

# ISHAN DYES & CHEMICALS LTD.



28<sup>th</sup> August, 2021

To,  
The Department of Corporate Service (DCS-CRD)  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

Ref: ISHAN DYES & CHEMICALS LIMITED

BSE SCRIP CODE: 531109

Sub.: FILING OF ANNUAL REPORT 2020-21 UNDER REGULATION 34(1) THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Dear Sir,

We would like to inform that the 28<sup>th</sup> Annual General Meeting ("AGM 2021") of the members of the Company will be held on **Monday, 27<sup>th</sup> September, 2021 at 03:00 PM IST** through Video Conferencing (VC) or Other Audio Video Means (OAVM).

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, we are submitting herewith the copy of the Annual Report 2020-21 of the Company which is being sent through electronic mode to the Members.

The Annual Report 2020-21 will also be uploaded on the Company's website [www.ishandyes.com](http://www.ishandyes.com).

You are requested to kindly take the note of the above and display the same on notice of the exchange.

Thanking you,

Yours faithfully,

For Ishan Dyes & Chemicals Limited

Shrinal Piyushbhai Patel  
Whole-time Director  
(DIN: 02992519)



Registered Office and Factory Address:

18, G.I.D.C. Estate, Phase-I, Vatva, Ahmedabad - 382 445, Gujarat, India

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

E-mail : [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com); [ishan@ishandyes.com](mailto:ishan@ishandyes.com)

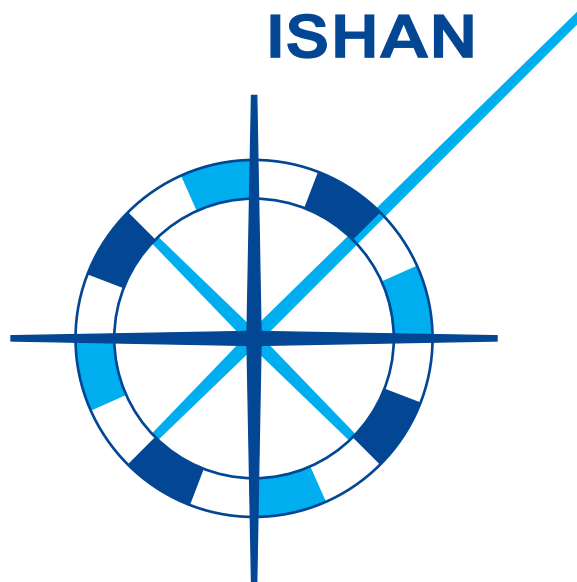
Web : [www.ishandyes.com](http://www.ishandyes.com)

CIN : L24110GJ1993PLC020737

D-U-N-S® Number 65-045-0091



Certificate No.: 7086-Q15 & E15-001  
ISO 9001, ISO 14001



# **ISHAN DYES AND CHEMICALS LIMITED**

## **28<sup>TH</sup> ANNUAL REPORT 2020-21**



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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

SHRI PIYUSHBHAI NATVARLAL PATEL	- Chairman & Managing Director ( <i>Promoter</i> )
SHRI SHRINAL PIYUSHBHAI PATEL	- Whole-Time Director ( <i>Promoter</i> )
SMT ANILABEN PIYUSHBHAI PATEL	- Non-Executive and Non-Independent Director ( <i>Promoter</i> )
SMT MIRALI HEMANTBHAI PATEL	- Executive Director ( <i>Promoter</i> )
SHRI MAYANK HASMUKHBHAI PATEL	- Independent Director
SHRI RONAK YATINKUMAR DESAI	- Independent Director
SHRI ROOPIN AMRIT PATEL	- Independent Director
SHRI YATIN GORDHANBHAI PATEL	- Independent Director

### **CHIEF FINANCIAL OFFICER**

- Mr. Chintan Prakashbhai Pancholi
- Mrs. Shilpa Sharma (*Appointed w.e.f 05<sup>th</sup> January, 2021*)

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

- Mrs. Ankita Vivekkumar Shah (*Resigned w.e.f 04<sup>th</sup> of January, 2021*)

### **BANKERS**

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

### **STATUTORY AUDITORS**

- G.S. Mathur & Co., Chartered Accountants.

### **INTERNAL AUDITORS**

- K. D. Dave & Co., Chartered Accountants.

### **REGISTERED OFFICE & FACTORY ADDRESS**

- 18, GIDC 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**

- L24110GJ1993PLC020737

### **REGISTRAR AND SHARE TRANSFER AGENT (RTA)**

- MCS Share Transfer Agent Limited
- 1st Floor, Neelam Apartment, 88, Sampatrao Colony, Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007
- Tel No:-0265-2314757/2350490
- Fax:0265 - 2341639
- E-mail:mcsltbaroda@gmail.com



## NOTICE

### 28<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY EIGHTH ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF ISHAN DYES AND CHEMICALS LIMITED (“THE COMPANY”) WILL BE HELD THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO VISUAL MEANS (“OAVM”) ON MONDAY, 27<sup>TH</sup> SEPTEMBER, 2021 AT 03:00 PM IST TO TRANSACT THE FOLLOWING BUSINESSES:

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#### ORDINARY BUSINESS:

**1. ADOPTION OF THE ANNUAL AUDITED STANDALONE FINANCIAL STATEMENTS AND REPORTS THEREON:**

To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 together with the Reports of the Board of Directors’ and the Auditors’ thereon.

**2. CONFIRMATION OF INTERIM DIVIDEND OF INR 1.25/- PER EQUITY SHARE OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021.**

To confirm the payment of Interim Dividend of INR 1.25/- per Equity Share (i.e. 12.5% of face value of INR 10/- each) of the Company for the Financial Year ended 31<sup>st</sup> March, 2021.

**3. APPOINTMENT OF SMT ANILABEN PIYUSHBHAI PATEL (DIN: 00450893) AS A DIRECTOR RETIRING BY ROTATION:**

To consider and if thought fit to approve appointment of a Director in place of Smt. Anilaben Piyushbhai Patel (DIN: 00450893), Director, who retires by rotation and being eligible, offers herself for re-appointment.

#### SPECIAL BUSINESS:

**4. TO RE-APPOINT SHRI PIYUSHBHAI NATVARLAL PATEL (DIN: 00450807) AS A MANAGING 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 A SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules framed in this behalf (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee, the approval of the members of the Company be and is hereby accorded to re-appoint Shri Piyushbhai Natvarlal Patel (DIN: 00450807) as a Managing Director of the Company for a period of 5 years w.e.f. 01<sup>st</sup> June, 2021 and said appointment shall be subject to retirement of Directors by rotation and also on such remuneration along with other terms and conditions as recommended by Nomination and Remuneration Committee which has been also been approved by the Board of Directors of the Company in their meeting dated 31<sup>st</sup> May, 2021 and brief of same are as below:

**Designation:** Managing Director (Executive and Promoter).

**Term of Appointment:** 5 years from 01<sup>st</sup> June, 2021 to 31<sup>st</sup> May, 2026.

**Remuneration:** Upto INR 60,00,000/- on an annual Cost to Company basis which includes Basic Salary, Perquisites and other allowance/benefits as may be decided by the Board of Directors of the Company, from time to time. The remuneration will be increased for each financial year during the terms of appointment so as to give minimum 10% annualized increase or such other increase as may be recommended by the Nomination and Remuneration Committee and approved by Board of Directors of the Company from time to time subject to the overall limits as specified under the Companies Act, 2013 and the Schedule V of the Companies Act, 2013.

**Perquisites and Allowances:**

All perquisites, allowances, benefits and amenities as per the service rules of the Company, as applicable from time to time. He will be also entitled for reimbursement of travel, petrol, conveyance and other entertainment expenses as may be incurred by him in relation to the business of the Company. Further, the Company at its cost will also provide



car facility with driver to him. He will be further entitled to all such facilities and allowances as may be applicable to the employees of the Senior Management Cadre of the Company.

**Commission:**

Shri Piyushbhai Natvarlal Patel (DIN: 00450807) shall also be entitled to commission, in addition to salary, perquisites, allowances and others reimbursements, subject to maximum of 5% of the commission calculated with reference to the net profits of the Company for each financial year ended, as may be determined by the Board of Directors of the Company subject to overall ceilings stipulated under Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and as recommended by Nomination and Remuneration Committee.

**Overall Remuneration**

The aggregate of salary, perquisites, allowances and commission in any financial year shall not exceed the limits specified under Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 for the time being, be in force.

**RESOLVED FURTHER THAT** in accordance with the provisions of the Companies Act, 2013 and in accordance with the provisions as contained in Schedule V (Part I) (c) of the Companies Act, 2013, the approval be and is hereby accorded for the continuity of the appointment of Shri Piyushbhai Natvarlal Patel (DIN: 00450807), as a Managing Director of the Company upto 31st May, 2026 even after his attaining the age of 70 years.

**“RESOLVED FURTHER THAT** the remuneration prescribed herein shall be paid as a minimum remuneration to Shri Piyushbhai Natvarlal Patel (DIN: 00450807), Managing Director of the Company for any financial year during which the Company has no profits or its profits are inadequate, subject to approvals if any required for the same and also in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** at any time the Board of Directors of the Company be and are hereby authorised to alter, modify and vary the terms and conditions of said appointment including remuneration to the extent recommended by the Nomination and Remuneration Committee, from time to time as may be considered appropriate and fit, subject to the overall limits specified in the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and as may be agreed with Shri Piyushbhai Natvarlal Patel (DIN: 00450807).”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, documents, things and matters as may be necessary and expedient to give effect to this resolution.”

**5. TO RE-APPOINT SHRI SHRINAL P. PATEL (DIN: 02992519) AS A WHOLE-TIME 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 A SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules framed in this behalf (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee, the approval of the members of the Company be and is hereby accorded to re-appoint Shri Shrinal P. Patel (DIN: 02992519) as a Whole-Time Director of the Company for a period of 5 years w.e.f. 01<sup>st</sup> February, 2021 and said appointment shall be subject to retirement of Directors by rotation and also on such remuneration along with other terms and conditions as recommended by Nomination and Remuneration Committee which has been also been approved by the Board of Directors of the Company in their meeting dated 23<sup>rd</sup> January, 2021 and brief of same are as below:

**Designation:** Whole-Time Director (Executive and Promoter).

**Term of Appointment:** 5 years from 01<sup>st</sup> February, 2021 to 31<sup>st</sup> January, 2026.

**Remuneration:** Upto INR 48,00,000/- on an annual Cost to Company basis which includes Basic Salary, Perquisites and other allowance/benefits as may be decided by the Board of Directors of the Company, from time to time. The remuneration will be increased for each financial year during the terms of appointment so as to give minimum 10% annualized increase or such other increase as may be recommended by the Nomination and Remuneration Committee and approved by Board of Directors of the Company from time to time subject to the overall limits as specified under the Companies Act, 2013 and the Schedule V of the Companies Act, 2013.



### Perquisites and Allowances:

All perquisites, allowances, benefits and amenities as per the service rules of the Company, as applicable from time to time. He will be also entitled for reimbursement of travel, petrol, conveyance and other entertainment expenses as may be incurred by him in relation to the business of the Company. Further, the Company at its cost will also provide car facility with driver to him. He will be further entitled to all such facilities and allowances as may be applicable to the employees of the Senior Management Cadre of the Company.

### Commission:

Shri Shrinal P. Patel (DIN: 02992519) shall also be entitled to commission, in addition to salary, perquisites, allowances and others reimbursements, subject to maximum of 3% of the commission calculated with reference to the net profits of the Company for each financial year ended, as may be determined by the Board of Directors of the Company subject to overall ceilings stipulated under Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and as recommended by Nomination and Remuneration Committee.

### Overall Remuneration

The aggregate of salary, perquisites, allowances and commission in any financial year shall not exceed the limits specified under Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 for the time being, be in force.

**“RESOLVED FURTHER THAT** the remuneration prescribed herein shall be paid as a minimum remuneration to Shri Shrinal P. Patel (DIN: 02992519), Whole-Time Director of the Company for any financial year during which the Company has no profits or its profits are inadequate, subject to approvals if any required for the same and also in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** at any time the Board of Directors of the Company be and are hereby authorised to alter, modify and vary the terms and conditions of said appointment including remuneration to the extent recommended by the Nomination and Remuneration Committee, from time to time as may be considered appropriate and fit, subject to the overall limits specified in the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and as may be agreed with Shri Shrinal P. Patel (DIN: 02992519).”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, documents, things and matters as may be necessary and expedient to give effect to this resolution.”

14<sup>th</sup> August, 2021  
Ahmedabad

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

By order of the Board of Directors  
For Ishan Dyes & Chemicals Limited  
SD/  
Piyush N. Patel  
Chairman & Managing Director  
DIN: 00450807

### NOTES:

1. Considering the extra-ordinary circumstances caused by COVID-19 and in light of social distancing norms, in terms of the General Circulars No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 10/2021 dated June 23, 2021 (collectively referred to as “MCA Circulars”) and any updates thereto issued by the Ministry of Corporate Affairs (“MCA”) read with Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (“SEBI”) (hereinafter collectively referred to as “the Circulars”), Companies are permitted to conduct the Annual General Meeting through Video Conferencing / Other Audio Visual Means (“VC” / “OAVM”) without the physical presence of members at a common venue. Hence, in accordance with the Circulars, provisions of the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Annual General Meeting (“AGM”) of the members of the Company is being held through VC /OAVM facility on Monday, 27<sup>th</sup> September, 2021 at 03:00 PM (IST). The venue of



the meeting shall be deemed to be the Registered Office of the Company situated at 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad– 382445, Gujarat, INDIA.

2. Pursuant to the provisions of the Companies Act, 2013 (“the Act”), a Member who is entitled to attend and vote at the AGM is also entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is held through VC/OAVM the physical attendance of members is dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Act, authorized representative of the Corporate Member(s) may be appointed for the purpose of participation in the 28<sup>th</sup> AGM through VC / OAVM and also for remote e-Voting during the 28<sup>th</sup> AGM.
3. No Route map has been sent along with this Notice of the Meeting as the meeting is held through VC/OAVM.
4. Members attending the Meeting through VC/OAVM will be counted for the purposes of reckoning of Quorum under Section 103 of the Companies Act, 2013.
5. In line with the MCA Circulars and the SEBI Circular, the Notice calling the AGM and the Annual Report 2020-21 has been uploaded on the website of the Company at [www.ishandyes.com](http://www.ishandyes.com). The Notice and the Annual Report 2020-21 can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com)
6. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business, if any to be transacted at the meeting is annexed hereto. The Board of Directors of the Company at its meeting held on 14<sup>th</sup> August, 2021 considered that the Special Businesses under Item No. 4 & 5 being considered unavoidable, be transacted at the 28<sup>th</sup> AGM of the Company.
7. Brief resume of Directors 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, etc. as required to be disclosed as per the Companies Act, 2013, Regulation 36 (3) the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2), are provided as Annexure 1 to this notice.
8. All documents referred to in the accompanying Notice and the Explanatory Statement have been uploaded on the website of the Company at [www.ishandyes.com](http://www.ishandyes.com). All shareholders will be able to inspect all documents referred to in the Notice electronically without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com).
9. The Register of Members and the Share Transfer Books of the Company shall remain closed from 21<sup>st</sup> September, 2021 to 27<sup>th</sup> September, 2021 (both days inclusive) in connection with the AGM.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.
11. Considering the difficulties caused due to the Covid-19 pandemic, MCA and SEBI have dispensed with the requirement of printing and sending physical copies of the Annual Report and the Notice of this Meeting, The Annual Report together with the Notice of this meeting have been sent through registered email id to all those members who have registered their email ids with the Company or the Registrar and Transfer Agent or the Depositories or the Depository Participants as on Friday, 20<sup>th</sup> August, 2021.
12. 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.
13. The Securities and Exchange Board of India (SEBI) has amended Regulation 40 of SEBI LODR. Pursuant to amended Regulation 40 of SEBI LODR, effective 1<sup>st</sup> April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. The Company in this regard has sent letters to the shareholders holding shares in physical form informing them about the above requirement. All shareholders holding shares in physical form are requested to demat their shares at the earliest.
14. Members holding shares in single name and/or in physical mode are advised to make nomination in respect of their shareholding in the Company. Nomination forms can be obtained from the Company's Registered Office.
15. Members who have not encashed their Dividends declared by the Company are requested to contact the Company at 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445, Gujarat, INDIA. Details of the unpaid / unclaimed dividend are uploaded as per the requirements on the Company's website [www.ishandyes.com](http://www.ishandyes.com). The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed at [www.iepf.gov.in](http://www.iepf.gov.in)
16. Members are requested to note that Dividends not encashed or remaining unclaimed for a period of 7 (seven) Years from the date of transfer to the Company's Unpaid Dividend Accounts shall be transferred to the Investor Education and Protection Fund (IEPF) established under Section 124 of the Companies Act, 2013 and the relevant Rules thereunder.
17. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF Authority.





18. Pursuant to Section 124 of the Companies Act, 2013 the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Type of Dividend	Date of Declaration of Dividend	For the Year ended	Due for Transfer on
Final Dividend	28-Sept-2016	31-Mar-2016	31-Oct-2023
Interim Dividend	23-Feb-2018	31-Mar-2018	29-Mar-2025
Final Dividend	04-Sept-2020	31-Mar-2020	07-Oct-2027
Interim Dividend	19-Apr-2021	31-Mar-2021	23-May-2028

19. 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.
20. Members are requested to:
- Intimate to the Company's Registrar and Share Transfer Agents-MCS Share Transfer Agent Limited, changes, if any, in their registered addresses and e-mail id at an early date, in case shares held in physical form;
  - Intimate respective Depository Participant, changes, if any, in their registered addresses or e-mail id at an early date, in case of shares held in dematerialized form;
  - Quote their folio numbers/client ID/DP ID in all correspondence; and
  - Consolidate their holdings into one folio in the identical order of names.
  - Update their PAN and Bank account details by sending a self-attested copy of the PAN along with original cancelled cheque bearing their name on it or bank passbook/statement attested by their Bank to MCS, the Registrar and Share Transfer Agents of the Company.
  - Members may opt for the direct credit of dividend / ECS wherein members get the credit of dividend directly in their designated bank account. This ensures direct and immediate credit with no chance of loss of bank instrument in transit. To avail this facility, the members are requested to update with their DP, the active bank account details including 9 digit MICR code and IFSC code, in case the holding is in dematerialized form. In case of shares held in physical form, the said details may be communicated to the RTA by quoting registered folio number and attaching photocopy of the cheque leaf of the active bank account along with a self-attested copy of the PAN card. Additionally, members holding shares in physical form can update their bank account details to the RTA.
21. Pursuant to Section 101 and 136 of the Act read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. As per provisions of Section 20 of the Act read with Rules thereunder, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to his / her Depository Participant / the Company's Registrar & Share Transfer Agent from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the Company in its Annual General Meeting. In cases, where any member has not registered his / her e-mail address with the Company, the service of documents, etc. will be effected by other modes of service as provided in Section 20 of the Act read with the relevant Rules thereunder.

Those members, who desire to receive notice / financial statement / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his / her Depository Participant / the Company's Registrar & Share Transfer Agent, M/s. MCS Share Transfer Agent Limited, as the case may be;

Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialized form) or with MCS (in case of Shares held in physical form).

22. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09<sup>th</sup> December, 2020 and under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, every Listed Company is required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.



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

23. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (“SS-2”) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
24. In terms of provisions of section 107 of the Act, as the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM.
25. 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.
26. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
27. The institutional members are encouraged to attend and vote at the AGM.
28. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
29. Pursuant to SEBI Circular on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Shareholders are therefore advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**(a) Login method for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the E-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

**(c) Login method for Remote E-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- (1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (2) Click on “Shareholders” module.
- (3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.



- (4) Next enter the Image Verification as displayed and Click on Login.
- (5) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (6) If you are a first-time user follow the steps given below:

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

- (7) After entering these details appropriately, click on “SUBMIT” tab.
- (8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (10) Click on the EVSN for the relevant <Ishan Dyes and Chemicals Limited> on which you choose to vote.
- (11) 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.
- (12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (13) 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.
- (14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (16) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (17) **Facility for Non – Individual Shareholders and Custodians – Remote Voting.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on
  - The list of accounts linked in the login 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. Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- (1) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (2) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.



- (3) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- (4) Only those Members / shareholders, who will be present in the AGM through VC / OAVM and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (5) If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC / OAVM, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only the members participating in the meeting.
- (6) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (7) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (8) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (9) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com). These queries will be replied to by the Company suitably by email.
- (10) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.
- (11) Convenience of different persons positioned indifferent time zones has been kept in mind before scheduling the time for this Meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Notice of AGM and e-voting instructions only in electronic form to the registered email addresses of the shareholders whose email addresses are registered with the Company / Depositories. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below

- (1) For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com).
- (2) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
- (3) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- (4) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.
- (5) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

#### **General Guidelines for shareholders:**

- I. The remote e-voting begins on Friday, 24<sup>th</sup> September, 2021 (09:00 AM IST) and will end on Sunday, 26<sup>th</sup> September, 2021 (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 Monday, 20<sup>th</sup> September, 2021 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. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- III. 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 e-voting at the AGM.



