,562	1,82,91,923
Add: Purchases	30,75,57,624	50,16,95,434
Less: Closing Stock	42,18,493	26,61,562
Consumption	30,60,00,693	51,73,25,795
Imported	81,49,305	72,53,920
Indigenous	29,78,51,388	51,00,71,875
<b>Total</b>	<b>30,60,00,693</b>	<b>51,73,25,795</b>

## 21 Changes in inventories of finished goods and work-in-progress

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Closing Balance		
Work-in-Progress	6,24,60,012	6,41,96,857
Finished Goods	2,19,371	50,49,037
<b>Total</b>	<b>6,26,79,383</b>	<b>6,92,45,894</b>
Less: Opening Balances		
Work-in-Progress	6,41,96,857	5,26,89,204
Finished Goods	50,49,037	12,18,351
<b>Total</b>	<b>6,92,45,894</b>	<b>5,39,07,555</b>
<b>Net increase in inventories</b>	<b>(-65,66,511)</b>	<b>1,53,38,339</b>

## 22 Employee benefits expenses (refer to note no.29 for detailed disclosure of AS-15)

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Salaries & Wages	3,87,28,503	2,28,06,308
Contribution to PF & Other Funds	26,09,754	26,75,734
Staff Welfare Exps	18,46,254	33,71,373
<b>Total</b>	<b>4,31,84,511</b>	<b>2,88,53,415</b>

## 23 Finance cost

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Interest Expense	44,92,066	49,98,419
Other Borrowing Cost	3,25,104	2,19,151
<b>Total</b>	<b>48,17,170</b>	<b>52,17,570</b>

## 24 Other expense

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Manufacturing Exps		
Consumption of Stores & Spares parts	1,90,67,824	2,44,11,181
Power and Fuel	6,03,70,295	5,84,72,462
Repair & Machinery	41,22,659	44,80,084
Pollution Control & Effluent, Treatment Exp	74,01,083	56,07,274
Job Work Charges	42,14,800	59,29,000
Administrative Exps		
Professional Fees	11,29,047	11,73,455
Insurance	14,22,541	14,20,515
Rent, Rates and taxes, excluding , taxes on income	1,92,231	2,46,892
Auditor Remuneration	90,000	90,000
Office & Factory Expense	10,58,650	10,16,565
Vehicle Running Exps	17,39,381	14,63,192
Travelling & Conyence Exps	33,63,843	29,06,456
Donation	-	46,000
VAT, Excise & Service Tax Exp	2,75,683	2,73,304

Communication Exps	6,00,496	5,22,603
Legal Exps	1,14,025	91,498
Security Exps	7,10,709	5,64,646
Printing & Stationery	2,42,534	1,69,469
Miscellaneous Exps	20,19,330	53,25,778
Prior Period Adjustments	-	2,10,230
Interest on statutory dues	16,38,193	-
Selling and Distribution Expenses		
Freight Outward	77,38,925	1,03,77,182
Selling & Distribution Exps	11,76,733	11,75,778
<b>Total</b>	<b>11,86,88,980</b>	<b>12,59,73,564</b>

## 25 Extraordinary Items

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Demand on VAT Assessment	1,90,824	-
<b>Total</b>	<b>1,90,824</b>	<b>-</b>

## 26 Details of Payment of Auditors

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
a. as auditor	90,000	90,000
<b>Total</b>	<b>90,000</b>	<b>90,000</b>

## 27 Expenditure in foreign currency during the financial year on account of followings

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Import of Raw Material	81,49,305	72,53,920
Other matters		
Testing Charges	1,57,486	-
Commission	-	39,222
Travelling Expenses	10,44,020	4,11,935
<b>Total</b>	<b>93,50,811</b>	<b>77,05,077</b>

## Details of Consumption during the year

Particulars	Amount	%	Amount	%
Raw Materials	30,60,00,693	91.61%	51,73,25,795	93.53%
Fuel	2,17,82,497	6.52%	2,44,22,467	4.42%
Stores & Spares	62,38,715	1.87%	1,13,58,494	2.05%
<b>Total</b>	<b>33,40,21,905</b>	<b>100.00%</b>	<b>55,31,06,756</b>	<b>100.00%</b>

## 28 Unhedged foreign currency exposure :

Particulars	Foreign Currency	In INR	Foreign Currency	In INR
USD	2,64,100	1,63,18,150	65,500	39,95,500
Euro	2,33,000	1,56,68,600	-	-