- IV. 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 Monday, 20<sup>th</sup> September, 2021 for determining the eligibility to vote by electronic means or at the Meeting.
- V. 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. Monday, 20<sup>th</sup> September, 2021 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 079-25832144/2589360 or send a request/fax on 079-25833643 to Ms. Shilpa Sharma, Company Secretary and Compliance Officer of the Company, by writing to her at Ishan Dyes & Chemicals Limited, 18, G.I.D.C Estate, Phase – 1, Vatva, Ahmedabad – 382445, Gujarat, INDIA.
- VI. The Company has appointed Shri Kunal Sharma, Practicing Company Secretary (Membership No: FCS 10329 and COP No: 12987) as the Scrutinizer to scrutinize the remote e-voting process and casting of vote through the e-voting system during the AGM in a fair and transparent manner.
- VII. The Scrutinizer shall not later than 48 hours from the conclusion of the Meeting, issue consolidated Scrutinizer's Report of remote e-voting and e-voting at AGM, 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.
- VIII. 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.
- IX. The resolutions shall be deemed to be passed on the date of Annual General Meeting of the Company, subject to receipt of sufficient votes.
- X. 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.
- XI. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.
- XII. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-off Date i.e. Monday, 20<sup>th</sup> September, 2021 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and e-voting thereat.

**Contact Details:**

Company	<b>M/s Ishan Dyes &amp; Chemicals Limited</b> <b>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: <a href="mailto:ishandyes@yahoo.com">ishandyes@yahoo.com</a>, CIN:L24110GJ1993PLC020737</b>
Registrar and Share Transfer Agent	<b>MCS Share Transfer Agent Limited</b> <b>1st Floor, Neelam Apartment, 88, Sampatrao Colony, Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007</b> <b>Tel:(0265) 2314757, 2350490, Fax:(0265) 2341639</b> <b>E-mail: <a href="mailto:mcsltdbaroda@gmail.com">mcsltdbaroda@gmail.com</a></b>
E-voting Agency	<b>Central Depository Services (India) Ltd</b> <b>Email id: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a></b>
Scrutinizer	<b>CS Kunal Sharma, Practicing Company Secretary</b> <b>501-502,Skylar,Near Shalin Bunglows, Corporate Road, Prahaladnagar, Satellite, Ahmedabad -380 015</b> <b>Tel., +91 9173430216, Email id: <a href="mailto:cskunalsharma@gmail.com">cskunalsharma@gmail.com</a></b>

**By order of the Board of Directors**  
**For Ishan Dyes & Chemicals Limited**  
**SD/-**  
**Piyush N. Patel**  
**Chairman & Managing Director**  
**DIN: 00450807**

**14<sup>th</sup> August, 2021**  
**Ahmedabad**

*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](mailto:ishandyes@yahoo.com), CIN: L24110GJ1993PLC020737



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

### Item no: 04:

The tenure of appointment of Shri Piyushbhai Natvarlal Patel (DIN: 00450807) as a Managing Director of the Company expired on 31<sup>st</sup> May, 2021. Considering his long standing expertise, experience and also leadership provided by him in the growth of the Company, on the recommendations of the Nomination & Remuneration Committee he has been re-appointed as a Managing Director of the Company for a further tenure of 5 years w.e.f 01<sup>st</sup> June, 2021 which has been subsequently approved by Board of Directors at their respective meetings held on 31<sup>st</sup> May, 2021.

A brief resume with other details of Shri Piyushbhai Natvarlal Patel (DIN: 00450807) as required under the provisions of Companies Act, 2013 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in the Corporate Governance Report which is forming part of the Annual Report.

Shri Piyushbhai Natvarlal Patel (DIN: 00450807) is 66 years old and holds a Degree of Mechanical Engineer. He is one of the founder Promoters and first Director of the Company. He has experience of almost four decades in the chemical industry in which the Company operates. He is currently providing leadership, strategic directions and growth plans for the Company.

Shri Piyushbhai Natvarlal Patel (DIN: 00450807) has given his declaration and has confirmed that he has not been convicted of any offence in connection with the promotion, formation and/or management of any company or LLP and has not been found guilty of any fraud or misfeasance or of any breach of duty to any company under this Act or any previous company law in the last five years and that his total directorship in all companies shall not exceed the prescribed number of companies in which a person can be appointed as a director.

The Board of Directors affirms that Shri Piyushbhai Natvarlal Patel (DIN: 00450807) is not debarred from holding the office of the Director by virtue of any SEBI order and/or any other such authority. In the opinion of the Board, Shri Piyushbhai Natvarlal Patel (DIN: 00450807) is a person of integrity and possesses relevant expertise, competence and experience to hold office as a Managing Director of the Company and his appointment as a Managing Directors of the Company will be beneficial for the further growth of the Company.

The above resolution and explanatory statement may be treated as a written memorandum setting out the terms of re-appointment of Shri Piyushbhai Natvarlal Patel (DIN: 00450807) under Section 190 of the Act.

As per the Companies Act, 2013 and SEBI Regulations, it has been mandatory to pass the Special Resolution for the continuation of a person as a Managing Director of the Company if he has attained the date of 70 years or more. Shri Piyushbhai Natvarlal Patel (DIN: 00450807) will be attaining the age of 70 years during the continuity of his office as a Managing Director in terms of the proposed resolution which is upto 31<sup>st</sup> May, 2026. Considering the said facts and as per the requirements the Board recommends passing of resolution to appoint him as a Managing Director of the Company as a Special Resolution. Taking into account the contributions made by him along with expertise, experience and leadership provided by him to the Company, the Board recommends his re-appointment as a Managing Director for a further term of 5 Years w.e.f 01<sup>st</sup> June, 2021.

Except for the respective Director and Shri Shrinal P. Patel, Smt. Mirali H. Patel and Smt. Anilaben P. Patel who are the relatives of Shri Piyush N. Patel are considered as deemed to be interested in the respective resolution at item no. 04 of the Notice. 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. 04 of the Notice.

The Board recommends the Special Resolution set out at Item No. 04 of the Notice for approval by the shareholders.

### Item no: 05:

The tenure of appointment of Shri Shrinal P. Patel (DIN: 02992519) as a Whole-Time Director of the Company expired on 31<sup>st</sup> January, 2021. Considering his involvement in the operations of the Company, contributions made in development of the international business and growth of the Company and further on the basis of the recommendations of the Nomination & Remuneration Committee, the Board of Directors of the Company in their meeting held on 23<sup>rd</sup> January 2021 has re-appointed him as a Whole-Time Director of the Company for a further tenure of 5 years w.e.f 01<sup>st</sup> February, 2021.

A brief resume of and other details of Shri Shrinal P. Patel (DIN: 02992519) as required under the provisions of Companies Act, 2013 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in the Corporate Governance Report which is forming part of the Annual Report.



Shri Shrinal P. Patel (DIN: 02992519) is 36 years old and holds a Degree of B.B.A. in Business Finance from the University of Florida. He is one of the Promoters of the Company. He has experience of over 12 years in the chemical industry in which the Company operates. He is also on the Board of the Company since year 2010 and currently in charge of the marketing, finance and business operations of the Company.

Shri Shrinal P. Patel (DIN: 02992519) has given his declaration and has confirmed that he has not been convicted of any offence in connection with the promotion, formation and/or management of any company or LLP and has not been found guilty of any fraud or misfeasance or of any breach of duty to any Company under this Act or any previous company law in the last five years and that his total directorship in all companies shall not exceed the prescribed number of companies in which a person can be appointed as a director.

The Board of Directors affirms that Shri Shrinal P. Patel (DIN: 02992519) is not debarred from holding the office of the Director by virtue of any SEBI order and/or any other such authority. In the opinion of the Board, Shri Shrinal P. Patel (DIN: 02992519) is a person of integrity and possesses relevant expertise, competence and experience to hold office of the Whole-Time Director of the Company and his appointment as a Whole-Time Director will benefit the Company in its business operations as well as future growth of the Company.

The above resolution and explanatory statement may be treated as a written memorandum setting out the terms of re-appointment of Shri Shrinal P. Patel (DIN: 02992519) under Section 190 of the Act.

Except for the respective Director and Shri Piyush N. Patel, Smt. Mirali H. Patel and Smt. Anilaben P. Patel who are the relatives of Shri Shrinal P. Patel are considered as deemed to be interested in the respective resolution at item no. 05 of the Notice. 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. 05 of the Notice.

The Board recommends the Special Resolution set out at Item No. 05 of the Notice for approval by the shareholders.

**By order of the Board of Directors  
For Ishan Dyes & Chemicals Limited  
SD/-  
Piyush N. Patel  
Chairman & Managing Director  
DIN: 00450807**

**14<sup>th</sup> August, 2021  
Ahmedabad**

*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





## Annexure – 1 to the Notice

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting:  
(Pursuant to Regulation 36 (3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015).

Name with Age and Qualifications	Experience	Details of Directorships in other Companies including Listed Companies	Details of Membership of Committees of all the Companies	No of Meetings attended during the Year	Brief Resume of Directors	Disclosure on relationship between Directors Inter-se
<p>Piyushbhai N. Patel</p> <p>Date of Birth - 01/04/1955</p> <p>66 years</p> <p>B.E. (Mechanical Engineer)</p>	<p>He is one of the founder and also the Promoter and first Director of the Company. He possesses Diploma in Mechanical Engineering accredited by Gujarat University. He has experience of over 36 years in the industry in which the Company operates. He currently provides strategic direction and leadership to our Company.</p>	<p>(i) Cluster Enviro Private Limited</p> <p>(ii) Beverly Hills Construction Private Limited</p>	<p>Ishan Dyes and Chemicals Limited</p> <p>Membership:</p> <p>i. Stakeholders Relationship Committee</p> <p>ii. Corporate Social Responsibility (CSR) Committee</p> <p>Chairmanship:</p> <p>iii. Right Issue Committee</p>	<p>Board Meeting: 11</p> <p>Stakeholders Relationship Committee Meeting: 4</p> <p>Corporate Social Responsibility (CSR) Committee Meeting: 4</p>	<p>He is the key promoter and associated with the Company since its incorporation. Presently he is Chairman and Managing Director of the Company.</p> <p>He holds 39,69,593 Shares in the Company</p>	<p>Husband of Anilaben Patel, Father of Shrinal P. Patel and Father in Law of Mirali H. Patel</p>
<p>Shrinal P. Patel</p> <p>Date of Birth - 12/05/1985</p> <p>36 years</p> <p>BBA (Business Finance, Psychology and Bioscience) from University of Florida</p>	<p>He is one of the Promoters and Whole Time Director of the Company. He possesses a degree of B.B.A. in Business Finance from University of Florida. He has experience of over 12 years in the industry in which our Company operates. He is on the Board of our Company since the year 2010 and currently heads the marketing, finance and business operations in our Company.</p>	<p>(i) Cluster Enviro Private Limited</p>	<p>Ishan Dyes and Chemicals Limited</p> <p>Membership:</p> <p>i. Right Issue Committee</p>	<p>Board Meeting: 11</p>	<p>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.</p> <p>He holds 16,65,210 Shares in the Company</p>	<p>Son of Piyush N. Patel, Anilaben P. Patel and Husband of Mirali H. Patel</p>
<p>Anilaben P. Patel</p> <p>Date of Birth - 07/11/1957</p> <p>63 years</p> <p>B.A. (Psychology)</p>	<p>She is having experience of general administration and involved into various social activities.</p>	<p>NIL</p>	<p>Ishan Dyes and Chemicals Limited</p> <p>Membership:</p> <p>i. Stakeholders Relationship Committee.</p> <p>ii. Corporate Social Responsibility (CSR) Committee</p>	<p>Board Meeting: 11</p> <p>Stakeholders Relationship Committee Meeting: 4</p> <p>Corporate Social Responsibility (CSR) Committee Meeting: 4</p>	<p>She is one of the key promoters of the Company. Presently she is a promoter director liable to retire by rotation.</p> <p>She holds 12,92,325 Shares in the Company</p>	<p>Wife of Piyush N. Patel, Mother of Shrinal P. Patel and Mother in Law of Mirali H. Patel</p>

# DIRECTORS' REPORT



To,  
The Members,  
Ishan Dyes and Chemicals Limited

Your Directors are please to present 28<sup>th</sup> Annual Report together with the Audited Standalone Financial Statements for the financial year ended 31<sup>st</sup> March, 2021.

## 1. FINANCIAL RESULTS:

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the (Companies Accounts) Rules, 2014. The Company's financial performance for the year ended March 31, 2021 is summarized below:

Particulars	<i>(Amount in Lakhs)</i>	
	Current Year (2020-21)	Previous Year (2019-20)
Sales (Net)	8175.02	8014.51
Other Income	223.68	234.57
<b>Total Revenue</b>	<b>8398.70</b>	<b>8249.08</b>
<b>Earnings before Finance Cost, Depreciation, Exceptional /Extraordinary Items, Tax &amp; Amortizations (EBITDA)</b>	<b>1982.83</b>	<b>1266.75</b>
Finance Cost (Net)	58.73	65.39
Depreciation	201.74	177.78
<b>Profit before Exceptional / Extraordinary items &amp; tax</b>	<b>1722.36</b>	<b>1023.58</b>
Exceptional / Extraordinary expenses	--	--
<b>Profit before Tax</b>	<b>1722.36</b>	<b>1023.58</b>
Tax Adjustments (Net)	441.57	202.73
<b>Profit after Tax</b>	<b>1280.79</b>	<b>820.84</b>

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

During the year under review, the Total Revenues grew by 1.81% to INR 8398.70 Lakhs from INR 8249.08 Lakhs in the Financial Year 2019-20 and EBITDA increased by 56.53% to INR 1982.83 Lakhs from INR 1266.75 Lakhs in the Financial Year 2019-20.

The Profit before tax increased by 68.27% y-o-y to INR 1722.36 Lakhs. Net Profit after tax increased by 56.03% y-o-y to INR 1280.79 Lakhs.

## 3. PROSPECTS & DEVELOPMENTS:

Since the beginning of 2020 COVID-19 pandemic has adversely impacted the social and economic life across the world besides emerging as an unprecedented health challenges. Your Company was also not an exception to the same and operations were impacted during the year ended in various manner. However, your Company had committed itself to the nation's fight against COVID-19 and confronted the uncertainties by focusing on three key priorities—safeguarding the health and well-being of its stakeholders, ensuring business continuity with minimum disruptions to meet consumers demand and provide safe working environment for all its employees.

In spite of the pandemic the operations of the Company for the year under consideration remained very much satisfactory and the Company was able to achieve growth in terms of turnover and profit both. The products of the Company are widely used in various industries like Colours, paint, ink, textiles, plastics etc. and demand for the same remained very high due to increased consumption world over. The Company witness various challenges in terms of manpower shortage, raw material supply disruptions and delays in international shipping cargo moments besides very high volatility in its key raw material prices and finished goods prices. The proactive and conservative approach of the management of the Company supported to overcome such difficulties and record satisfactory performance for the year ended.

Barring unforeseen circumstances, the management of the Company estimates growth in the demand for its products and also improved financial performance for the Company during coming years.

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

During the Financial Year 2020-21, the Company has not changed its nature of business. The Company is engaged in the Business of Manufacturing, Trading, Export, Import and other deals in Chemicals used in Dyes and Pigments.

## 5. DIVIDEND:



During the year under review, the Company has declared and paid the following dividends:

S. No	Nature of Dividend	Rate of Dividend	Date of Declaration	Amount Paid
1	Final Dividend for the Financial Year ended 31 <sup>st</sup> March, 2020	Rs. 1/- per Equity Share (Rate of 10% of Face value)	04 <sup>th</sup> September, 2020.	INR 1,59,68,147/-
2	Interim Dividend for the Financial Year ended 31 <sup>st</sup> March, 2021.	Rs. 1.25/- per Equity Share (Rate of 12.5% of Face value)	19 <sup>th</sup> April, 2021	INR 1,99,60,184/-

The Board has recommended to confirm the Interim Dividend paid for the Financial Year ended 31<sup>st</sup> March, 2021 as the Final Dividend. Necessary resolution is being proposed for the purpose at the ensuing 28<sup>th</sup> Annual General Meeting ("AGM").

Further the details of Unclaimed and Unpaid Dividend Amount of the Company have been disclosed in the Notes to the Notice of 28<sup>th</sup> Annual General Meeting of the Company.

## 6. FINANCE

During the Year under review, the Company was successful in enhancing its finance facilities from the Kalupur Commercial Co. Op. Bank Limited to meet its working capital requirements. All the installments of banking facilities, private loans and vehicle loans which were due during the financial year were repaid as per its schedule.

## 7. TRANSFER TO RESERVES:

During the year under review, Your Directors do not propose to transfer any amount to the reserves.

## 8. EXPORTS

During the year under review, the exports of your Company registered 38.57% volume growth and recorded gross turnover of INR 4823.57 Lakhs.

## 9. SHARE CAPITAL:

As on 31<sup>st</sup> March, 2021, 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	2,50,00,000	25,00,00,000
<b>Total</b>	<b>2,50,00,000</b>	<b>25,00,00,000</b>
<b>Issued, Subscribed and Paid up Share Capital</b>		
Equity Shares of Rs. 10/- each	1,59,68,147	15,96,81,470
<b>Total</b>	<b>1,59,68,147</b>	<b>15,96,81,470</b>

During the year, the Company has not issued any equity shares with differential rights or right equity shares or any sweat equity shares.

Further during the current Financial Year, subject to the approval of the Shareholders, the Board of Directors at their meeting held on 01<sup>st</sup> July, 2021 has approved the raising of funds by way of Issue of 50,00,000 (Fifty Lakh) Convertible Equity Warrants ("Warrants") at a price of INR 61/- (Rupees Sixty One only) per Warrant aggregating to INR 30.50 Crores (Rupees Thirty Crores Fifty Lakhs only) on a preferential and private placement basis to the Promoters and other Non-Promoters/Public Investors.

Further, the Company has dispatched the Notice of the 01/2021-22 Extra Ordinary General Meeting held on 30<sup>th</sup> July, 2021 which was duly convened as per the requirements of the Companies Act, 2013 and SEBI Laws.

Further, the Company has filed the Application for In-Principal Approval with the BSE Limited, the Stock Exchange where the Equity Shares of the Company is listed and BSE Limited vide their email dated 29<sup>th</sup> July, 2021 raised some queries on the application filed by the Company.



Further, BSE Limited advised to the Company not to be made public the results of the voting on Agenda item no. 1 of the Notice of 01/2021-22 of the Extra Ordinary General Meeting of the Company for the issue and allotment of the Warrants and the same shall be kept in a sealed cover pending till the completion of the examination of the application on the subject matter by BSE Limited. Therefore, the results along with scrutinizer report will be declared and made available to the public after the completion of the examination of the application made to BSE Limited for its in-principal approval or as per further advisory, if any issued by the BSE Limited to the Company.

The Company has not received any further communication/advisory from the BSE Limited in the said connection till date.

#### **Depository System:**

As the members are aware, the Company's Equity shares are compulsorily tradable in electronic form. As on 31<sup>st</sup> March 2021, 89.19% of the Company's total paid-up equity capital representing 1,41,96,012 Equity shares are in dematerialized form.

The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that the transfer, except transmission and transposition, of securities shall be carried out in dematerialized form only with effect from 1<sup>st</sup> April 2019. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories. The Company has, directly as well as through its RTA, sent intimation to shareholders who are holding shares in physical form, advising them to get the shares dematerialized.

#### **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 IND AS. The performance of the Company is discussed separately in this Report.

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

Your Company doesn't have any Subsidiaries, Joint Ventures and Associates.

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

Outbreak of COVID-19 pandemic has not only resulted into health crises but also impacted world over GDP contradictions and also resulted into a far-reaching implications on the global economy.

Various lock downs across many parts of the world including India has adversely impacted economic activities and also resulted into social and economic challenges in many manner. The pandemic affected both demand and supply, at least in the short-term. As lockdowns eased across the world economic activities gradually started to recover.

The Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report and provides overview of the business and operations of the Company.

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

The Company has not accepted any public deposits nor 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.

The Company has received declarations from its Directors that all the Loans extended/to be extended by them to the Company are their owned funds only and not borrowed from any person or entity.

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

In terms of Section 134(3) (l) of the Companies Act, 2013, except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.



## **15. CORPORATE GOVERNANCE:**

A report on Corporate Governance along with a certificate from the Auditors of the Company regarding the compliance with the conditions of Corporate Governance as stipulated under Para E of Schedule V of the SEBI LODR forms part of this Annual Report.

A Certificate from the Statutory Auditors confirming compliance of the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations is appended to the Corporate Governance Report. A Certificate of the CEO/MD and CFO of the Company in terms of Regulation 17(8) of the Listing Regulations is also annexed.

## **16. INDUSTRIAL RELATIONS**

The relationship with employees at all level remained cordial and harmonious during the year. We appreciate for committed contribution made by employees of the Company at all the levels to achieve present growth of the Company.

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

In accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board of Directors has formulated the Nomination and Remuneration Policy on the basis of recommendations made by the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy has been outlined in the Corporate Governance Report which forms part of this Report. The Policy is also available on the website of the Company [www.ishandyes.com](http://www.ishandyes.com).

## **18. BOARD DIVERSITY**

The Company recognizes the importance of a diverse Board in its process. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender which will help to provide better directions and supervision to the affairs of the Company. The Board has adopted the Board diversity policy which sets out the approach to diversity of the Board of Directors. The Policy is also available on the website of the Company [www.ishandyes.com](http://www.ishandyes.com).

## **19. PARTICULARS OF EMPLOYEES:**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in “**Annexure [A]**” that forms part of this Report.

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 31<sup>st</sup> March 2021.

## **20. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

### **Appointments:**

During the year 2020-21, No Director was appointed on the Board of the Company.

### **Retire by Rotation:**

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, Smt. Anilaben Piyushbhai Patel (DIN: 00450893), Non-Executive and Non-Independent Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible offered herself for reappointment.

Appropriate resolution for her -re-appointment is being placed for your approval at the ensuing AGM. The brief resume of Smt. Anilaben Piyushbhai Patel (DIN: 00450893) with other related information has been detailed in the Notice of AGM which is forming part of the Annual Report.

Your Directors recommend her re-appointment as Non-Executive and Non-Independent Director of your Company.



### **Re-appointments:**

During the period under review, Mr. Ronak Yatinkumar Desai (DIN:02808811) has been re-appointed as an Independent Director of the Company for second term of 5 years w.e.f 29<sup>th</sup> September, 2020 by the Board of Directors and Shareholders of the Company at their respective meetings held on 20<sup>th</sup> July, 2020 and 04<sup>th</sup> September, 2020 respectively.

Further, on the basis of the recommendations from the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 31<sup>st</sup> May 2021 has reappointed Mr. Piyushbhai Natvarlal Patel (DIN: 00450807) as a Managing Director of the Company for a further term of five years from 01<sup>st</sup> June, 2021 up to 31<sup>st</sup> May, 2026, subject to the approval of shareholders at the forthcoming AGM through Special Resolution.

Furthermore, on the basis of the recommendations from the Nomination & Remuneration Committee the Board of Directors at their meeting held on 23<sup>rd</sup> January 2021 has reappointed Mr. Shrinal P. Patel (DIN: 02992519) as Whole-Time Director of the Company for a further term of five years from 01<sup>st</sup> February, 2021 up to 31<sup>st</sup> January, 2026, subject to the approval of shareholders at the forthcoming AGM through Special Resolution.

The Notice convening the 28<sup>th</sup> AGM includes the proposal for above both re-appointments..

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

During the financial year 2020-21, No Director has resigned from the Directorship of the Company.

### **Key Managerial Personnel:**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Shri Piyush N. Patel, Chairman and Managing Director, Shri Shrinal P. Patel, Whole-Time Director, Shri Chintan Prakash Pancholi, Chief Financial Officer and Ms. Shilpa Sharma, Company Secretary and Compliance officer, are the Key Managerial Personnel's of your Company.

Further, during the year under review, Ms. Ankita Vivekkumar Shah had resigned from the post of Company Secretary and Compliance Officer of the Company with effect from closing business hours of January 4, 2021 due to her personal reasons. Ms. Shilpa Sharma was appointed as the Company Secretary and Compliance officer of the Company with effect from January 05, 2021 vide passing board resolution dated January 04, 2021.

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

In terms of the requirement of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), an annual performance evaluation of the Board, its Committees and the Directors was undertaken which included the evaluation of the Board as a whole, Board Committees and peer evaluation of the Directors. The criteria for performance evaluation covers the areas relevant to the functioning of the Board and Board Committees such as its composition, oversight and effectiveness, performance, skills and structure etc. The performance of individual directors was evaluated on the parameters such as preparation, participation, conduct, independent judgment and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors, the Directors being evaluated had not participated. 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 fulfill the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as under Regulation 16(b) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs ("IICA").

### **Familiarization Program for Independent Directors**

At the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. Further, the Independent Directors are introduced with the corporate affairs, new developments and business of the Company from time to time. The Familiarization program is also available on the website of the Company [www.ishandyes.com](http://www.ishandyes.com).

### **Pecuniary relationship**

During the year under review, except those disclosed in the Audited Financial Statements, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.



## **21. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company as well as consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by the employees and to maintain the highest ethical standards of dealing in the Company's Shares. The code is also available on the website of the Company [www.ishandyes.com](http://www.ishandyes.com).

The Company has adopted the amended Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in terms of the SEBI (Prohibition of Insider Trading) Regulation, 2015 (as amended). The same has been filed with the BSE Limited and also uploaded on the website of the Company.

## **22. COMMITTEES OF THE BOARD**

As on 31<sup>st</sup> March, 2021, the Board has following committees:

- a. Audit Committee.
- b. Nomination and Remuneration Committee.
- c. Stakeholder's relationship Committee.
- d. Corporate Social Responsibility Committee.
- e. Rights Issue Committee.

The details with respect to the composition, powers, roles, terms of reference, number of meetings held, attendance at the meetings etc. of Statutory Committees are given in detail in the Corporate Governance Report.

### **Audit Committee:**

As on 31<sup>st</sup> March, 2021, the Audit Committee comprised of Four Independent Directors, namely Shri Roopin A. Patel, Shri Mayank H. Patel, Shri Ronak Y. Desai and Shri Yatin G. Patel.

All members of the Audit Committee possess good knowledge of accounting and financial management. The Chairman and Managing Director of the Company, Chief Financial Officer, the Internal Auditors and Statutory Auditors are regularly invited to attend the Audit Committee Meetings.

The Company Secretary is the Secretary to the Committee. The Internal Auditor reports to the Chairman of the Audit Committee. The significant audit observations and corrective actions as may be required and taken by the management are presented to the Audit Committee. The Board has accepted all recommendations made by the Audit Committee from time to time

## **23. NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE MEETINGS:**

The details of the number of Board and Committee Meetings of your Company along with the composition and attendance of the Directors and Members at such meetings 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.

## **24. 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 31<sup>st</sup> March, 2021, the applicable accounting standards 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 31<sup>st</sup> March, 2021 and of the profit and loss statement of the Company for the financial year ended 31<sup>st</sup> March, 2021;
- (c) proper and sufficient care have 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 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.



## **25. EXTRACT OF ANNUAL RETURN:**

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company [www.ishandyes.com](http://www.ishandyes.com).

The Extract of Annual Report is at “**Annexure [B]**” to this Report.

## **26. RELATED PARTY TRANSACTIONS**

During the financial year 2020-21, all transactions 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 Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were entered in the ordinary course of business and on an arm’s length basis.

The Company has a process in place to periodically review and monitor Related Party Transactions. The Audit Committee has approved all related party transactions for the FY 2020-21 and estimated transactions for FY 2021-22.

There were no materially significant related party transactions that may have conflict with the interest of the Company. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board of Directors may be accessed on the Company’s website at [www.ishandyes.com](http://www.ishandyes.com). Disclosures on related party transactions are set out in Notes to the Financial Statements forming part of this Annual Report.

## **27. LOANS AND INVESTMENTS:**

Details of the loans given by your Company under Section 186 of the Act during the financial year ended 31st March 2021 are set out in Notes to the Financial Statements forming part of this Annual Report.

## **28. 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.

## **29. 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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. The policy is also available on the website of the Company [www.ishandyes.com](http://www.ishandyes.com).

## **30. 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 from time to time. Shri Roopin A. Patel is the Chairman of the Committee and two other members namely Shri Piyush N. Patel and Smt. Anilaben P. Patel are the members of said Committee. The Committee has framed the Corporate Social Responsibility Policy for 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.

The Annual Report on the CSR activities is at “**Annexure [C]**” to this Report.

The Company has spent Rs.16.06 Lakhs towards CSR activities by contributing to Educational sector of the state through registered trust.

## **31. AUDITORS AND AUDITORS’ REPORT:**

### **Statutory Auditors:**

Based on the recommendations of the Audit Committee and the Board, The Shareholders of the Company at the 26<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2019 had appointed M/s G. S. Mathur & Co. Chartered Accountants as the Statutory Auditors of the Company to hold office for period of 3 (Three) Years commencing from the conclusion of the 26<sup>th</sup> Annual General Meeting till the conclusion of 29<sup>th</sup> Annual General Meeting to be held in the year 2022.





Further in terms of Clause 40 of Companies (Amendment) Act, 2017 which was notified vide Notification dated S.O. 1833 (E) dated 7<sup>th</sup> May 2018 and effective from the date, the Proviso of Section 139(1) relating to ratification of Appointment of Auditors at every Annual General Meeting of the Company has been omitted and the requirement of Ratification of Auditors Appointment is no longer required as per the Companies Act, 2013.

Therefore, the resolution for ratification of Appointment of Statutory Auditors M/s G. S. Mathur & Co. Chartered Accountants, has not been provided for the approval of the Shareholders and not formed as a part of Notice of the 28<sup>th</sup> AGM of the Company.

**Cost Auditor:**

The appointment of Cost Auditor for the Company is not applicable to the Company.

**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 M/s Kunal Sharma & Associates, Practicing Company Secretaries to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as “**Annexure - [D]**” to this Report.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company has appointed M/s Kunal Sharma & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company for the financial year ending 31<sup>st</sup> March, 2022. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder.

**32. EXPLANATION ON AUDITORS REPORT:**

*Statutory Auditor*

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.

*Secretarial Auditor*

The Secretarial Audit report does not contain any remarks and qualifications and are self-explanatory therefore do not call for any separate or further comments or explanations.

**33. FRAUDS REPORTED BY AUDITORS:**

No frauds are reported by Auditors which falls under the purview of sub section (12) of Section 143 of the Companies Act, 2013.

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

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 for the financial year ended 31<sup>st</sup> March, 2021 in relation to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed herewith as “**Annexure - [E]**” to this Report.

**35. INTERNAL FINANCIAL CONTROLS:**

The Directors had laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically

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

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, there was no case filed pursuant to the sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

**37. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:**

During the year under review, the Company has complied with the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively, issued by The Institute of Company Secretaries of India.



**38. 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.

**39. APPRECIATION:**

The Directors hereby wish to place on record their appreciation for the support extended by its banker, suppliers, employees and all other stakeholders without whose support the overall satisfactory performance would not have been possible during the pandemic.

**14<sup>th</sup> August, 2021  
Ahmedabad**

**By order of the Board of Directors  
For Ishan Dyes & Chemicals Limited**

**SD/-  
Piyush N. Patel  
Chairman & Managing Director  
DIN: 00450807**



**“Annexure - [A] to the Directors Report”**

**RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE’S REMUNERATION**

**(i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year, percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year ;**

*Amount in Rupees*

S. No	Name of the Director/KMP	Designation	Remuneration (Includes basic Salary, Commission and Leave encashment)	Median remuneration of the employees	Ratio of the remuneration of each director to the median remuneration of the employees	% increase in remuneration during FY 2020-21*
1.	Piyushbhai Natvarlal Patel	Chairman and Managing Director	78,56,308	71,443	109.96:1	NIL
2.	Shrinal Piyushbhai Patel	Whole-Time Director	78,51,846	71,443	109.90:1	NIL
3.	Anilaben Piyushbhai Patel	Non-Executive and Non-Independent Director	NIL	N.A.	N.A.	N.A.
4.	Ronak Yatinkumar Desai	Independent Director	NIL	N.A.	N.A.	N.A.
5.	Mayankkumar Hasmukhbhai Patel	Independent Director	NIL	N.A.	N.A.	N.A.
6.	Roopin Amrit Patel	Independent Director	NIL	N.A.	N.A.	N.A.
7.	Yatinbhai Gordhanbhai Patel	Independent Director	NIL	N.A.	N.A.	N.A.
8.	Mirali Hemantbhai Patel	Executive Director	15,60,492	71,443	21.84:1	N.A.
9.	Chintan Prakashbhai Pancholi	Chief Financial Officer	7,97,215	71,443	11.15:1	NIL
10.	Ankita Vivekkumar Shah (upto 04 <sup>th</sup> January, 2021)	Company Secretary	1,36,167	71,443	1.09:1	NIL
11.	Shilpa Sharma (w.e.f 5 <sup>th</sup> January, 2021)	Company Secretary	53,833	71,443	0.75:1	NIL

\*No Increase in Remuneration of all the Directors and KMPs. Only Managing Director and Whole-Time Director has paid Commission of INR 30.00 Lakhs each on the basis of Net Profits of the Company and within the limits under Section 197 of the Companies Act, 2013.

Notes:

- No remuneration, including sitting fees was paid to the Non-Executive Directors and Independent Directors during the financial year 2019-20 and 2020-21, therefore, % increase in remuneration is not applicable and Ratio of the remuneration of each director to the median remuneration of the employees



**(ii) The percentage increase in the median remuneration of the employees in the financial year:**

Permanent employees on the rolls of the Company as on March 31, 2021	93
The median remuneration of employees of the Company during the financial year	71,443
% increase in the median remuneration of employees in the financial year	(123.95%)

**(iii) The relationship between average increase in remuneration and Company performance:**

The increase in remuneration is determined based on the performance by the employees of the Company.

**(iv) Variation in the market capitalization, price earnings ratio of the Company with the last public offer:**

Particulars	March 31, 2021	March 31, 2020	Variation (%)
Market Capitalization	78.80 Crores	31.85 Crores	147.36
Price earnings ratio	7.97	5.82	36.95

**(v) Average percentage increase already made in the salaries of employees other than the key managerial personnel in Financial Year 2020-21 and its comparison with the percentage increase in the managerial remuneration:**

During the year under review there was no increase in managerial remuneration except payment of Commissions to the Managing Director and Whole-Time Director.

**(vi) The key parameters for any variable component of remuneration availed by the Directors:**

No variable components of remuneration are availed by the Directors of the Company during the year under review.

**(vii) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:**

The parameters of this point are not applicable to the Company.

**(viii) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees as recommended by the Nominations Committee and approved by the Board from time to time.

By order of the Board of Directors  
For Ishan Dyes & Chemicals Limited  
SD/-  
Piyush N. Patel  
Chairman & Managing Director

14<sup>th</sup> August, 2021  
Ahmedabad



**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on **31<sup>st</sup> March, 2021**

[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: <a href="mailto:ishandyes@yahoo.com">ishandyes@yahoo.com</a> 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 1st Floor, Neelam Apartment, 88, Sampatrao Colony, Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007 Tel:(0265) 2314757, 2350490, Fax:(0265) 2341639 E-mail: <a href="mailto:mcslttdbaroda@gmail.com">mcslttdbaroda@gmail.com</a>

**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 Shareholders	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	9339988	0	9339988	58.49	9344722	0	9344722	58.52	0.03
b) Central Govt	-	-	-	-	-	-	-	-	--
c) State Govt(s)	-	-	-	-	-	-	-	-	--
d) Bodies Corp.	-	-	-	-	-	-	-	-	--



e) Banks / FI	-	-	-	-	-	-	-	-	--
f) Any other	-	-	-	-	-	-	-	-	--
<b>Sub-total (A)(1):</b>	<b>9339988</b>	<b>0</b>	<b>9339988</b>	<b>58.49</b>	<b>9344722</b>	<b>0</b>	<b>9344722</b>	<b>58.52</b>	<b>0.03</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	--
b) Other – Individuals	-	-	-	-	-	-	-	-	--
c) Bodies Corp.	-	-	-	-	-	-	-	-	--
d) Banks/FI	-	-	-	-	-	-	-	-	--
e) Any other	-	-	-	-	-	-	-	-	--
<b>Sub-total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>9339988</b>	<b>0</b>	<b>9339988</b>	<b>58.49</b>	<b>9344722</b>	<b>0</b>	<b>9344722</b>	<b>58.52</b>	<b>0.03</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	85373	0	85373	0.55	27832	0	27832	0.17	(0.38)
ii) Overseas	-	-	-	-	-	-	-	-	--
b) Individuals	-	-	-	-	-	-	-	-	--
i) Individual shareholders holding nominal share capital upto Rs. 2 Lacs	1975195	576025	2551220	15.97	1988508	566075	2554583	16.00	0.03
ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lacs	2243793	53650	2297443	14.39	2292714	53650	2346364	14.69	0.30



c) Others (specify)									
Non-Resident Indians	297997	1184610	1482607	9.28	295284	1152410	1447694	9.07	(0.21)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	--
Foreign Nationals	-	-	-	-	-	-	-	-	--
Clearing Members	-	-	-	-	-	-	-	-	--
Trusts	-	-	-	-	-	-	-	-	--
HUF	211516	-	211516	1.32	246952	-	246952	1.55	0.23
Foreign Bodies - DR	-	-	-	-	-	-	-	-	-
Office Bearers	-	-	-	-	-	-	-	-	-
Directors / Relatives	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>4813874</b>	<b>1814285</b>	<b>6628159</b>	<b>41.51</b>	<b>4851290</b>	<b>1772135</b>	<b>6623425</b>	<b>41.48</b>	<b>(0.03)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>4813874</b>	<b>1814285</b>	<b>6628159</b>	<b>41.51</b>	<b>4851290</b>	<b>1772135</b>	<b>6623425</b>	<b>41.48</b>	<b>(0.03)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>14153862</b>	<b>1814285</b>	<b>15968147</b>	<b>100.00</b>	<b>14196012</b>	<b>1772135</b>	<b>15968147</b>	<b>100.00</b>	<b>-</b>

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% Change in Shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total Shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	
1	Shrinal P. Patel	1665210	10.43	--	1665210	10.43	--	--
2	Piyushbhai N Patel*	3964859	24.83	--	3969593	24.86	--	0.03
3	Anilaben P. Patel	1292325	8.09	--	1292325	8.09	--	--
4	Marutbhai D. Patel	251100	1.57	--	251100	1.57	--	--
5	Mirali H. Patel	2166494	13.57	--	2166494	13.57	--	--
	<b>Total</b>	<b>9339988</b>	<b>58.49</b>	<b>--</b>	<b>9344722</b>	<b>58.52</b>	<b>--</b>	<b>0.03</b>

\*4,734 Equity Shares were acquired during last week of March 2020 in multiple tranches.

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% Change in Shareholding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	Shrinal P. Patel	1665210	10.43	1665210	10.43	No Change
2	Piyushbhai N Patel*	3964859	24.83	3969593	24.86	0.03
3	Anilaben P. Patel	1292325	8.09	1292325	8.09	No Change
4	Marutbhai D. Patel	251100	1.57	251100	1.57	No Change
5	Mirali H. Patel	2166494	13.57	2166494	13.57	No Change

\*4,734 Equity Shares were acquired during last week of March 2020 in multiple tranches.