**Defined Contribution Plans**

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the government, and certain state plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers certain workers. Contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the Provident Fund and the ESI Scheme, contributions into the Pension fund is made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Company has recognised the following amounts in the Account towards company's contribution:

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Employee's Pension contribution	4,84,676	4,30,453
Employee's Provident Fund contribution	2,45,375	2,51,965
<b>Total</b>	<b>7,30,051</b>	<b>6,82,418</b>

**Defined Benefit Plans**

Gratuity: The Company makes annual contributions to Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

- On normal retirement / early retirement / withdrawal / resignation:
- As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 5 years of service.
- On the death in service:
- As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Death Benefit: The Company provides for death benefit, a defined benefit plan (death benefit plan) to certain categories of employees. The death benefit plan provides a lump sum payment to vested employees on death, being compensation received from the insurance company and restricted to limits set forth in the said plan. The death benefit plan is non funded.

Disclosures for defined benefit plans i.e. Gratuity (Funded Plan), based on actuarial reports as on March 31, 2015 are as under:

	Particulars	"As at 31st March 2015"	As at 31st March 2014
i)	Changes in present value of obligations		
	Present value of as at beginning of year	22,85,695	14,25,587
	Current service cost	4,20,930	3,86,174
	Interest cost	1,76,874	1,15,822
	Actuarial loss / (gain)	8,707	3,84,362
	Benefit (paid)	(1,40,413)	(26,250)
	Present value of obligations as at end of year	27,51,793	22,85,695
ii)	Amount recognised in the Balance Sheet		
	Present value of the obligations as at year end	27,51,793	22,85,695
	Fair value of the plan assets as at year end		
	Net (asset) / liability recognised as on March 31	27,51,793	22,85,695
iii)	"Expenses recognised in the Statement of Profit and Loss"		
	Current service cost	4,20,930	3,86,174
	Interest on defined benefit obligation	1,76,874	1,15,822

	Expected return on plan assets	-	-
	Net actuarial loss/(gain) recognized in the current year	8,707	3,84,362
	Total expense	6,06,511	8,86,358

The estimate of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information has been certified by the actuary and relied upon by the auditors.

#### Leave Encashment:

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Provision for Leave Encashment outstanding during the year	8,56,410	6,89,873
<b>Total</b>	<b>8,56,410</b>	<b>6,89,873</b>

#### 30 Earning Per Share (EPS)

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Profit/(Loss) attributable to equity shareholders	2,16,54,728	6,39,84,279
Weighted avg. number of shares outstanding during the year	75,09,800	75,09,800
Basic / Diluted Earnings per share	2.88	8.52
Nominal value per share	10.00	10.00

#### 31 Contingent Liabilities

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Notice for short deduction/payment of TDS and interest thereon	492583	NIL

The Company has received a penalty notice u/s 271(1)(b) of the Income Tax Act, 1961 for AY 2011-12 for which the Company has prefred appeal.

#### 32 Earning in foreign currency during the financial year on account of followings

Particulars	"As at 31st March 2015"	"As at 31st March 2014"
Export of goods calculated on F.O.B basis	23,55,35,035	14,72,97,596
<b>Total</b>	<b>23,55,35,035</b>	<b>14,72,97,596</b>

#### Details of purchase of key Raw Material /Goods

Particulars	Amount	%	Amount	%
Phthalic Anhydride	1,20,692	39.44%	1,99,708	36.11%
Cuprous Chloride	87,186	28.49%	1,36,050	24.60%
Urea	41,547	13.58%	52,314	9.46%
Sulphuric Acid	16,927	5.53%	18,314	3.31%
Ammonium Molybdate	5,302	1.73%	4,554	0.82%
Others	34,345	11.22%	1,42,168	25.70%
<b>Total</b>	<b>3,06,000</b>	<b>100.00%</b>	<b>5,53,107</b>	<b>100.00%</b>





### 33 Related Party Disclosures

(a)	Name of the related party	"Nature of Relationship"
	Mr. Piyush N Patel	Director
	Mr. Shrinal P. Patel	Director

### (b) Transactions with the related parties during the year

Nature of transactions	Key management personnel and its relative	Total
Loan & Advances received		
Mr. Piyush N. Patel	2,16,00,000	2,16,00,000
	(10,00,000)	(10,00,000)
Mr. Shrinal P. Patel	28,45,000	28,45,000
	(27,67,548)	(27,67,548)
Loan & Advances Paid		
Mr. Piyush N. Patel	1,62,50,000	1,62,50,000
	(10,00,000)	(10,00,000)
Mr. Shrinal P. Patel	21,92,497	21,92,497
	(27,67,548)	(27,67,548)
Remuneration to key management personnel Managerial remuneration		
Mr. Piyush N. Patel	24,00,000	24,00,000
	(24,00,000)	(24,00,000)
Mr. Shrinal P. Patel	18,00,000	18,00,000
	(18,00,000)	(18,00,000)
Bonus		
Mr. Piyush N. Patel	1,98,000	1,98,000
	(1,98,000)	(1,98,000)
Mr. Shrinal P. Patel	1,32,000	1,32,000
	(1,32,000)	(1,32,000)
Outstanding as at year end	-	-

Figures in brackets pertain to the figures of previous year.