**(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 (%)	Shareholding 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.	Ramila Bipin Patel	716066	4.48	12829	0.08	703237	4.40
2.	Dipakbhai Chimanbhai Patel	264450	1.66	--	--	264450	1.66
3.	Kokilaben Ghansyambhai Patel	NIL	NIL	204303	1.28	204303	1.28
4.	Amita Y Desai	202350	1.27	--	--	202350	1.27
5.	Deepak J Patel	139650	0.87	--	--	139650	0.87
6.	Smita Murmu	125877	0.79	--	--	125877	0.79
7.	Ajit J Patel	107700	0.67	--	--	107700	0.67
8.	Sanjeev Umedmal Dugar	193954	1.20	300	0.01	194254	1.21
9.	Sridhar Sundararajan	35601	0.23	62121	0.38	97722	0.61
10.	Ritu Sanjeev Dugar	89550	0.56	--	--	89550	0.56

**(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 (%)	Shareholding 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	3964859	24.83	4734	0.03	3969593	24.86
2.	Anilaben Piyushbhai Patel	1292325	8.09	--	--	1292325	8.09
3.	Ronak Yatinkumar Desai	--	--	--	--	--	--
4.	Mayankkumar Hasmukhbhai Patel	450	0.01	--	--	450	0.01
5.	Shrinal Piyushbhai Patel	1665210	10.43	--	--	1665210	10.43
6.	Roopin Amrit Patel	--	--	--	--	--	--
8.	Yatinbhai Gordhanbhai Patel	900	0.01	--	--	900	0.01
9.	Mirali H. Patel	2166494	13.57	-	-	2166494	13.57
10.	Chintan Prakashbhai Pancholi	--	--	--	--	--	--
11.	Shilpa Sharma	--	--	-	-	--	--

**(VI) INDEBTEDNESS:**

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





	Secured Loans excluding deposits	Unsecured Loans	Secured Loan Working Capital	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount	96,05,448	44,53,290	1,00,30,751	-	2,40,89,489
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>96,05,448</b>	<b>44,53,290</b>	<b>1,00,30,751</b>	<b>-</b>	<b>2,40,89,489</b>
<b>Change in Indebtedness during the financial year</b>					
• Addition	64,84,652	17,58,630	6,79,44,346	-	7,61,87,628
• Reduction	34,49,744	-	-	-	34,49,744
<b>Net Change</b>	<b>30,34,908</b>	<b>17,58,630</b>	<b>6,79,44,346</b>	<b>-</b>	<b>7,27,37,884</b>
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	1,26,40,356	62,11,920	7,79,75,097	-	9,68,27,373
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,26,40,356</b>	<b>62,11,920</b>	<b>7,79,75,097</b>	<b>-</b>	<b>9,68,27,373</b>

**(VII) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount	Name of MD/WTD/ Manager	Total Amount
		<b>PIYUSH P. PATEL</b> <i>Managing Director</i>		<b>SHRINAL P. PATEL</b> <i>Whole Time Director</i>	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42,00,000		18,00,000	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,42,308		1,03,846	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--		--	
2.	Stock Option	--		--	
3.	Sweat Equity	--		--	
4.	Commission				
	- as % of profit	NIL		NIL	
	- others, specify	--		--	
5.	Others, please specify (Bonus)	34,14,000		59,48,000	
	<b>Total (A)</b>	<b>78,56,308</b>		<b>78,51,846</b>	
	Ceiling as per the Act				<i>As per the Companies Act, 2013</i>

*The above excludes reimbursement for expenses.*

*B. Remuneration to other directors:*

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Anilaben P. Patel	Mirali 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
	<b>Total (1)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>



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
	<b>Total (2)</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3.	Other Executive Directors							
	• Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	• Others, (Salary)	NIL	15,60,492	NIL	NIL	NIL	NIL	<b>15,60,492</b>
	Total (B)=(1+2+3)	NIL	<b>15,60,492</b>	NIL	NIL	NIL	NIL	<b>15,60,492</b>
	Total Managerial Remuneration	NIL	<b>15,60,492</b>	NIL	NIL	NIL	NIL	<b>15,60,492</b>
	Overall Ceiling as per the Act	As per the Companies Act, 2013						

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	Ankita V. Shah	Shilpa Sharma	Chintan Pancholi	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	1,36,167	53,833	7,20,000	<b>9,10,000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	4,615	<b>4,615</b>
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL	NIL	<b>NIL</b>
2.	Stock Option	NIL	NIL	NIL	NIL	<b>NIL</b>
3.	Sweat Equity	NIL	NIL	NIL	NIL	<b>NIL</b>
4.	Commission					
	- as % of profit	NIL	NIL	NIL	NIL	<b>NIL</b>
	- others, specify	NIL	NIL	NIL	NIL	<b>NIL</b>
5.	Others, (Bonus)	NIL	NIL	NIL	72,600	<b>72,600</b>
	<b>Total</b>	<b>NIL</b>	<b>1,36,167</b>	<b>53,833</b>	<b>7,97,215</b>	<b>9,87,215</b>

(VIII) 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>					
Penalty			NIL		
Punishment					
Compounding					
Compounding					



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

**“Annexure - [C] to the Directors Report”**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES**

**A. A brief outline of the CSR policy of the Company:**

Ishan Dyes and Chemicals Limited focus areas for our CSR efforts include education, environment, skill development and preventive healthcare. This is in alignment with Management’s purpose of challenging conventional thinking and innovatively using all resources to drive positive change in the lives of our stakeholders and communities, thus, enabling them to Rise. Inclusive development at all our project locations ensures that we grow with the communities surrounding us, thereby enabling truly sustainable living.

The Company has adopted a CSR policy which is available on <https://www.ishandyes.com/images/Companies%20Polices%20and%20Codes/CSR%20Policy%20Ishan%20Dyes.pdf>

**B. The Composition of the CSR Committee as at March 31, 2021:**

S. No	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Roopin Amrit Patel	Independent Director, Chairman of the Committee	4	4
2	Piyushbhai Natvarlal Patel	Executive Director, Member of the Committee		4
3	Anilaben Piyushbhai Patel	Non-Executive and Non-Independent Director, Member of the Committee		4

**C. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.**

All the details related to of CSR Committee, CSR Policy and CSR projects are available on the website of the Company [www.ishandyes.com](http://www.ishandyes.com) under Investors Relations tab.

**D. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable to the Company.**

**E. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - Not Applicable to the Company.**

**F. Average net profit of the Company as per section 135(5) – INR 7.58 Crores.**

**G. (a) Two percent of average net profit of the Company as per section 135(5) – INR 15.16 Lakhs.**



(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NIL.

(c) Amount required to be set off for the financial year, if any - NIL

(d) Total CSR obligation for the financial year - INR 15.16 Lakhs

H. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (In Lakhs)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer.
16.05 Lakhs	Not Applicable		Not Applicable		

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable.

S. No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.).	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
Not Applicable.												

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

S. No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.).	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	Education	Various sectors covered under Schedule VII of the Companies Act, 2013	Yes	Gujarat	Kheda	N.A.	15.69 Lakhs	N.A.	N.A.	Yes	Chunil Parsotandas Patel	N.A.
2	Education	Various sectors covered under Schedule VII of the	Yes	Gujarat	Ahmedabad	N.A.	0.36 Lakhs	N.A.	N.A.	Yes	Smile Foundation	N.A.

(d) Amount spent in Administrative overheads - NIL

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

(f) Total amount spent for the Financial Year - INR 16.05 Lakhs.



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

S. No	Particulars	Amount in INR
1	Two percent of average net profit of the Company as per section 135(5)	15.16 Lakhs
2	Total amount spent for the Financial Year	16.05 Lakhs
3	Excess amount spent for the financial year [(ii)-(i)]	NIL
4	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer	
1	FY 2019-20	0.89 Lakhs	0.89 Lakhs	NA	NA	NA	NA

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

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed /Ongoing.
Not Applicable.								

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

- the financial year (asset-wise details). Not Applicable
- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

**K. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - Not Applicable**

SD/-  
Roopin A. Patel  
Independent Director and Chairman of the Committee.  
DIN: 03302732

SD/-  
Piyushbhai N. Patel  
Managing Director and Member of Committee.  
DIN: 00450807



Form MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31<sup>st</sup> March, 2021

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

To

The Members of

Ishan Dyes and Chemicals Limited

CIN: L24110GJ1993PLC020737

Reg. Off: 18, G.I.D.C ESTATE PHASE - 1, VATVA AHMEDABAD - 382445

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ishan Dyes and Chemicals Limited** (Hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company as given in *Annexure 01 to this report* and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (a) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (d) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- (e) 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; ***Upto the extent applicable.***
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ***Upto the extent applicable.***
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; ***Upto the extent applicable.***
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. ***Not Applicable as there was no reportable event during the financial year under review.***
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; ***Not Applicable as there was no reportable event during the financial year under review.***
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. ***Not Applicable as there was no reportable event during the financial year under review.***
  - (g) 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; ***Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;***
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***Not Applicable as the Company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the financial year under review,*** and
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***Not Applicable as there was no reportable event during the financial year under review.***

We have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company which are stated above specifically.



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

- (a) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (b) The compliances by the Company with BSE Limited pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has general complied with the provisions, as applicable of the above mentioned Acts including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that compliance of applicable Labour laws and financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

#### **MANAGEMENT RESPONSIBILITY:**

- i. Maintenance of secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
- ii. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
- iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company, related party transactions figures and AS-18 disclosures of the Company provided to us or verified compliances of laws other than those mentioned above;
- iv. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
- v. We have obtained Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required;
- vi. 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.

We further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and Woman Director. The changes in the composition of the Board of Directors/Key Managerial Personnel's that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance. 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. Based on the representation made by the Company and its officer, Majority decision is carried through and that there were no dissenting member's views on any of the matter during the year that were required to be captured and recorded as part of the minutes.
- (iii) Based on general review of compliance mechanisms established by the Company and on basis of management representations, 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. As informed, the company has responded appropriately to notices received if any from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.
- (iv) All decisions of Board and Committee meetings were carried unanimously.

**Place: Ahmedabad**  
**Date: 14th August, 2021**

**For Kunal Sharma & Associates**  
**Company Secretaries**  
**SD/-**  
**Kunal Sharma**  
**FCS No: 10329**  
**C P No.: 12987**  
**UDIN: F010329C000786225**



## Annexure - 01

### Documents verified during the course of Audit includes:

- i. Memorandum & Articles of Association of the Company;
- ii. Annual Report for the Financial Year ended March 31, 2020.
- iii. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee held during the financial year under review, along with the Attendance Registers;
- iv. Proof of circulation & Delivery of notice for Board meetings and Committee Meetings.
- v. Proof of circulation of draft as well as certified signed Board & Committee meetings minutes as per Secretarial Standards
- vi. Minutes of General Body Meeting held during the financial year under review;
- vii. Statutory Registers viz.
  - Register of Directors & KMP & Directors Shareholding.
  - Register of loans, guarantees and security and acquisition made by the Company.
  - Register of Charges.
  - Register of Related Party Transaction- Transactions are in the Ordinary Course of Business at Arm's Length Basis.
  - Register of Members;
- viii. Agenda papers submitted to all the Directors/ Members for the Board and Committee Meetings;
- ix. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2), Section 149(3) and Section 149(7) of the Companies Act, 2013;
- x. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956, if any and Companies Act, 2013, as amended from time to time along with the attachments thereof, during the financial year under review.
- xi. Policies formed by the Company.

### “Annexure - [E] to the Directors Report”

#### 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

		31/03/2021 Amount in Rupees
<b>1. Electricity</b>		
a)	Purchased unit in kwh	7684780.00Kwh
	Total Amount (Rs.)	6,53,06,028.00
	Rate/Unit (Rs.)	8.50
b)	Own generation	
	Through Diesel Generator Units in kwh	11384
	Unit per liter of diesel oil (kwh)	0.18
	Liter of Diesel	2049.12
	Total amount (Rs.)	153684/-
	Cost/Units (Rs.)	
<b>2. Coal</b>		
	Quantity (Kg)	4853570Kg
	Total Amount (Rs.)	2,69,39,215.00
	Average Rate (Rs./MT)	
<b>3. Water</b>		
	Quantity (M3)	
	Total Cost (Rs.)	1,69,994/-





## B. TECHNOLOGY ABSORPTION

- (i) The Company has carried out process improvement, energy conservation, yield improvements, reduction in the effluents, 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 in the said areas.
- (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. 48.23 Crores (Previous Year Rs. 34.81 Crores). 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 31<sup>st</sup> March, 2020**

		Amount in Rupees
(i)	Used :	
	a) Imports of Raw Materials (CIF)	8.84 Crores
	b) Travelling expenses	NIL
	c) Registration Charges	0.42 Crores
(ii)	Earned :	
	Exports (F.O.B.)	48.23 Crores



## **REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2020-21:**

Pursuant to Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance as on 14<sup>th</sup> August, 2021 is given below:

### **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 contributes to enhance corporate growth, its image and benefits for stakeholders. 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 supervision, control and management of the Company and has been vested with requisite powers, authorities and duties. The Management Committee looks after the management of the day-to-day affairs of the Company and is headed by the Managing Director and Whole-Time Director of the Company.

#### ***A. Composition & Category, Attendance Records, Inter-se relationship between Directors and Details of Directorships held in other Companies and Committees:***

As on March 31, 2021, the Board comprised of Eight (8) Directors out of which Three (3) are Executive Directors, One (1) is a Non-Executive and Non-Independent Director including Women Director and other Four (4) are Independent Directors. The composition of the Board is in conformity with the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details for the Board of Directors are as under:

Name of the Director(s)	Category	No of Board Meetings Entitled and Attended		Attendance at the last AGM held on 04 <sup>th</sup> September, 2020	No of outside Directorships including Private Limited Companies	No of outside Committees position held*	
		Held/ Entitled	Attended			Member	Chairman
<b>Piyushbhai N. Patel (Promoter)</b>	Executive -Managing Director	11	11	Yes	2	NIL	NIL
<b>Shrinal P. Patel (Promoter)</b>	Executive – Whole Time Director	11	11	Yes	1	NIL	NIL
<b>Anilaben P. Patel (Promoter)</b>	Non-Executive & Non-Independent	11	11	Yes	NIL	NIL	NIL
<b>Mirali H. Patel (Promoter)</b>	Executive Director	11	11	Yes	NIL	NIL	NIL
<b>Ronak Y. Desai</b>	Independent Director	11	6	No	NIL	NIL	NIL
<b>Mayankkumar H. Patel</b>	Independent Director	11	9	Yes	NIL	NIL	NIL
<b>Roopin A. Patel</b>	Independent Director	11	11	Yes	NIL	NIL	NIL
<b>Yatinbhai G. Patel</b>	Independent Director	11	7	No	NIL	NIL	NIL



Notes:

- I. \*Only Audit Committee and Stakeholders Relationship Committee in other Public Companies have been considered for the Committees position.
- II. 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 is Director.
- III. Every Director currently on the Board of the Company has personally attended at least one Board / Committee of Directors' Meeting in the financial year 2020-21.
- IV. All the Directors bring rich and varied experience and also provide valuable contribution by participating in the meetings of the Board and its committees.

**B. Independent Directors:**

Pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, at the Annual General Meeting held on 27<sup>th</sup> September, 2019 your Company has re-appointed Shri Mayankkumar H. Patel, Shri Yatin G. Patel and Shri Roopin A. Patel as an Independent Directors of the Company to hold office for a second term of Five(5) consecutive years i.e. from 23<sup>rd</sup> September 2019 up to 22<sup>nd</sup> September 2024. Further, at the Annual General Meeting held on 04<sup>th</sup> September, 2020, Mr, Ronak Yatinkumar Desai was re-appointed as an Independent Director of the Company to hold office for a second term of Five (5) consecutive years i.e. from 29<sup>th</sup> September 2020 up to 28<sup>th</sup> September 2025.

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 Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Independent Director 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 the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms and conditions along with draft Appointment letters is also placed on the website of the Company [www.Ishandyes.com](http://www.Ishandyes.com).

**C. Board Meetings:**

During the year 2020-21, there were in total Eleven (11) Board Meetings held on 09<sup>th</sup> June, 2020, 29<sup>th</sup> June, 2020, 20<sup>th</sup> July, 2020, 04<sup>th</sup> September, 2020, 10<sup>th</sup> November, 2020, 21<sup>st</sup> December, 2020, 04<sup>th</sup> January, 2021, 12<sup>th</sup> January, 2021, 22<sup>nd</sup> January, 2021, 23<sup>rd</sup> January, 2021 and 05<sup>th</sup> February, 2021. 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.

**D. Board Procedure:**

Board meets at least once in every quarter to review quarterly performance, business operations, general affairs of the Company and considering approval of financial results. The agenda along with notice of each meeting in writing is circulated in advance to the Board Members. The Board is also free to recommend the inclusion of any method for discussion and consideration in consultation with the Chairman. The information as specified in Schedule II of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly made available to the Board. The minutes of the meeting of the Board and its Committees are captured in accordance with the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 and Secretarial Standards in respect of the Board Meeting and also circulated in advance to all Directors and Members of the Committee and confirmed at subsequent meeting.

**E. Directors Seeking Appointment / Reappointment:**

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, Smt. Anilaben P. Patel, Non-Executive and Non-Independent Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible offered herself for reappointment.

Further, the Board has also recommended the reappointment of Shri Piyushbhai N. Patel, Managing Director and Shri Shrinal P. Patel, Whole-Time Directors of the Company for further term of 5 years.



Brief resumes and other details of Directors seeking appointment / reappointment forming part of the Notice of 28<sup>th</sup> Annual General Meeting.

#### **F. Familiarization Programme:**

Your Company has adopted orientation program for all its Directors including the Independent Directors. The Company through such programme provide introduction of Corporate affairs of the Company to the Directors, together with their 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. The Familiarization Programme is also available on the website of the Company [www.Ishandyes.com](http://www.Ishandyes.com).

#### **G. Independent Directors' Meeting:**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors of the Company was held on 05<sup>th</sup> February, 2021, 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.

#### **H. Evaluation of Board Effectiveness:**

In terms of provisions of the Companies Act, 2013 read with Rules issued thereunder and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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, 2021. 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 requirements under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Code of Conduct has been posted on the website of the Company [www.Ishandyes.com](http://www.Ishandyes.com). 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, 2021.

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

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

As on 31<sup>st</sup> March, 2021, your Company has total 5 (Five) Committees of the Board, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility committee and Rights Issue 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 the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## A. Audit Committee:



### *Constitution of the Committee*

As on March 31, 2021, 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	Independent Director
Shri Yatin G. Patel	Member	Independent Director

The composition and terms of reference of the Audit Committee are in conformity with the Section 177 of the Companies Act, 2013 together with Regulation 18 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.

### *Terms of reference*

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

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 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;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required being 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
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Scrutiny of Inter-Corporate Loans and Investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Discussions with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 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.
- 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.
- 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 internal auditor shall be subject to review by the Audit Committee.
- To review the functioning of the Whistle Blower mechanism;
  - 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;
  - To look into any other matter which may be referred to it by the Board.
  - 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 2020-21, Four (4) meetings were held on 09<sup>th</sup> June, 2020, 20<sup>th</sup> July, 2020, 10<sup>th</sup> November, 2020 and 05<sup>th</sup> February, 2021. The attendance record of the members is as follows:

Name of the Member	No of Meetings	
	Held/Entitled	Attended
Shri Roopin A. Patel	4	4
Shri Ronak Y. Desai	4	4
Shri Mayank H. Patel	4	4
Shri Yatin G. Patel	4	4

Mr. Roopin A. Patel, Chairman of the Audit Committee, was present at the last Annual General Meeting held on 04<sup>th</sup> September, 2020. The Company Secretary of the Company is the Secretary of the Committee.

The Internal Auditor and the representatives of the Statutory Auditors also attend the Audit Committee meetings, besides the executives invited by the Audit Committee to be present thereat. The Internal Auditors report directly to the Audit Committee.

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

In compliance with Section 178 of the Companies Act, 2013 read with Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, "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 31<sup>st</sup> March, 2021, the Remuneration Committee consists of the following Directors:

Shri Roopin A. Patel	Chairman	Independent Director
Shri Mayank H. Patel	Member	Independent Director
Shri Ronak Y. Desai	Member	Independent Director
Shri Yatin G. Patel	Member	Independent Director

The Composition of this committee is also in compliance with the requirements of Section 178 of the Companies, Act 2013, and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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:

- The Committee shall have meetings periodically as it may deem fit.
- The Committee shall invite such of the executives to be present at the meetings of the Committee required by it.
- 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;
  - g. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- To administer and supervise Employee Stock Option Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS.
  - To Review HR Policies and initiatives.

In accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has 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, and 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 2020-21 are as under:

Directors	Remuneration paid/payable during FY 2020-21 (in Rs)				Shares held by Non- Executive Directors
	Sitting Fees	Total remunerati on	Commission	Total	
Shri Piyushbhai N. Patel	NIL	78,56,308	NIL	<b>78,56,308</b>	N.A.
Shri Shrinal P. Patel	NIL	78,51,846	NIL	<b>78,51,846</b>	N.A.
Smt. Anilaben P. Patel	NIL	NIL	NIL	NIL	12,92,325
Shri Roopin A. Patel	NIL	NIL	NIL	NIL	NIL
Shri Yatinbhai G. Patel	NIL	NIL	NIL	NIL	900
Shri Ronak Y. Desai	NIL	NIL	NIL	NIL	NIL
Shri Mayankkumar H. Patel	NIL	NIL	NIL	NIL	450
Shri Mirali Hemantbhai Patel	NIL	15,60,492	NIL	<b>15,60,492</b>	N.A.
<b>Total:</b>	----- <b>NIL</b> -----	<b>1,72,68,646</b>	----- <b>NIL</b> -----	<b>1,72,68,646</b>	

\* The Company has no practice of paying any sitting fees to Independent Directors. 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.

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 2020-21, the meetings were held on 09<sup>th</sup> June, 2020, 20<sup>th</sup> July, 2020, 10<sup>th</sup> November, 2020, 04<sup>th</sup> January, 2021 and 23<sup>rd</sup> January, 2021. The attendance records of the Members are as follows:

Name of the Member	No of Meetings	
	Held/Entitled	Attended
Shri Roopin A. Patel	5	5
Shri Ronak Y. Desai	5	4
Shri Mayank H. Patel	5	5
Shri Yatinbhai G. Patel	5	4

Mr. Roopin A. Patel, Chairman of the Nomination and Remuneration Committee, was present at the last Annual General Meeting held on 04<sup>th</sup> September, 2020.





### C. Stakeholders Relationship Committee:

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **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, 2021, the composition of members of the Committee and their details are mentioned below:

Shri Roopin A. Patel	Chairman	Independent Director
Smt. Anilaben P. Patel	Member	Non-Executive Director
Shri Piyushbhai N. Patel	Member	Executive Director

#### **Terms of Reference**

The terms of reference of the Committee are as under:

- To specifically look into the Redressal of Investors' Grievances pertaining to:
  - a. Transfer and Transmission of Shares and Debentures.
  - b. Non-Receipt of Annual Reports.
  - c. Dividends, Interests and Redemption Proceeds of Debentures.
  - d. Dematerialization of Shares and Debentures.
  - e. Replacement of Lost, Stolen, Mutilated Share and Debenture Certificates.
  - f. 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.
- To Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To Review of measures taken for effective exercise of voting rights by shareholders.
- To Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

#### **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 2020-21, the meetings were held on 09<sup>th</sup> June, 2020, 20<sup>th</sup> July, 2020, 10<sup>th</sup> November, 2020 and 05<sup>th</sup> February, 2021. The attendance records of the Members are as follows:

Name of the Member	No of Meetings	
	Held	Attended
Shri Roopin A. Patel	4	4
Smt. Anilaben P. Patel	4	4
Shri Piyushbhai N. Patel	4	4



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

There were no pending complaints/transfers as on 31<sup>st</sup> March, 2021 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, 2021 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
<i>NIL</i>	<i>NIL</i>	<i>NIL</i>

The minutes of Stakeholders 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, 1st Floor, Neelam Apartment, 88, Sampatrao Colony, Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007, Tel:(0265) 2314757, 2350490, Fax:(0265) 2341639E-mail: mcsltbaroda@gmail.com.

### **Compliance officer:**

Ms. Shilpa Sharma has been appointed as the Compliance Officer, as required by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. She has been entrusted with 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 or Stock Exchanges. All complaints/grievances intimated during the year, have been resolved within the stipulated time frame.

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

Mr. Roopin A. Patel, Chairman of the Stakeholders Relationship Committee, was present at the last Annual General Meeting held on 04<sup>th</sup> September, 2020.

### **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, 2021, Composition of members of the Committee and their details are mentioned below:

Shri Roopin A. Patel	Chairman	Independent Director
Shri Piyushbhai N. Patel	Member	Non-Executive Director
Smt. Anilaben P. Patel	Member	Independent Director

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

During the Financial Year 2020-21, the meeting was held on 09<sup>th</sup> June, 2020, 20<sup>th</sup> July, 2020, 10<sup>th</sup> November, 2020 and 05<sup>th</sup> February, 2021. The attendance records of the Members are as follows:

Name of the Member	No of Meetings	
	Held	Attended
Shri Roopin A. Patel	4	4
Shri Piyushbhai N. Patel	4	4
Smt. Anilaben P. Patel	4	4

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 approved the CSR Policy of the Company on the recommendations of the CSR Committee.



## E. Rights Issue Committee

The Board of Directors of the Company at their meeting held on 20<sup>th</sup> March, 2018 has constituted “Rights Issue Committee” to decide various matters concerning the Rights Issue.

As on March 31, 2021, Composition of members of the Committee and their details are mentioned below:

Shri Piyushbhai N. Patel	Chairman	Executive Director
Shri Shrinal P. Patel	Member	Executive Director
Shri Roopin A. Patel	Member	Independent Director

Ms. Shilpa Sharma, Company Secretary of the Company is the Secretary of the Committee.

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

During the Financial Year 2020-21, there were no meeting held of the Rights Issue Committee.

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

1. To decide all matters relating to the Rights Issue;
2. To decide the issue and offer structure i.e. final Rights Issue size, offer price with premium thereon, if any, rights entitlement ratio, as permitted under the applicable laws, regulations, policies and guidelines, and decide other matters incidental to the Issue;
3. To appoint and enter into arrangements with Lead Manger to the Issue, Bankers to the Issue, Registrar to the Issue, Consultants, Legal Advisors to the Issue, Printers, Ad agencies and such other agencies as may be desired and to negotiate and finalize the terms of their appointment, including but not limited to changing and/or substituting any one or more of the above agencies, finalizing the issue expenses including payments to intermediaries, regulators and any other entities as may be required by way of commission, brokerage, fees, charges, reimbursement of expenses etc., execution of the Lead Managers mandate letter, negotiation, finalization and execution of the memorandum of understanding with the Lead Managers etc.;
4. To finalize the draft Letter of Offer, Letter of Offer, Composite Application Form, Abridged Letter of Offer, Public announcements, Advertisements and other documents in consultation with the Lead Manager and /or Legal Advisors to the Issue and to make any alteration, addition or vary any of the above, as directed by / in consultation with SEBI or Stock Exchanges and to file the same with SEBI, stock exchange and other concerned authorities and issue the same to the equity shareholders of the Company;
5. To apply to the stock exchange for obtaining in-principle approval for listing and, for permission to trade the equity on it with power to settle any query difficulty or doubt that may arise in regard to the rights issue;
6. To obtain the requisite approvals, consents and sanctions from SEBI, stock exchange(s), RBI, Registrar of Companies, Government of India, Foreign Investment Promotion Board (“FIPB”) if applicable, lenders of the Company etc.;
7. To issue public advertisements and notices as per regulatory requirements;
8. To decide the opening, closing, extension of Rights Issue Dates, if required i.e. Rights Issue Time Schedule and split applications receipt dates for the Rights Issue and to extend, vary or alter the same as it may deem fit at its absolute discretion or as may be suggested or stipulated by SEBI, Stock Exchange or other authorities from time to time;
9. To fix record date(s) for the purpose of the Rights Issue for ascertaining the names of members who will be entitled to the aforesaid offer of Equity Shares in consultation with the stock exchange with which the Company’s shares are listed;
10. To open Bank Account(s) to receive applications along with application monies in respect of the issue of shares and to make refunds;
11. To decide the treatment to be given to the fractional entitlement, if any, including rounding upward or downwards or ignoring such fractional entitlements or issue of fractional coupons and the terms and conditions for consolidation of fractional entitlements into a whole share and application to the Company for the same as well as to decide the disposal of the shares representing the fractional coupons which are not so consolidated and presented to the Company for allotment of whole shares or treating fractional entitlement in the manner as may be approved by SEBI and the stock exchange;
12. To finalize basis of Allotment of Equity Shares in consultation with Lead Managers, Registrar and the Designated Stock Exchanges;
13. To issue the Letters of Allotment and Share Certificates to the proposed Allottees either in dematerialized form or in physical form as may be required by the Allottees;
14. To allot Equity Shares in one or more tranches and to do all such acts, deeds, matters and things necessary in connection with the Rights Issue;
15. To credit the Equity Shares when allotted, through NSDL / CDSL / Other Depository to the concerned beneficiary account;
16. To file Listing Application with the Stock Exchanges where the shares are listed ;



17. To file necessary returns, make declarations/ announcements, furnish information etc. to the concerned authorities in connection with the Rights Issue;
18. To sign and execute any other document, agreement, undertaking in connection with the rights issue and to take all such other steps as may be necessary in connection with this Rights Issue.
19. To do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper, desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment and utilization of the proceeds of the Issue;
20. To perform any acts, deeds, things and matters as may be required in connection with such issue and allotment of equity shares;
21. To settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the issue and allotment of the equity shares as aforesaid and to do all such acts, deeds and things as the Committee may in its absolute discretion consider necessary, proper, desirable or appropriate for settling such question, difficulty or doubt and making the said Rights Issue and allotment of equity shares and;
22. Any other matter as may be delegated by the Board from time to time.

#### F. GENERAL BODY MEETINGS:

*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
27 <sup>th</sup> Annual General Meeting (2019-20)	04 <sup>th</sup> September, 2020	18, G.I.D.C. Estate, Phase – I, Vatva, Ahmedabad – 382 445 held through Audio Visual means	<ul style="list-style-type: none"> <li>• Re-Appointment of Mr. Ronak Yatinkumar Desai (Din: 02808811) as an Independent Director.</li> </ul>
26 <sup>th</sup> Annual General Meeting (2018-19)	27 <sup>th</sup> September, 2019	18, G.I.D.C. Estate, Phase – I, Vatva, Ahmedabad – 382 445.	<ul style="list-style-type: none"> <li>• Re-Appointment of Mr. Mayankkumar Hasmukhbhai Patel (Din: 02838526) as an Independent Director.</li> <li>• Re-Appointment of Mr. Roopin Amrit Patel (Din: 03302732) as an Independent Director.</li> <li>• Re-Appointment of Mr. Yatinbhai Gordhanbhai Patel (Din: 03616381) as an Independent Director.</li> <li>• Approval for increasing the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to persons / bodies corporate</li> <li>• Approval for transactions of loans, investments, guarantee or security under Section 185 of Companies Act, 2013</li> </ul>
25 <sup>th</sup> Annual General Meeting (2017-18)	14 <sup>th</sup> September, 2018	18, G.I.D.C. Estate, Phase – I, Vatva, Ahmedabad – 382 445.	NIL

#### Postal Ballot

No resolution was passed through Postal Ballot during the Financial Year 2020-21. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of resolution through Postal Ballot.

#### G. 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. These, before release to the press, are informed to the BSE Limited.

Newspapers in which results are normally published are Business Standard/Financial Express/Economic Times (English) and Lokmitra (Gujarati).

As the financial results of the Company are published in the Newspapers and also displayed on the Company's website, a separate half yearly declaration of financial performance is not sent to each household of shareholders.

#### **H. WEBSITE AND NEWS RELEASES:**

A separate dedicated section under 'Investors' on the Company's website [www.ishandyes.com](http://www.ishandyes.com) gives information on various announcements made by the Company from time to time particularly about the financial results of the Company.

#### **I. GENERAL SHAREHOLDERS INFORMATION:**

##### ***Annual General Meeting: Date, time and venue:***

28<sup>th</sup> Annual General Meeting on Monday, 27<sup>th</sup> September, 2021 at 03:00 PM IST through Video Conferencing or other Audio Visual Means.

##### ***Financial Calendar (Tentative):***

Quarter ended 30 June, 2021	1 <sup>st</sup> week of August, 2021
Quarter ended 30 September, 2021	1 <sup>st</sup> week of November, 2021
Quarter ended 31 December, 2021	1 <sup>st</sup> week of February, 2021
Year ended 31 March, 2022	Mid of May, 2022
Annual General Meeting for the year ending March 31, 2021.	August/ September 2022

##### ***Date of Book Closure:***

21<sup>st</sup> September, 2021 to 27<sup>th</sup> September, 2021 (both days inclusive).

##### ***Dividend Payment date:***

The Board of Directors has not recommend any Final Dividend on Equity Shares of the Company.

##### ***Financial Year:***

The financial year covers the period from 1<sup>st</sup> April to 31<sup>st</sup> March.

##### ***Corporate Identification Number (CIN):***

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

##### ***Listing on Stock Exchange(s):***

The Equity Shares of the Company are listed on the BSE Limited (BSE), Phiroze Jeejee Bhoj Towers, Dalal Street, and Mumbai- 400001. Phones: 91-22-22721233/4, 91-22-66545695, Fax: 91-22-22721919. The Company confirms that the Annual Listing Fees to the stock exchange have been paid.

##### ***Stock Code (Equity Shares):***

BSE Limited (BSE) - Security Code No. 531109, Security ID: ISHANCH



### Stock Market Data:

The monthly high and low prices and volumes of shares of the Company at BSE Limited (BSE) for the year ended 31<sup>st</sup> March, 2021 are as under:

Month/ Year	No. of Shares Traded	Bombay Stock Exchange Limited(BSE)	
		High (Rs)	Low (Rs)
Apr-2020	25873	25.80	18.00
May-2020	15902	24.00	20.20
Jun-2020	228318	30.80	22.00
Jul-2020	350479	34.45	25.65
Aug-2020	244950	47.80	31.75
Sep-2020	44577	40.25	34.30
Oct-2020	140270	47.25	38.25
Nov-2020	159457	47.90	40.00
Dec-2020	766784	58.00	40.10
Jan-2021	258893	57.50	46.70
Feb-2021	585883	58.50	43.00
Mar-2021	186939	53.00	46.15

### 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-2020	25.80	18.00	23.05	33887.25	27500.79	33717.62
May-2020	24.00	20.20	22.00	32845.48	29968.45	32424.10
Jun-2020	30.80	22.00	28.00	35706.55	32348.10	34915.80
Jul-2020	34.45	25.65	32.05	38617.03	34927.20	37606.89
Aug-2020	47.80	31.75	38.90	40010.17	36911.23	38628.29
Sep-2020	40.25	34.30	38.95	39359.51	36495.98	38067.93
Oct-2020	47.25	38.25	43.95	41048.05	38410.20	39614.07
Nov-2020	47.90	40.00	43.75	44825.37	39334.92	44149.72
Dec-2020	58.00	40.10	55.20	46704.97	44118.10	47751.33
Jan-2021	57.50	46.70	47.85	50184.01	46160.46	46285.77
Feb-2021	58.50	43.00	50.70	52516.76	46433.65	49099.99
Mar-2021	53.00	46.15	49.35	51821.84	48236.35	49509.15

### 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:

M/s. MCS Share Transfer Agent Limited, 1st Floor, Neelam Apartment, 88, Sampatrao Colony, Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007. Tel No:-0265-2314757/2350490 Fax:0265 – 2341639 E-mail:mcsLtdbaroda@gmail.com.

### Share Transfer System:

The share transfer activities in respect of the shares in physical mode are carried out by the Company's Registrar and Transfer Agent (RTA). The shares lodged for transfer are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

The Board of Directors of the Company have delegated the authority to approve the transfer of shares, transmission of shares or requests for deletion of name of the shareholder, etc., as mentioned in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the designated officials of the Company. The transactions in respect of issue of duplicate share certificates, split, Rematerialisation, consolidation and renewal of share certificates are approved by the Board of Directors of the Company.

The Company obtains from a Company Secretary in Practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Securities Exchange Board of India (Listing Obligations and



Disclosure Requirements) Regulations, 2015 with Stock Exchanges and files a copy of the certificate with the Stock Exchange.

The 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.

#### **Shareholding Pattern:**

Shareholding Pattern as on 31<sup>st</sup> March 2021.

Sr. No.	Category	No. of Shares	% of shareholding
<b>A</b>	<b>Promoters Shareholding</b>	<b>9344722</b>	<b>58.52</b>
	<b>Total (A)</b>	<b>9344722</b>	<b>58.52</b>
<b>B</b>	<b>Public Shareholding</b>		
	<i>Non-Institutions</i>		
1	Body Corporate	27832	0.17
2	Individual Shareholders Holding Nominal Share Capital Up-to Rs. 2 lakh	2554583	16.00
3	Individual Shareholders Holding Nominal Share Capital in excess of Rs. 2 lakh	2346364	14.69
4	Non-Resident Individuals	1447694	9.07
5	HUF	246952	1.55
	<b>Total(B)</b>	<b>6623425</b>	<b>41.48</b>
	<b>Grand Total (A+ B)</b>	<b>15968147</b>	<b>100.00%</b>

#### **Distribution of Share:**

Distribution of shareholding as on 31<sup>st</sup> March, 2021:

Category	No. of Shareholders	% to Total No. of Shareholders	No. of Shares	% to Total Shares
1-500	2540	66.2148	441539	2.7651
501-1000	562	14.6507	441608	2.7656
1001-2000	286	7.4557	423085	2.6496
2001-3000	110	2.8676	282408	1.7686
3001-4000	53	1.3816	188885	1.1829
4001-5000	41	1.0688	188899	1.1830
5001-10000	156	4.0667	1141295	7.1473
10001-50000	65	1.6945	1216446	7.6180
50001-100000	7	0.1825	563062	3.5262
And above	16	0.4171	11080920	69.3939
<b>Total</b>	<b>3836</b>	<b>100.00</b>	<b>15968147</b>	<b>100.00</b>

#### **Dematerialization of Shares:**

The shares of the Company are available for dematerialization (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 31<sup>st</sup> March, 2021 total 1,41,96,012 Equity Shares comprising of 88.90% 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 2020-21.

**Plant Location:**

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

**Investors Correspondence:**

Registered Office	Secretarial Department	Registrar & Share Transfer Agents
Ishan Dyes and Chemicals Limited 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 Limited 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 1st Floor, Neelam Apartment, 88, Sampatrao Colony, Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007 Tel:(0265) 2314757, 2350490 Fax:(0265) 23416390, E-mail: <a href="mailto:mcsLtdbaroda@gmail.com">mcsLtdbaroda@gmail.com</a>

**J. SUBSIDIARY COMPANIES**

Your Company doesn't have any Subsidiaries.

**K. PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES, AND PREFERENTIAL ISSUES ETC.**

During the Year, the Board of Directors has not raised any amount through Public Issue, Right Issue or Preferential Issue etc.

**L. RELATED PARTY TRANSACTIONS**

During the financial year 2020-21, the Company has entered into Related Party Transactions ("RPTs) in its ordinary course of the business and on arms' length basis; and in accordance with the provisions of the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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. The Company has a Related Party Transaction Policy in place, which has been posted on the website of the Company at [www.Ishandyes.com](http://www.Ishandyes.com).

**M. DISCLOSURES:**

- 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.
- 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.
- Through the 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.
- 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.
- 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.





- The Company complies with all the mandatory requirements and non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance.
- The Company does not have any material subsidiaries.
- Disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.
- The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations), have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at [www.Ishandyes.com](http://www.Ishandyes.com)

#### **N. 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.

#### **O. 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.

#### **P. 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 30<sup>th</sup> March, 2019 approved and adopted the amended Code of Conduct to Regulate, Monitor and Report Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time.

#### **Q. UNCLAIMED DIVIDEND:**

Shareholders are requested to encashed their dividend warrants immediately on receipt as dividends remaining unclaimed for seven years are to be transferred to the Investor Education and Protection Fund.

Pursuant to Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shares, in respect of which dividend is not claimed for seven consecutive years, are required to be transferred by the Company in the name of Investor Education and Protection Fund. Any claimant of such transferred shares would be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with the procedure as laid down in the aforesaid Rules.

Pursuant to Section 124 of the Companies Act, 2013 the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Type of Dividend	Date of Declaration of Dividend	For the Year ended	Due for Transfer on
Final Dividend	28-Sept-2016	31-Mar-2016	31-Oct-2023
Interim Dividend	23-Feb-2018	31-Mar-2018	29-Mar-2025
Final Dividend	04-Sept-2020	31-Mar-2020	07-Oct-2027
Interim Dividend	19-Apr-2021	31-Mar-2021	23-May-2028



#### **R. CEO/CFO CERTIFICATION:**

The Company is duly placing a certificate to the Board from the Chairman & Managing Director in accordance with the provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The aforesaid certificate duly signed by the Chairman & Managing Director has been placed before the Board in their meetings.

#### **S. DISCLOSURE OF ACCOUNTING TREATMENT**

The standalone and consolidated financial statements for financial year 2020-21 have been prepared in accordance with the applicable Indian Accounting Standards (INDAS) and the provisions of the Companies Act, 2013 and the Rules framed thereunder.

#### **T. CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE:**

A Certificate from M/s. Kunal Sharma & Associates, Practicing Company Secretaries (Membership No.: FCS 10329) confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or from continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached herewith and marked as **Annexure A** to this Report

#### **U. COMPLIANCE CERTIFICATE:**

The Auditors Certification for Compliance of Corporate Grievances Requirements under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith.

14<sup>th</sup> August, 2021  
Ahmedabad

**By order of the Board of Directors  
For Ishan Dyes & Chemicals Limited  
SD/-  
Piyush N. Patel  
Chairman & Managing Director  
DIN: 00450807**



## Annexure A

### **Certificate of Non-Disqualification of Directors**

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

**To**  
**The Shareholders of**  
**Ishan Dyes and Chemicals Limited**  
**Reg. Off: 18, G.I.D.C Estate Phase - 1, Vatva**  
**Ahmedabad - 382445**  
**CIN: L24110GJ1993PLC020737**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Ishan Dyes and Chemicals Limited** having CIN - **L24110GJ1993PLC020737** and registered office at **18, G.I.D.C Estate Phase - 1, Vatva, Ahmedabad - 382445, Gujarat, INDIA** hereinafter referred to as "the Company", produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

<b>S. No</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Date of Appointment</b>
1	Piyushbhai Natvarlal Patel	00450807	01/06/2013
2	Anilaben Piyushbhai Patel	00450893	05/03/1999
3	Ronak Yatinkumar Desai	02808811	30/04/2005
4	Mayankumar Hasmukhbhai Patel	02838526	28/01/2010
5	Shrinal P Patel	02992519	28/01/2010
6	Roopin Patel Amrit	03302732	20/09/2010
7	Yatinbhai Gordhanbhai Patel	03616381	07/09/2011
8	Mirali Hemantbhai Patel	08021784	25/03/2019

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

**For Kunal Sharma & Associates**  
**Company Secretaries**

**Place: Ahmedabad**  
**Date: 14<sup>th</sup> August, 2021**

**CS. Kunal Sharma**  
**Proprietor**  
**M. No. F10329**  
**C P No.: 12987**  
**UDIN: F010329C000786269**

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

I hereby confirm that:

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors & Senior Managerial Personnel of the Company laid down for them for the financial year ended 31<sup>st</sup> March, 2021.