34 DIRECTORS REMMUNERATION: Salary of Rs. 42,00,000/- & Bonus – Rs. 3,30,000/-

35 Balance due to / from third parties are subject to confirmation, reconciliation, and / or adjustments, if any.

36 In the opinion of the board, Loans and Advances and Current Assets are approximately of the value stated, if realized in the ordinary course of business.

37 The company has only one segment of activity i.e. Chemicals

38 Disclosure Under Micro, Small & Medium Enterprises Development Act, 2006 The company has not received the required information from suppliers regarding their status under Micro, Small & Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to the amounts unpaid as at the year end together with the interest paid/payable as required under the said Act have not been made.

39 Net Exchange Gain included in the profit and loss account is Rs. 7,80,874/- (PY 16,58,790/-).

#### 40 Previous Year Comparatives

Previous year's figures have been regrouped or reclassified wherever necessary to correspond with the current year's classification or disclosure.

41 Figures have been rounded off to the nearest rupee.



# ISHAN DYES & CHEMICALS LIMITED

**Regd. Office:** 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445, Gujarat, INDIA

**Phone:** 079-25832144/25893607 | **Fax:** 079-25833643

**Website:** www.ishandyes.com | **E-mail:** ishandyes@yahoo.com

**CIN:** L24110GJ1993PLC020737

## Share Transfer Agent: MCS Share Transfer Agent Limited

10, Aram Apartment, 12, Sampatrao Colony, B/h. Laxmi Hall,

Alkapuri, Vadodara – 390007

Tel No:-0265-2314757/2350490 | Email id: mcsltbaroda@yahoo.com

## ATTENDANCE SLIP

I/We hereby record my/our presence at the 22nd Annual General Meeting of the Company held at 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445 at 3.00 p.m. on Tuesday, the 29th day of September, 2015

<b>Name and Address of the Shareholder(s):</b>					
<b>If shareholder(s), please sign here</b>	<b>If proxy, please mention name and sign here</b>				
	<table border="1"> <tr> <td><b>Name of Proxy</b></td> <td><b>Signature</b></td> </tr> <tr> <td></td> <td></td> </tr> </table>	<b>Name of Proxy</b>	<b>Signature</b>		
<b>Name of Proxy</b>	<b>Signature</b>				

### Notes:

- (1) Shareholder / Proxy holder, as the case may be, is requested to produce the attendance slip duly signed at the entrance of the Meeting venue.
- (2) Members are requested to advise the change of their address, if any, to MCS Share Transfer Agent Limited, at the above address.



## ISHAN DYES & CHEMICALS LIMITED

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Tel No:-0265-2314757/2350490 | Email id: mcsitdbaroda@yahoo.com

### Proxy form

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

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

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: \_\_\_\_\_, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the company, to be held on the 29th day of September, 2015 at 03.00 p.m. at 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		For	Against
Ordinary Business:			
1	Adoption of the Audited Financial Statements of the Company for the financial year ended on 31st March, 2015 and the Reports of the Directors' and Auditors' thereon.		
2	Re-appointment of Shri Marut D. Patel who retires by rotation		
3	Ratification of appointment of Auditors and fixing their remuneration		
	Special Business:		
4	Appointment of Shri Ronak Y. Desai as an Independent Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

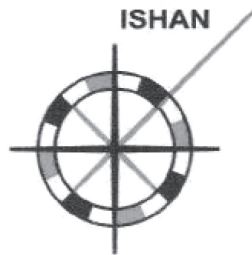
**Notes:**

1. 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.
2. A proxy need not be a member of the Company.
3. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorization should be attached to the proxy form.
4. A person can act as proxy on behalf of such number 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. Further, 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 proxy for any other person or Member.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



**Book-Post**

**If undelivered please return to:**



**ISHAN DYES & CHEMICALS LIMITED**  
**18, GIDC ESTATE, PHASE - 1,**  
**VATVA, AHMEDABAD - 382445.**