**14<sup>th</sup> August, 2021**  
**Ahmedabad**

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

**CEO/CFO CERTIFICATE UNDER REGULATION 17(8) AND PART B OF SCHEDULE II OF THE SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**



**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, 2021 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 2020-21, 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 2020-21;
  - (ii) there have been no significant changes in accounting policies during the year 2020-21; 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**  
**Place: Ahmedabad**

**Chintan P. Pancholi**  
**Chief Financial Officer**  
**14<sup>th</sup> August, 2021**

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#### **AUDITORS’ CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members of**  
**Ishan Dyes & Chemicals Limited**  
**Ahmedabad**

We have examined the compliance of conditions of Corporate Governance by **Ishan Dyes & Chemicals Limited, Ahmedabad** (“the Company”) for the financial year ended 31<sup>st</sup> March, 2021 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The compliance of conditions of Corporate Governance as stipulated in the SEBI Listing Regulations is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended 31<sup>st</sup> March, 2021.

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

**Date: 14/08/2021**  
**Place: Ahmedabad**  
**UDIN: 21124619AAAAD09189**

**For G.S. Mathur & Co.**  
**Chartered Accountants**

**CA. Bhargav Vaghela**  
**Partner**  
**M. No: 124619**



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

The year under review started with a challenging situation arising due to outbreak of pandemic and resulted nationwide lockdown. The business operations for the Company during the year remained very volatile and dynamic due to shortage of manpower, disrupted raw material supplies, delays in international shipping cargo and other factors associated with lockdowns and outbreak of pandemic. However, systematic and proactive efforts of the management of your Company has supported its operations with a minimum disruptions. In spite of various challenges and effect of the pandemic the operations of your Company has shown satisfactory performance and growth in terms of its turnover and profit. The Company has recorded turnover of Rs. 8398.70 Lakhs as compared to Rs. 8249.08 Lakhs for the previous financial year. Also the Company has recorded Profit after Tax of Rs. 1280.79 Lakhs as against Rs. 820.84 Lakhs for the previous year.

Your Company's current product includes 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 with good export demands. The products are being widely used in paints, textiles, inks, plastics, rubber and other industries and with the increased demand for essential products and also day to day fast moving consumer products the demand for the products of the Company has remained high and also likely to maintain the growth trend and stable demand going forward. The Company is working out plans to expand its market and its customer base as well as to introduce new grades of the products for increasing turnover and profitability. Also the Company is successfully in expanding export base and new clientele.

### **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.

The situation arisen due to COVID 2019 has resulted into contradictions in GDP of most of the nations and also shown far reaching impact in global economies and trade in multiple ways. The global sentiments and economics will have an impact on the operations of the Company since the Company is concentrating on export markets. However with the rise in government spending, various fiscal incentives rolled out by large countries and high demand for the essential commodities are likely to benefit the business of the Company in terms of high and stable demand for the products of the Company. Besides that going forward, your Company also 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 2021-22.**

The management of the Company is putting all efforts to maintain and increase the demand for the products of the Company. Also various cost control measures at all level of operations have been designed and implemented. During past couple of years, the Company had incurred significant amount of capital expenditure on modernization of plant and factory building which will result in overall efficiency improvement, cost savings, increased tonnage of production. All these factors will drive the growth during coming years for the benefits of the Company. Barring unforeseen circumstances, the management is confident of delivering improved results during the coming years. The management is also exploring various expansion plans and opportunities to diversify for creating value chain of business.

### **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 in export business during the year ended by achieving export turnover of Rs.4823.57 Lakhs.

#### **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.

#### **G. CAUTIONARY STATEMENT.**

The Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include the impact of Covid-19 Pandemic, global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations

**14<sup>th</sup> August, 2021  
Ahmedabad**

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

**Piyush N. Patel  
Chairman & Managing Director  
DIN: 00450807**

# Independent Auditors' Report



TO THE MEMBERS OF  
ISHAN DYES & CHEMICALS LIMITED

## REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying standalone IND AS financial statements of **ISHAN DYES & CHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Profit and Loss Statement (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'standalone IND AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis of for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SR NO	KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
1	<b>Other Current Assets (Advances recoverable from related party)</b>  The Company has extended interest bearing advance of Rs. 943.15 Lakhs to Cluster Enviro Private Limited which is the group company.	The Net Worth of Cluster Enviro Private Limited has been eroded however the fair valuation of the business of Cluster Enviro Private Limited from an independent Registered Valuer has been provided to us along with necessary documents / explanations from management of the Company. On the basis of which reliance has been placed that the said advances are strategic in nature and will be recovered by the Company in due course of the time. We have also reviewed the MOU entered between Cluster Enviro Private Limited and its prospective investor / buyer.  In case of permanent discontinuance of the business operations of Cluster Enviro Private Limited or non-fulfilment of the commitment to make investments by the prospective investor / buyer in Cluster Enviro Private Limited may have an adversely impact on the repayment capacity of such advances to the Company.
2	<b>Other Non-Current Assets (Capital Advances) :</b>  The Company has extended advance of Rs. Rs. 283.78 Lakhs towards purchase of	As part of our audit procedure, we have obtained all the documents regarding said transaction but the completion of the transaction depends upon fulfillment of certain pre conditions by the Seller and any non-fulfillment of any of such pre condition by the



	“leasehold land” for which necessary agreement to sell was entered with the seller by the Company in FY 2019-20.	Seller may adversely impact the proposed transaction of the Company for the purchase of said lease hold land.
3	<p><b>Physical Verification of Inventories</b></p> <p>The Company’s inventories include raw materials, work in progress, finished goods and stores &amp; spares.</p> <p>The Company has adequate inventory records and internal control systems over its inventory movement. The company has established procedures to carry out physical inventory during the year and at the year-end.</p> <p>However, due to various restrictions imposed under COVID 19 outbreak, physical verification was not carried out at the year end, but the same was carried out subsequent to the year-end. At the time of such subsequent verification, it was not practical for us as an auditors to attend such physically inventory counting and hence, alternative audit procedures were performed.</p>	<p><b>Principal Audit Procedures</b></p> <p>We have carried out alternative audit procedures to obtain sufficient appropriate audit evidences regarding the existence and condition of the inventories which include the followings: Evaluated the control design in respect of physical inventory verification process and verified whether such controls have operated effectively during verification process.</p> <p>Obtained sufficient and appropriate audit evidences of existence and condition of physical inventories as carried out by the management during the year and subsequent to the year end. Rollback procedures were applied to the inventories verified by the company at subsequent of the year-end to arrive inventories at the year-end.</p>

**Information Other than the Standalone Financial Statements and Auditor’s Report Thereon:**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**1. Management’s Responsibility For The Standalone Ind As Financial Statements:**

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 of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic





alternative but to do so. Those Board of Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report On Other Legal and Regulatory Requirements



1. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended :  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations, if any on its Ind AS financial position in its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts which may lead to foreseeable losses, although company enters into short term forward contracts to hedge against foreign currency movements. It has been appropriately disclosed in its financial.
    - iii. There the Company does not have any dues that are required to be transferred to the Investor Education and Protection Fund.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Date: 31<sup>st</sup> May, 2021

Place: Ahmedabad

**For G. S. Mathur & Co.**

Chartered Accountants

SD/-

CA. Bhargav Vaghela

Partner

M. No: 124619

FRN: 008744N

UDIN : 21124619AAAACP6495

**The Independent Auditors’ Report on the Standalone Financial Statements of  
ISHAN DYES & CHEMICALS LIMITED**

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)  
**REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUBSECTION 3  
OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

We have audited the internal financial controls over financial reporting of ISHAN DYES & CHEMICALS LIMITED (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

**AUDITORS’ RESPONSIBILITY**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and whether such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and payments of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company’s assets that could have a material effect on the financial statements

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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



## OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date: 31<sup>st</sup> May, 2021  
Place: Ahmedabad

**For G. S. Mathur & Co.**  
Chartered Accountants  
SD/-  
CA. Bhargav Vaghela  
Partner  
M. No: 124619  
FRN: 008744N  
UDIN : 21124619AAAACP6495



Independent Auditors' Report on the Standalone Financial Statements of  
ISHAN DYES & CHEMICALS LIMITED

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

**Annexure to the Independent Auditors' Report of even date to the members of Ishan Dyes & Chemicals Limited on the financial statements for the year ended 31<sup>st</sup> March 2021.**

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 Company's fixed assets:**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. As Explained to us, all 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.
- c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

**(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) According to the information and explanations given to us, the Company has *granted interest free* unsecured loan to the director of the Company during the year, as covered in the register maintained under section 189 of the Companies Act, 2013. The total loan amount outstanding at the end of the year is Rs. NIL. According to the information and explanations the terms and conditions of the grant of the loan are not prima facie prejudicial to the interests of the company. *However as no specific terms and conditions with regard to the repayment have been specified, we are not able to comment on the compliance with schedule of repayment and overdue amount.*
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (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, Goods and Service 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, 2021 for a period of more than six months from the date of becoming payable
  - b. The details of 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, 2021 on account of disputes in case of Ishan Dyes & Chemicals Limited are given below:



Name of the Statute	Nature of dues	Amount (in Rs. )	Period to which the amount relates	Forum where dispute is pending
Gujarat Value added Tax Act, 2003	Assessment Order u/s 32/34/35 of Gujarat Value Added Tax, 2003	8,25,188/-	01/04/2017 to 30/06/2017	DEO for Appeal DC Office, Division 2 (ABD)
Income Tax Act	Default Summary	38,250	FY 2015-16 to FY 2020-21	TDS Authority

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks.
- (ix) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year and the term loans were applied for the purpose for which they are raised.
- (x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.
- (xvi) In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date: 31<sup>st</sup> May, 2021

Place: Ahmedabad

**For G. S. Mathur & Co.**

Chartered Accountants

SD/-

CA. Bhargav Vaghela

Partner

M. No: 124619

FRN: 008744N

UDIN : 21124619AAAACP6495

**Ishan Dyes & Chemicals Limited**

Reg. Off : Plot No. 18, GIDC Estate, Phase I, Vatva, Ahmedabad 382445

Tel.: 079-25832144/25893607, Fax: 079-25833643

E-mail: ishandyes@yahoo.com, Website: www.ishandyes.com

CIN: L24110GJ1993PLC020737



Balance Sheet as at March 31, 2021

(Amount in Rs.)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	303,024,978	284,955,497
Capital work-in-progress	2.1	-	-
Intangible Assets	3	3,666,667	4,766,667
Intangible Assets under Development	3.1	8,413,200	6,361,200
Financial Assets			
Investments	4	205,000	205,000
Deferred Tax Asset (Net)		-	-
Other non-current assets	5	29,034,810	24,034,348
<b>Total Non-Current Assets</b>		<b>344,344,655</b>	<b>320,322,712</b>
<b>Current Assets</b>			
Inventories	6	135,410,049	89,643,586
Financial Assets			
Trade receivables	7	265,944,187	188,551,155
Cash and cash equivalents	8	3,897,078	11,565,323
Financial Asset-Loans	9	437,068	2,249,997
Other Current assets	10	151,757,473	52,940,197
<b>Total Current Assets</b>		<b>557,445,854</b>	<b>344,950,258</b>
<b>Total Assets</b>		<b>901,790,509</b>	<b>665,272,970</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	159,681,470	159,681,470
Other equity	12	493,166,608	381,824,292
<b>Total Equity</b>		<b>652,848,078</b>	<b>541,505,762</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	13	6,513,983	6,215,313
Other Non Current Liabilities	14	795,289	-
Provisions	15	8,254,138	7,639,068
Deferred Tax Liabilities (Net)	16	12,115,265	9,306,581
<b>Total Non-Current Liabilities</b>		<b>27,678,674</b>	<b>23,160,962</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	17	84,187,017	14,484,041
Trade payable	18	106,325,877	63,078,501
Other	19	6,126,374	3,390,135
Other Current Liabilities	20	7,023,562	7,651,421
Provisions	21	17,600,927	12,002,149
<b>Total Current Liabilities</b>		<b>221,263,757</b>	<b>100,606,246</b>
<b>Total Equity and Liabilities</b>		<b>901,790,509</b>	<b>665,272,970</b>
Significant Accounting Policies	1		
The accompanying notes are forming an integral part of the standalone financial statements.	2 to 51		

As per our report on even date

**For G S Mathur & Co.**

Chartered Accountants

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

DIN - 00450807

**Shrinal P. Patel** Whole Time Director

DIN - 02992519

**Roopin A. Patel** Independent Director

DIN - 03302732

**Bhargav Vaghela**

Partner

M. No. : 124619

FRN: 008744N

**Chintan Pancholi** Chief Financial Officer

PAN - AR/PP4526E

**Shilpa Sharma** Company Secretary

M. No - A 34516

Place : Ahmedabad

Date : 31st May, 2021

Place : Ahmedabad

Date : 31st May, 2021

**Ishan Dyes & Chemicals Limited**

Reg. Off : Plot No. 18, GIDC Estate, Phase I, Vatva, Ahmedabad 382445

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CIN: L24110GJ1993PLC020737



## Statement of Profit &amp; Loss for the year ended March 31, 2021

No.	Particulars	Note	2020-21	2019-20
<b>1</b>	<b>REVENUES:</b>			
	Revenue from operations	22	817,502,278	801,451,040
	Other Income	23	22,368,087	23,457,319
	<b>Total Revenue</b>		<b>839,870,365</b>	<b>824,908,358</b>
<b>2</b>	<b>Expenses:</b>			
	(a) Cost of materials consumed	24	421,291,458	457,521,539
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(37,578,994)	(7,771,203)
	(c) Employee benefits expense	26	78,721,211	71,712,214
	(d) Finance Cost	27	5,873,310	6,538,553
	(e) Depreciation and amortisation expense	2 & 3	20,173,939	17,777,713
	(f) Other expenses	28	86,723,165	80,167,903
	(g) Power Expenses		65,611,111	67,675,978
	(h) Fuel Expenses		26,819,031	28,927,767
	<b>Total Expenses</b>		<b>667,634,230</b>	<b>722,550,463</b>
<b>3</b>	<b>Profit before Interest, Depreciation &amp; Tax (PBIDT)</b>		<b>172,236,135</b>	<b>102,357,896</b>
<b>4</b>	Exceptional Items		-	-
<b>5</b>	<b>Profit/(Loss) from ordinary activities before tax (5 - 6)</b>		<b>172,236,135</b>	<b>102,357,896</b>
<b>6</b>	<b>Tax Expenses</b>			
	- Current tax		41,500,000	23,400,000
	- Short/(Excess) provision of tax in respect of earlier years		(151,754)	(148,328)
	- Deferred tax		2,808,684	(2,978,252)
	<b>Total Tax Expenses</b>		<b>44,156,930</b>	<b>20,273,420</b>
<b>7</b>	<b>Net Profit(loss) for the period</b>		<b>128,079,205</b>	<b>82,084,475</b>
<b>8</b>	Other Comprehensive income net of taxes		(768,741)	43,370
<b>9</b>	<b>Total Comprehensive Income for the period</b>		<b>127,310,464</b>	<b>82,127,845</b>
<b>10</b>	<b>Earnings per equity share of face value of Rs. 10 each</b>			
	(a) Basic (in INR)	35	7.97	5.82
	(b) Diluted (in INR)	35	7.97	5.82
	Significant Accounting Policies	1		
	The accompanying notes are forming an integral part of the standalone financial statements.	2 to 51		

As per our report on even date

**For G S Mathur & Co.**

Chartered Accountants

**Piyush N. Patel** Chairman & Managing Director  
DIN - 00450807**Shrinal P. Patel** Whole Time Director  
DIN - 02992519**Roopin A. Patel** Independent Director  
DIN - 03302732**Bhargav Vaghela**

Partner

M. No. : 124619

FRN: 008744N

**Chintan Pancholi** Chief Financial Officer  
PAN - ARJPP4526E**Shilpa Sharma** Company Secretary  
M. No - A 34516

Place : Ahmedabad

Date : 31st May, 2021

Place : Ahmedabad

Date : 31st May, 2021



**Ishan Dyes & Chemicals Limited**

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CIN: L24110GJ1993PLC020737

*Statement of Changes in Equity***A. Equity Share Capital**

(Amount in Rs.)

Note	Amount
<b>As at April 01, 2019</b>	<b>112,647,000</b>
Issued during the year -	47,034,470
<b>As at March 31, 2020</b>	<b>159,681,470</b>
Issued during the year -	-
<b>As at March 31, 2021</b>	<b>159,681,470</b>

**B. Other Equity**

Note	Reserves and Surplus				Total
	Securities Amount Premium	Revaluation Reserve	Retained Earning	Other Comprehensive Income	Amount
Balance as at April 01, 2019	5,375,000	12,136,953	204,223,748	168,149	221,903,850
Addition for the year	77,792,596	-	82,084,476	-	159,877,072
Other Comprehensive Income	-	-	-	43,370	43,370
<b>Total comprehensive income for the year</b>	<b>77,792,596</b>	<b>-</b>	<b>82,084,476</b>	<b>43,370</b>	<b>159,920,442</b>
Transfer from Retained Earning to General reserve	-	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>83,167,596</b>	<b>12,136,953</b>	<b>286,308,224</b>	<b>211,519</b>	<b>381,824,292</b>
<b>Balance as at April 01, 2020</b>	<b>83,167,596</b>	<b>12,136,953</b>	<b>286,308,224</b>	<b>211,519</b>	<b>381,824,292</b>
Addition for the year	-	-	128,079,205	-	128,079,205
Other Comprehensive Income	-	-	-	(768,741)	-768,741
<b>Total comprehensive income for the year</b>	<b>83,167,596</b>	<b>12,136,953</b>	<b>414,387,428</b>	<b>(557,222)</b>	<b>509,134,755</b>
Dividend paid (Including Tax thereon)	-	-	15,968,147	0	15,968,147
<b>Balance as at March 31, 2021</b>	<b>83,167,596</b>	<b>12,136,953</b>	<b>398,419,281</b>	<b>(557,222)</b>	<b>493,166,608</b>

As per our report on even date

**For G S Mathur & Co.**

Chartered Accountants

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

DIN - 00450807

**Shrinal P. Patel** Whole Time Director

DIN - 02992519

**Roopin A. Patel** Independent Director

DIN - 03302732

**Chintan Pancholi** Chief Financial Officer

PAN - ARJPP4526E

**Shilpa Sharma** Company Secretary

M. No - A 34516

**Bhargav Vaghela**

Partner

M. No. : 124619

FRN: 008744N

Place : Ahmedabad

Date : 31st May, 2021

Place : Ahmedabad

Date : 31st May, 2021

**Ishan Dyes & Chemicals Limited**

Reg. Off : Plot No. 18, GIDC Estate, Phase I, Vatva, Ahmedabad 382445

Tel.: 079-25832144/25893607, Fax: 079-25833643

E-mail: ishandyes@yahoo.com, Website: www.ishandyes.com

CIN: L24110GJ1993PLC020737



Cash Flow Statement for the year ended March 31, 2021

(Amount in Rs.)

Particulars	Year ended March 31, 2021 Audited	Year ended March 31, 2020 Audited
<b>Cash flow from operating activities</b>		
Net profit before tax	172,236,135	102,357,896
Adjustments for :		
Depreciation	20,173,939	17,777,713
Finance Cost	5,873,310	6,538,553
Interest Income	(6,601,541)	(5,632,083)
Loss/(profit) on sale of fixed assets (net)	-	(600,000)
<b>Operating profit before working capital changes</b>	<b>191,681,842</b>	<b>120,442,078</b>
<b>Adjustment for change in working capital</b>		
(Increase)/decrease in Inventories	(45,766,463)	4,246,792
(Increase)/decrease in Trade Receivables	(77,393,032)	(65,207,120)
(Increase)/decrease in other assets	(102,773,549)	(11,998,517)
Increase/(Decrease) in Trade payables	43,247,376	(2,821,408)
Increase/(Decrease) in Other Liabilities	2,903,669	(765,686)
Increase/(Decrease) in Provisions	5,598,778	4,617,825
<b>Cash generated from operations</b>	<b>17,498,621</b>	<b>48,513,964</b>
Direct taxes paid (net)	(40,733,176)	(21,997,408)
<b>Net cash generated from operating activities</b>	<b>(23,234,555)</b>	<b>26,516,556</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets (including capital work in progress)	(37,143,420)	(40,835,964)
Intangible Assets	(2,052,000)	(11,861,200)
Proceeds from sale of fixed assets	-	600,000
Interest received	6,601,541	5,632,083
<b>Net cash used in investing activities</b>	<b>(32,593,879)</b>	<b>(46,465,081)</b>
<b>Cash flow from financing activities</b>		
Issue / (Buyback) of Equity Shares	-	124,827,066
Dividend Payouts	(15,968,147)	-
Proceeds / (Repayment) of long term borrowings	298,669	(25,535,595)
Proceeds from short term borrowings	69,702,977	(63,610,565)
Interest paid	(5,873,310)	(6,538,553)
<b>Net cash used in financing activities</b>	<b>48,160,189</b>	<b>29,142,354</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(7,668,245)</b>	<b>9,193,828</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>11,565,325</b>	<b>2,371,496</b>
<b>Cash and cash equivalents at the end of year</b>	<b>3,897,080</b>	<b>11,565,325</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	2,682	17,139
Balance with scheduled banks	-	-
- current accounts	371,834	298,402
- deposit account	3,522,562	11,249,782
	<b>3,897,080</b>	<b>11,565,325</b>

1. Figures given in brackets indicate cash outflow.

2. The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the

3. 3. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standards (Ind AS-7)

"Statement of Cash Flows".

As per our report on even date

**For G S Mathur & Co.**

Chartered Accountants

**Bhargav Vaghela**

Partner

M. No. : 124619

FRN: 008744N

Place : Ahmedabad

Date : 31st May, 2021

**Ishan Dyes & Chemical Limited****Piyush N. Patel** Chairman & Managing Director

DIN - 00450807

**Shrinal P. Patel** Whole Time Director

DIN - 02992519

**Roopin A. Patel** Independent Director

DIN - 03302732

**Chintan Pancholi** Chief Financial Officer

PAN - ARJPP4526E

**Shilpa Sharma** Company Secretary

M. No - A 34516

Place : Ahmedabad

Date : 31st May, 2021

**71****28<sup>th</sup> Annual Report 2020-21**



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

**A CORPORATE INFORMATION:**

The Company Ishan Dyes and Chemicals Limited was incorporated on 30th November, 1993 under the Companies Act, 1956 having CIN L24110GJ1993PLC020737 with its Registered Office at, "Plot No. 18, GIDC Estate, Phase I, Vatva, Ahmedabad - 382445". The Company is at present listed on BSE Limited (Bombay Stock Exchange). The Company is engaged into the business of manufacturing Copper Phthalocyanine Crude Blue (CPC Blue) and Pigment Blues. The manufacturing facility is located at Registered Office. The products of the Company are well established in the international and domestic market.

**B SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES:**

**B.1 BASIS OF COMPLIANCE**

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

**B.2 BASIS OF PREPARATION AND PRESENTATION**

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

**B.3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS**

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

**C.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Property, plant and equipment (PPE IND AS 16)**

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of Cenvat and VAT credit/GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

The Company adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

**De-recognised upon disposal**

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or

loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.



### **Treatment of Expenditure during Construction Period**

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

### **Depreciation**

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Company depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act.

The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **(b) Investments**

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### **(c) Borrowing cost (IND AS 23)**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

### **(d) Inventories (IND AS 2)**

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 Realisable 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.

### **(e) Impairment loss (IND AS 36)**

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.



**(f) Employee benefits (IND AS 19)**

**Short term employee benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Post employment benefits**

**1) Defined Benefit Plan**

**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) Defined Contribution Plans**

**PROVIDENT FUND**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

**(g) Cash and cash equivalents (IND AS 7)**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**(h) Foreign currency translation**

The functional currency of Ishan Dyes and Chemical Limited (i.e. the currency of the primary economic environment in which the Company operates) is Indian Rupee.

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

**(i) Revenue recognition (IND AS 18)**

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer; it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations are net of GST and adjusted for discounts (net).

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Dividend income is recognised when the Company's right to receive the payment has been established.

**(j) Provision, contingent liabilities and contingent assets (IND AS 37)**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

**(k) Taxes (IND AS 12)**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.



Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**(m) Financial instruments (IND AS 109)**

**i) Financial Assets**

**A. Initial recognition and measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**B. Subsequent measurement**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**a) Financial assets carried at amortised cost (AC)**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**b) Financial assets at fair value through other comprehensive income (FVTOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income ('FVTOCI'). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised as gains/ (losses) within other income or other expense. Interest income from these financial assets is included in other income using the effective interest rate method.

**c) Financial assets at fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss as gains/(losses) within other income or other expense in the period in which it arises. Interest income from these financial assets is included in other income.

**C. Investment in equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as Other Income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised as gains/(losses) within other income or other expense in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

**ii) Financial liabilities**

**A. Initial recognition and measurement**

The Company's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs,

**B. Subsequent measurement**

Subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

**(n) Cash Dividend to Equity Holders of the Company:**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is

authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.



**(o) Fair Value Measurement (IND AS 113)**

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(p) Events occurring after the balance sheet date (IND AS 10)**

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

**(Q) Intangible Assets**

Intangible Assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation. Amortisation is recognised on straight line basis over their estimated useful lives of 5

years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, amortisation method and the amortisation period are reviewed at the end of each reporting

period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the

difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in the profit and loss account when the asset is derecognised.

**(Q) Earning Per Share (EPS)**

The Company reports basic and diluted earning per share in accordance with Ind AS 33 on Earning per share. Basic earning per share is computed by dividing the net profit or loss for the period by the

weighted average number of equity share outstanding during the period. Diluted earning per share is computed by dividing the net profit or loss by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

## Note : 2 Property, plant and equipment

(Amount in Rs.)

Sr.	No. Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
		Balance as at 1st April 2020	Additions during the year	Disposals during the year	Balance as at 31st March 2021	Balance as at 1st April 2020	Depreciation provided for the year	Reversals	Balance as at 31st March 2021	Balance as at 31st March 2020	Balance as at 31st March 2021	
1	Land	20,390,888	-	-	20,390,888	-	-	-	-	-	20,390,888	20,390,888
2	Factory Building	157,187,763	6,501,001	-	163,688,764	23,540,286	6,332,192	-	29,872,478	133,816,286	133,647,477	133,647,477
3	Office Building	5,931,922	-	-	5,931,922	1,983,453	272,475	-	2,255,928	3,675,994	3,948,469	3,948,469
4	Electrical Fittings	21,299,337	-	-	21,299,337	11,183,860	712,483	-	11,896,342	9,402,995	10,115,477	10,115,477
5	Plant & Machinery	151,028,977	17,165,240	-	168,194,217	65,535,989	5,830,588	-	71,366,577	96,827,640	85,492,988	85,492,988
6	Plant & Equipment	27,709,440	2,397,900	-	30,107,340	11,423,343	2,414,716	-	13,838,059	16,269,281	16,286,097	16,286,097
7	Office Equipments	4,897,550	1,538,086	-	6,435,635	2,720,415	669,874	-	3,390,288	3,045,347	2,177,135	2,177,135
8	Computer	1,358,654	2,712	-	1,361,366	1,322,668	11,492	-	1,334,159	27,206	35,986	35,986
9	Furniture & Fixtures	2,119,951	-	-	2,119,951	2,063,984	55,967	-	2,119,951	-	55,967	55,967
10	Vehicles	29,035,501	9,538,481	-	38,573,982	16,230,489	2,774,152	-	19,004,641	19,569,341	12,805,012	12,805,012
	<b>Grand Total</b>	<b>420,959,984</b>	<b>37,143,420</b>	<b>-</b>	<b>458,103,403</b>	<b>136,004,486</b>	<b>19,073,939</b>	<b>-</b>	<b>155,078,425</b>	<b>303,024,978</b>	<b>284,955,497</b>	<b>284,955,497</b>
	<b>Previous Year</b>	<b>381,719,029</b>	<b>40,835,964</b>	<b>1,595,010</b>	<b>420,959,984</b>	<b>120,555,116</b>	<b>17,044,380</b>	<b>1,595,010</b>	<b>136,004,486</b>	<b>284,955,497</b>	<b>261,163,913</b>	<b>261,163,913</b>

## Note : 2.1 Capital Work in Process:

Particulars	Amount in Rs.
Balances at the beginning of the Year	-
Add: Addition during the year	21,169,027
Less: Capitalised during the year	21,169,027
Balances at the End of the Year	-







## Notes to Financial Statements

### Note : 3 Intangible Assets

(Amount in Rs.)

Sr. No.	Particulars	Balances as at 1st April 2020	Addition During the Year	Amortisation During the Year	Balances as at 31st March 2021
1	CETP Effluent Treatment Water Booking	4,766,667	-	1,100,000	3,666,667
	<b>Total</b>	<b>4,766,667</b>	<b>-</b>	<b>1,100,000</b>	<b>3,666,667</b>

#### Note : 3.1 Intangible Assets under Development

(Amount in Rs.)

Sr. No.	Particulars	Balances as at 1st April 2020	Addition During the Year	Amortisation During the Year	Balances as at 31st March 2021
1	Deep Sea Effluent Disposal Pipeline Project	4,309,200	-	-	4,309,200
2	Green Fantom Project	2,052,000	2,052,000	-	4,104,000
3	CETP Effluent Treatment Water Booking		-	-	
	<b>Total</b>	<b>6,361,200</b>	<b>2,052,000</b>	<b>-</b>	<b>8,413,200</b>

Note: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.



**Note - 4 Non Current Investments**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>Unquoted Shares fully paid up</b>		
The Green Environment Services Co-op. Soc. Ltd. (50 no. of Equity Shares of Rs.100/- each)	5,000	5,000
The Kalupur Commercial Co.Op. Bank (Shares) (8,000 no. of Equity Shares of Rs.25/- each)	200,000	200,000
<b>Total</b>	<b>205,000</b>	<b>205,000</b>

**Note - 5 Other Non Current Assets**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Capital Advances	28,453,873	22,753,873
Deposits	541,512	1,241,050
Gratuity - Net Asset	-	-
Advance Tax (FY 16-17)	27,690	27,690
Advance Tax (FY 18-19)	11,735	11,735
<b>Total</b>	<b>29,034,810</b>	<b>24,034,348</b>

**Note - 6 Inventories**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Raw Materials	12,753,239	4,736,276
Work-in-Progress	121,248,912	78,238,231
Finished Goods	58,990	5,490,677
Strores & Spares	183,360	183,360
Fuel	1,165,548	896,363
ETP Material	-	98,679
<b>Total</b>	<b>135,410,049</b>	<b>89,643,586</b>

**Note - 7 Trade Receivables**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>Unsecured, Considered good</b>	265,944,187	188,551,155
<b>Total</b>	<b>265,944,187</b>	<b>188,551,155</b>



**Note - 8 Cash and Cash Equivalents**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>Cash on Hand</b>	2,682	17,139
<b>Balances with Banks</b>		
Current Accounts	371,834	298,402
Fixed Deposits	3,522,562	11,249,782
<b>Total</b>	<b>3,897,078</b>	<b>11,565,323</b>

**Note - 9 Financial Asset-Loans**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>Unsecured Considered good:-</b>		
Staff Loans	437,068	2,249,997
<b>Total</b>	<b>437,068</b>	<b>2,249,997</b>

**Note - 10 Other Current Assets**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Advances recoverable*	92,421,397	523,873
Advances to suppliers	14,068,741	21,368,104
Balances with Government Authorities	42,801,447	29,101,962
Prepaid Expenses	2,465,889	1,946,259
<b>Total</b>	<b>151,757,473</b>	<b>52,940,197</b>

\* Includes advances of Rs.9,18,97,524/- extended to Cluster Enviro Private Limited @ 9% p.a. in which directors of the Company are interested. The networth of Cluster Enviro Private Limited has been eroded, however in the opinion of the management of the Company such advances given are strategic in nature and also fully recoverable. Further on the basis of the fair valuation report obtained from an Independent Registered Valuer and also considering the ongoing discussions by Cluster Enviro Private Limited with its potential investor for its revival, the management of the Company is confident of recovering all such advances in due course of the time.

**Note - 11 Equity**

(Amount in Rs.)

Particulars	As at March 31,2021		As at March 31,2020	
<b>Authorised :</b>				
Equity Shares of Rs. 10/- Each	25,000,000	250,000,000	25,000,000	250,000,000
<b>Issued, Subscribed and Paid-up :</b>				
Equity Shares of Rs. 10/- each	15,968,147	159,681,470	15,968,147	159,681,470
<b>Total</b>	<b>15,968,147</b>	<b>159,681,470</b>	<b>15,968,147</b>	<b>159,681,470</b>

**Notes:**

The Company has equity shares having a par value of Rs. 10 per share. All equity shares rank equally with regard to dividend and share in the Company's residual assets in proportion of amount paid up. The equity shares are entitled to receive dividend as declared from time to time. Each holder of the equity shares is entitled to one vote per share.

On winding up of Company, the holder of equity shares will be entitled to receive the residual assets of Company, remaining after distribution of all preferential amounts in proportion to number of equity shares held.



**Note - 11.1 The reconciliation of the number of shares outstanding is set out below :**

Share Capital	As at March 31,2021		As at March 31,2020	
	Number	Rs.	Number	Rs.
Equity Shares Outstanding at the beginning of the year	15,968,147	159,681,470	11,264,700	112,647,000
Equity Shares issued during the year	-	-	4,703,447	47,034,470
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	15,968,147	159,681,470	15,968,147	159,681,470

**Note - 11.2 The details of shareholders holding more than 5% shares :**

Share Capital	As at March 31,2021		As at March 31,2020	
	No. of Shaes Hold	% of Holding	No. of Shaes Hold	% of Holding
Mirali H. Patel	2,166,494	13.57%	2,166,494	13.57%
Piyush N. Patel	3,969,593	24.86%	3,964,859	24.83%
Shrinal P. Patel	1,665,210	10.43%	1,665,210	10.43%
Anilaben Piyushbhai Patel	1,292,325	8.09%	1,292,325	8.09%

**Shares issued for other than cash, Bonus issue and Shares bought back**

No shares has 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.

No shares had been bought back during the period of five years immediately preceding the balance sheet date.

**Note - 12 Other Equity**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>a. Securities Premium Account</b>		
Balance as per last year	83,167,596	5,375,000
Add: from proceeds of Right Issue (refer note 11.1)	-	77,792,596
Balance as per last account	83,167,596	83,167,596
	<b>83,167,596</b>	<b>83,167,596</b>
<b>b. Revaluation Reserve</b>		
Balance as per last year	12,136,953	12,136,953
Add: Appropriations from Current year's Profit	-	-
Balance as per last account	12,136,953	12,136,953
	<b>12,136,953</b>	<b>12,136,953</b>
<b>c. Retained Earnings</b>		
Balance as per last account	286,308,224	204,223,748
Add: Profit for the year	128,079,205	82,084,476
Less: Appropriations		
Dividend	(15,968,147)	-
Balance as per end of the year	<b>398,419,282</b>	<b>286,308,224</b>
<b>d. Other Comprehensive Income(OCI)</b>		
Balance as per last account	211,518	168,149
Add: Movement in OCL (Net) during the year	(768,741)	43,370
Balance as per end of the year	<b>(557,223)</b>	<b>211,519</b>
<b>Total</b>	<b>493,166,608</b>	<b>381,824,292</b>



**Note - 13 Borrowings - Non Current**

(Amount in Rs.)

Particulars	As at March 31,2021		As at March 31,2020	
	Non Current	Current	Non Current	Current
<b>SECURED</b>				
<b>Term Loan</b>				
From Bank				
1) Vehicle Loan (Refer Note 1 below)	2,539,206	3,616,499	6,215,313	3,390,135
2) Vehicle Loan (Refer Note 2 below)	1,519,375	876,421	-	-
3) Vehicle Loan (Refer Note 3 below)	2,455,402	1,633,454	-	-
<b>Total</b>	<b>6,513,983</b>	<b>6,126,374</b>	<b>6,215,313</b>	<b>3,390,135</b>

**Notes:**

- 1) Vehicle Loan is secured by Hire Purchase of vehicle where the vendors has a lien on and right of repossession of specific vehicle. The loan is repayable in 36 monthly installments and carries interest rate of 7.3673% p.a.
- 2) Vehicle Loan is secured by Hire Purchase of vehicle where the vendors has a lien on and right of repossession of specific vehicle. The loan is repayable in 36 monthly installments and carries interest rate of 7.50% p.a.
- 3) Vehicle Loan is secured by Hire Purchase of vehicle where the vendors has a lien on and right of repossession of specific vehicle. The loan is repayable in 36 monthly installments and carries interest rate of 7.63% p.a (approx.).

**Note - 14 Other Non Current Liabilities**

Particulars	As at March 31,2021	As at March 31,2020
Gratuity Net - Non Current	795,289	-
<b>Total</b>	<b>795,289</b>	<b>-</b>

**Note - 15 Non Current Provisions**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Provision - others		
Provision for Income Tax (Gross)	41,500,000	23,400,000
Less: Advance Tax	(32,500,000)	(15,000,000)
Less: TDS	(510,511)	(653,540)
Less: TCS	(235,351)	(107,392)
Provision for Income Tax (Net)	8,254,138	7,639,068
<b>Total</b>	<b>8,254,138</b>	<b>7,639,068</b>



**Note - 16 Deferred Tax Liabilities (Net)**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>Deferred Tax Liability/(Asset)</b>		
Opening Balance	9,306,581	12,284,833
Provisions	(561,994)	392,460
Depreciation on Fixed Assets	3,370,678	(3,370,712)
<b>Total</b>	<b>12,115,265</b>	<b>9,306,581</b>

**Notes:**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**Note - 17 Borrowings - Current**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>SECURED</b>		
Working Capital facilities		
From Bank	77,975,097	10,030,751
<b>UNSECURED</b>		
From Others	6,211,920	4,453,290
<b>Total</b>	<b>84,187,017</b>	<b>14,484,041</b>

**Notes:**

- 1) Working Capital facilities includes cash credit facility and export facility. Which are primarily secured against first and exclusive charge on stock & book debt of the company till repayment of credit facility extended by bank to company and carries interest rate of 8.25% p.a. and these facilities are fully interchangeable.
- 2) The secured working capital facilities are repayable on demand by the Bank.
- 3) Unsecured borrowing are repayable on demand.

**Note - 18 Trade payables**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>Trade Payables</b>		
Total outstanding dues of Micro and Small enterprises (Refer Note: 41)	18,599,788	7,332,264
Total outstanding dues of other than Micro and Small enterprises	87,726,089	55,746,237
<b>Total</b>	<b>106,325,877</b>	<b>63,078,501</b>



(Amount in Rs.)

**Note - 19 Current Financial Liabilities - Other**

Particulars	As at March 31,2021	As at March 31,2020
Current maturities of long term debt (Refer Note : 13)	6,126,374	3,390,135
<b>Total</b>	<b>6,126,374</b>	<b>3,390,135</b>

**Note - 20 Other Current Liabilities**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Statutory Dues Payable	4,075,468	2,345,231
Capital Creditors	2,217,953	5,155,711
Advances from customers	82,406	82,406
Gratuity Net Liability	647,735	68,073
<b>Total</b>	<b>7,023,562</b>	<b>7,651,421</b>

**Note - 21 Short Term Provisions**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Employee benefit expenses payable	14,312,703	9,867,857
Others	3,288,224	2,134,292
<b>Total</b>	<b>17,600,927</b>	<b>12,002,149</b>



(Amount in Rs.)

**Note - 22 Revenue from Operations**

Particulars	2020-21	2019-20
<b>Sale of Products</b>	<b>817,502,278</b>	<b>801,451,040</b>
a. Export Sales	484,014,117	353,063,858
b. Domestic Sales ( Net of Taxes )	333,488,161	448,387,182
<b>Total</b>	<b>817,502,278</b>	<b>801,451,040</b>

**Note - 23 Other Incomes**

(Amount in Rs.)

Particulars	2020-21	2019-20
<b>Operational Income</b>		
Interest Income	6,601,541	5,632,083
Export Incentives	5,016,559	6,816,668
Discounts	1,167	820,026
Foreign Exchange Fluctuation (Gain)	10,748,820	9,558,542
<b>Non-operational Income</b>		
Dividend	-	30,000
Profit on sale of vehicle	-	600,000
<b>Total</b>	<b>22,368,087</b>	<b>23,457,319</b>

**Note - 24 Cost of Materials Consumed**

(Amount in Rs.)

Particulars	2020-21	2019-20
Opening Stock	4,736,276	17,119,836
Add: Purchases	429,308,421	445,137,979
Less: Closing Stock	12,753,239	4,736,276
<b>Consumption</b>	<b>421,291,458</b>	<b>457,521,539</b>
Imported	88,404,994	73,748,306
Indigenous	332,886,464	383,773,233
<b>Total</b>	<b>421,291,458</b>	<b>457,521,539</b>

**Note - 25 Changes in Inventories**

(Amount in Rs.)

Particulars	2020-21	2019-20
<b>Inventories at the end of the year</b>		
Work-in-Progress	121,248,912	78,238,231
Finished Goods	58,990	5,490,677
<b>Total</b>	<b>121,307,902</b>	<b>83,728,908</b>
<b>Less: Inventories at the beginning of the year</b>		
Work-in-Progress	78,238,231	75,325,497
Finished Goods	5,490,677	632,208
<b>Total</b>	<b>83,728,908</b>	<b>75,957,705</b>
<b>Net (Increase)/decrease in stock</b>	<b>(37,578,994)</b>	<b>(7,771,203)</b>




**Note - 26 Employee Benefit Expenses**

(Amount in Rs.)

Particulars	2020-21	2019-20
Salaries, Wages, Allowances, etc.	59,256,781	57,892,224
Contribution to Provident and Other Funds	1,650,015	1,808,116
Staff Welfare Expense	364,212	209,257
Managerial Remuneration including perquisites and commission ( Refer Note : 39)	17,450,204	11,802,617
<b>Total</b>	<b>78,721,211</b>	<b>71,712,214</b>

**Note - 27 Finance Costs**

(Amount in Rs.)

Particulars	2020-21	2019-20
<b>Interest Expense</b>		
Demand loan	1,577,598	2,806,134
Term loan	891,589	1,970,699
<b>Other financial cost</b>		
Processing fees	777,878	346,012
Bank charges	763,246	823,681
Interest under Income tax Act	1,862,999	592,027
<b>Total</b>	<b>5,873,310</b>	<b>6,538,553</b>

**Note - 28 Other Expenses**

(Amount in Rs.)

Particulars	2020-21	2019-20
<b>Manufacturing Expenses</b>		
Consumption of Stores & Spares parts	11,027,016	9,457,901
Repair & Maintenance ( Plant and Machinery )	5,043,551	3,716,808
Pollution Control & Effluent Treatment Expenses	28,526,099	23,739,227
Power Expenses	65,611,111	67,675,978
Fuel Expenses	26,819,031	28,927,767
<b>Administrative Expenses</b>		
Professional Fees	2,146,558	1,858,037
Insurance	2,167,715	1,285,270
Rent,Rates and taxes,excluding , taxes on income	238,359	306,685
Auditor Remuneration	150,000	150,000
Office & Factory Expenses	6,081,151	1,215,516
Vehicle Running Expenses	1,106,327	1,365,942
Travelling & Conveyance Expenses	1,173,949	6,920,336
Donation Expenses	-	11,000
Communication Expenses	590,676	631,501
Legal Expenses	147,323	621,366
Listing Fees	390,000	345,000
Security Expenses	2,361,610	2,518,958
Printing & Stationery Expenses	194,667	262,085
Corporate Social Responsibility Expenditure	1,605,856	1,400,000
Interest and Penalty Statutory dues	<b>1,370,025</b>	<b>2,463,921</b>
Goods and Service Tax Expense	24,034	3,328,602
Miscellaneous Expenses	966,851	1,585,694
<b>Selling and Distribution Expenses</b>		
Freight Outward	10,252,757	8,361,517
Selling & Distribution Expenses	11,158,642	8,622,537
<b>Total</b>	<b>179,153,307</b>	<b>176,771,648</b>



**Note - 29 Details of Payment to Auditors**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Audit Fees	150,000	150,000
Others (Certification work)	-	100,000
<b>Total</b>	<b>150,000</b>	<b>250,000</b>

**Note - 30 Disclosure On Corporate Social Responsibility ( CSR ) Activities U/S 135 Of The Companies Act, 2013 is as under**

(Amount in Rs.)

As required under Section 135 of the Companies Act, 2013, the Board in it's meeting held on 13th August 2014, has constituted a Corporate Social Responsibility Committee (CSR Committee).

a. Gross amount required to be spent by the Company during the year: Rs. 15,16,856 (Previous year Rs. 14,89,493/-)

b. Amount spent and utilized during the year on:

Particulars	As at March 31,2021		As at March 31,2020	
	In Cash (Charged to P&L)	Yet to be paid in cash	In Cash (Charged to P&L)	Yet to be paid in cash
(i) Construction / acquisition of any asset				
(ii) On purpose other than (i) above				
a) Contribution to various Trust, NGOs, Societies and Agencies	1,516,856	-	1,400,000	89,493
b) Expenditure on Administrative Overheads for CSR				

**Note - 31 Value of imports calculated on C.I.F basis**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Raw Material	88,404,994	73,748,306
<b>Total</b>	<b>88,404,994</b>	<b>73,748,306</b>

**Note - 32 Expenditure in foreign currency during the financial year on account of followings**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Other matters		
Foreign Travel, Corporate allocation etc.	-	320,427
Registration Charges	4,244,067	355,140
<b>Total</b>	<b>4,244,067</b>	<b>675,567</b>

**Note - 33 Details of Consumption during the year**

(Amount in Rs.)

Particula	As at March 31,2021		As at March 31,2020	
	Amount	%	Amount	%
Raw Materials	421,291,458	91.76%	457,521,539	92.26%
Fuel	26,819,031	5.84%	28,927,767	5.83%
Stores & Spares	11,027,016	2.40%	9,457,901	1.91%
<b>Total</b>	<b>459,137,505</b>	<b>100.00%</b>	<b>495,907,206</b>	<b>100.00%</b>

**Note - 34 Employee Benefits**

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :

## 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:



(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Pension contribution	691,257	693,573
Provident Fund contribution	360,039	406,101
<b>Total</b>	<b>1,051,296</b>	<b>1,099,674</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, 2021 are as under:**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
<b>(i) Changes in present value of obligations</b>		
Present value of as at beginning of year	6,167,925	5,260,734
Current service cost	622,251	577,668
Interest cost	356,813	337,649
Actuarial loss / (gain)	793,336	(8,126)
Benefit (paid)	-	0
Present value of obligations as at end of year	<b>7,940,325</b>	<b>6,167,925</b>
<b>(ii) Changes in fair value for plan assets</b>		
Opening value of plan assets	6,099,852	5,674,281
Interest Income	372,854	390,327
Return on plan assets excluding amounts included in interest income	24,595	35,244
Contributions by employer *	-	0
Benefit (paid)	-	0
Fair value of the plan assets as at year end	<b>6,497,301</b>	<b>6,099,852</b>
<b>(iii) Amount recognised in the Balance Sheet</b>		
Present value of the obligations as at year end	7,940,325	6,167,925
Fair value of the plan assets as at year end	6,497,301	6,099,852
Net (asset) / liability recognised as at year end	<b>1,443,024</b>	<b>68,073</b>
<b>(iv) Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	622,251	577,668
Interest on defined benefit obligation	356,813	337,649
Interest on plan assets	(372,854)	(390,327)
<b>Total amount included in 'Employee Benefit Expense'</b>	<b>606,210</b>	<b>524,990</b>
Net actuarial loss/(gain) recognized in Other Comprehensive (Income) / Expense	<b>768,741</b>	<b>(43,370)</b>
<b>Net Effect Statement of Profit and Loss</b>	<b>1,374,951</b>	<b>481,620</b>

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.

Employee benefits are accounted and shown as per Actuarial Valuation Report as on 31st March 2021.


**Leave Encashment:**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Provision for Leave Encashment outstanding during the year	1,443,084	1,287,029
<b>Total</b>	<b>1,443,084</b>	<b>1,287,029</b>

**Note - 35 Earning Per Share (EPS)**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
(i) Net Profit/(Loss) attributable to equity shareholders	127,310,464	82,127,845
(ii) Equity Shares outstanding at the end of the year	15,968,147	15,968,147
(iii) Weighted avg. number of shares outstanding at the end of the year	15,968,147	14,117,610
(iv) Weighted avg. potential equity shares	-	-
(v) Total weighted average number of equity shares used as denominator for calculating diluted EPS	15,968,147	14,117,610
Basic Earnings per share	7.97	5.82
Diluted Earnings per share	7.97	5.82
Nominal value per share	10.00	10.00

**Note - 36 Contingent Liabilities Claim against company not acknowledged as debt**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
1. Notice for short deduction/payment of TDS and interest thereon (refer Note 1 below)	81,651	157,932
3. Income Tax, Penalty and Interest for AY 2019-20 (refer Note 2 below)	4,025	57,500
4. Income Tax, Penalty and Interest for AY 2018-19 (refer Note 3 below)	159,480	159,480
5. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	16,633,127	22,333,127

**Note 1-** The Company has received a Intimation for short payment/short deduction of TDS and interest thereon under the Income Tax Act, 1961 for FY 2020-21, FY 2019-20, 2018-19, 2017-18, Prior Years.

**Note 2-** The Company has received demand notice of Rs. 4,025/- under section 154 of the income tax act, 1961 for AY 2019-20.

**Note 3-** The Company has received demand notice of Rs. 1,59,480/- under section 143(1)(a) of the income tax act, 1961 for AY 2018-19.)

**Note - 37 Earning in foreign currency during the financial year on account of followings**

(Amount in Rs.)

Particulars	As at March 31,2021	As at March 31,2020
Export of goods calculated on F.O.B basis	482,357,727	348,109,126
<b>Total</b>	<b>482,357,727</b>	<b>348,109,126</b>

**Note - 38 Details of Consumption of key Raw Material**

(Amount in Rs.)

Particulars	As at March 31,2021		As at March 31,2020	
	Amount	%	Amount	%
Phthalic Anhydride	161,230,046	40.32%	168,674,544	40.17%
Cuprous Chloride	122,232,464	30.57%	124,570,711	29.67%
Urea	48,977,767	12.25%	58,305,285	13.89%
Sulphuric Acid	44,636,749	11.16%	45,052,114	10.73%
Ammonium Molybdate	9,223,250	2.31%	9,175,350	2.19%
Others	13,554,813	3.39%	14,110,136	3.36%
<b>Total</b>	<b>399,855,089</b>	<b>100%</b>	<b>419,888,140</b>	<b>100.00%</b>



**Note - 39 Related Party Disclosures**

<b>(a) Name of the related party</b>	<b>Nature of Relationship</b>
1. Mr. Piyush N Patel	Key Managerial Personnel (Managing Director)
2. Mrs. Anilaben P Patel	Relative of Key Managerial Personnel
3. Mr. Shrinal P. Patel	Key Managerial Personnel (Whole-Time Director)
4. Mr. Chintan P. Pancholi	Key Managerial Personnel (Chief Financial Officer)
5. Ms. Ankita V. Shah	Key Managerial Personnel (Company Secretary) upto 4th January 2021
6. Mrs. Shilpa K Sharma	Key Managerial Personnel (Company Secretary) from 5th January 2021
7. Mrs. Mirali H. Patel	Director
8. Cluster Enviro Private Limited	Enterprise over which key managerial personnel are able to exercise significant influence

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

<b>Nature of transactions</b>	<b>Key management Personnel and its relative</b>	<b>Enterprise Over which key Managerial Personnel are able to exercise</b>	<b>Total</b>
<b>Loan &amp; Advances received</b>			
Mr. Piyush N. Patel	-	-	-
	(535,365)	-	(535,365)
Mr. Shrinal P. Patel	6,576,230	-	6,576,230
	-	-	-
Cluster Enviro Private Limited	-	4,859,591	4,859,591
	-	(36,448,011)	(36,448,011)
Mrs. Anilaben P Patel	-	-	-
	(150,000)	-	(150,000)
<b>Loan &amp; Advances Paid</b>			
Mr. Piyush N. Patel	-	-	-
	(535,365)	-	(535,365)
Mr. Shrinal P. Patel	5,076,230	-	5,076,230
	(1,500,000)	-	(1,500,000)
Cluster Enviro Private Limited	-	96,757,115	96,757,115
	-	(11,514,950)	(11,514,950)
Mrs. Anilaben P Patel	-	-	-
	(150,000)	-	--
<b>Outstanding Balances</b>			
Mr. Piyush N. Patel	-	-	-
	-	-	-
Mr. Shrinal P. Patel	-	-	-
	(1,500,000)	-	(1,500,000)
Cluster Enviro Private Limited	-	91,897,524	91,897,524
	-	-	-
Mrs. Anilaben P Patel	-	-	-
	-	-	-



<b>Remuneration to key management personnel</b>			
<b>Managerial remuneration</b>			
Mr. Piyush N. Patel	4,200,000	-	4,200,000
	(2,400,000)	-	(2,400,000)
Mr. Shrinal P. Patel	1,800,000	-	1,800,000
	(1,800,000)	-	(1,800,000)
Mrs. Mirali H. Patel	480,000	-	480,000
	(480,000)	-	(480,000)
Mr. Chintan P. Pancholi	720,000	-	720,000
	(660,000)	-	(660,000)
Ms. Ankita V. Shah	136,167	-	136,167
	(228,000)	-	(228,000)
Mrs. Shilpa Sharma	53,833	-	53,833
	-	-	-
<b>Commission</b>			
Mr. Piyush N. Patel	-	-	-
	(3,000,000)	-	(3,000,000)
Mr. Shrinal P. Patel	-	-	-
	(3,000,000)	-	(3,000,000)
<b>Bonus</b>			
Mr. Piyush N. Patel	3,414,000	-	3,414,000
	(264,000)	-	(264,000)
Mr. Shrinal P. Patel	5,948,000	-	5,948,000
	(198,000)	-	(198,000)
Mrs. Mirali H. Patel	1,052,800	-	1,052,800
	(52,800)	-	(52,800)
Mr. Chintan P. Pancholi	72,600	-	72,600
	(72,600)	-	(72,600)
Ms. Ankita V. Shah	-	-	-
	(25,080)	-	(25,080)
<b>Leave Encashment</b>			
Mr. Piyush N. Patel	242,308	-	242,308
	(138,462)	-	(138,462)
Mr. Shrinal P. Patel	103,846	-	103,846
	(103,846)	-	(103,846)
Mrs. Mirali H. Patel	27,692	-	27,692
	(27,692)	-	(27,692)
Mr. Chintan P. Pancholi	4,615	-	4,615
	(33,846)	-	(33,846)
Ms. Ankita V. Shah	-	-	-
	(13,154)	-	(13,154)

Figures in brackets ( ) are pertaining to previous year

**Note - 40 DIRECTORS REMMUNERATION**

Salary of Rs. 64,80,000/- ,Bonus – Rs. 1,04,14,800/- & Leave Encashment - Rs. 3,73,846/-

**Note - 41 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at March 31,2021	As at March 31,2020
a. Principal amount remaining unpaid to any supplier as at the end of accounting year	18,599,788	7,332,264
b. Interest due and remaining unpaid to any supplier as at the end of accounting year	-	0
c. Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	0
d. Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006	-	0
e. Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	0
f. Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	0
<b>Total</b>	<b>18,599,788</b>	<b>7,332,264</b>

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Note - 42 Capital Management**

For the purpose of the Company capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	As at March 31,2021	As at March 31,2020
Borrowings (Note No: 13 & 17)	90,701,000	20,699,354
Less : cash and cash equivalents (Note No: 8)	(3,897,078)	(11,565,323)
Net Debt	86,803,922	9,134,032
Other Equity	652,848,078	541,505,762
Total Other Equity and net debt	739,652,000	550,639,793
Gearing Ratio	0.12	0.02

In order to achieve this overall objective, the Companies capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing in the current period.

As at March 31, 2021, the Company has only one class of equity shares. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31,2021

#### Note - 43 Dividend



##### Final Dividend

The Company has declared and paid an Final Dividend of Rs. 1.00 ( 10.00%) per equity shares of face value of Rs. 10/- each for the financial year 2019-2020, pursuant to it's Board Meeting held on July 20, 2020.

#### Note - 44 Financial Risk Management - Objectives and Policies

The Company's financial liabilities comprise other than derivatives mainly of borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables, other balances with banks, loans, investments and cash and cash equivalents that arise directly from its operations.

The Company's activities are exposed to Credit risk, Market risk and Liquidity risk.

The Board of directors of the Company are overall responsible for the establishment and oversight of the company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee

##### Note - 44.1 : Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

##### (a) Trade receivables and loans

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base. The company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management of the company.

The company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 90 days for customers.

##### (b) Cash and cash equivalents

The company holds cash and cash equivalents of Rs. 38.97 Lakhs at March 31, 2021 (March 31, 2020: (Rs.115.65 Lakhs)). The cash and cash equivalents are held with bank and cash on hand.

##### Note - 44.2 : Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The company believes that the working capital is sufficient to meet its current requirements. Details of working capital is given as below:

Working Capital Facility from bank	As at March 31,2021	As at March 31,2020
Sanction Amount	100,000,000	50,000,000
Utilised Amount	77,975,097	10,030,751



#### Note - 44.3 : Market Risk



Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

##### (a) Foreign Currency Risk

The Company also operates internationally and major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risks through operating activities in foreign currency. The functional currency of the Company is INR.

Hedging of trade exposures viz., imports and exports are generally hedged on net exposures basis. The group mostly uses forward exchange contracts to hedge its currency risks mostly with the maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes.

Particulars	As at March 31,2021		As at March 31,2020	
	Foreign Currency	(Amount in Rs.)	Foreign Currency	(Amount in Rs.)
<b>Trade Receivables</b>				
USD	723,965	52,125,444	247,000	17,620,250
Euro	2,019,029	174,472,328	1,714,000	133,345,450
<b>Trade Payables</b>				
USD	-	-	243,000	17,774,235
Euro	-	-	-	-
<b>Net Exposure : Receivable/(Payable)</b>				
USD	723,965	52,125,444	4,000	(153,985)
Euro	2,019,029	174,472,328	1,714,000	133,345,450
<b>Risk over uncovered foreign currency: Receivable/(Payable)</b>				
USD (unhedged)	663,190	47,743,566	(242,500)	(17,738,750)
USD (hedged) *	60,775	4,381,878	246,500	17,584,765
Euro (unhedged)	822,201	69,971,838	1,700	132,250
Euro (hedged) *	1,196,828	104,500,490	1,712,300	133,213,200

\* Forward contract booked

##### (b) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Particulars	Change in basis points	Impact on PAT *	
		As at March, 2021	As at March, 2020
Working Capital Facility from Bank	1%	780,000	100,000
	-1%	(780,000)	(100,000)

\* Figure are rounded off to thousands.

##### (c) Commodity Price Risk

Looking at the varying product mix each year, it is not practical to calculate the impact on Profit after tax of the Company due to changes in material prices.



**Accounting Classifications & Fair Value Measurements**

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

1. The fair value of investment in quoted equity shares and mutual funds is measure date quoted price or NAV.
2. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
3. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
4. The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique.

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 : Inputs other than the quoted prices included within Level1 that are observable for the asset or liability, either directly or indirectly.

Particulars	Carrying Amount	Fair Value	
		Level 1	Level 2
<b>Financial assets at amortised cost:</b>			
Investments (Non-Current)	205,000	-	205,000
Non Current Loans			
Bank Deposits (Non Current)			
Trade Receivables	188,551,155	-	188,551,155
Cash and Cash Equivalents	11,565,323	-	11,565,323
Bank Balances Other than Cash and Cash Equivalents			
Current Loans	2,249,997		2,249,997
Other Current Financial Assets	523,873	-	523,873
<b>Total</b>	<b>203,095,347</b>	<b>-</b>	<b>203,095,347</b>
<b>Financial assets at fair value through profit or loss:</b>			
Investments (Current)	-	-	-
Investments (Non-Current)	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities at amortised cost:</b>			
Borrowings (Non-Current)	6,215,313	-	6,215,313
Borrowings (Current)	14,484,041	-	14,484,041
Trade Payables	63,078,501	-	63,078,501
Other financial liabilities	8,545,846	-	8,545,846
<b>Total</b>	<b>92,323,701</b>	<b>-</b>	<b>92,323,701</b>



Figures as at March 31, 2021

Rs. In Lakhs

Particulars	Carrying Amount	Fair Value	
		Level 1	Level 2
<b>Financial assets at amortised cost:</b>			
Investments (Non-Current)	205,000		205,000
Non Current Loans			
Bank Deposits (Non Current)			
Trade Receivables	265,944,187		265,944,187
Cash and Cash Equivalents	3,897,078		3,897,078
Bank Balances Other than Cash and Cash Equivalents	-		
Current Loans	437,068		437,068
Other Current Financial Assets	92,421,397		92,421,397
<b>Total</b>	<b>362,904,729</b>	<b>-</b>	<b>362,904,729</b>
<b>Financial assets at fair value through profit or loss:</b>			
Investments (Current)			-
Investments (Non-Current)			-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities at amortised cost:</b>			
Borrowings (Non-Current)	6,513,983		6,513,983
Borrowings (Current)	84,187,017		84,187,017
Trade Payables	106,325,877		106,325,877
Other financial liabilities	8,344,327		8,344,327
<b>Total</b>	<b>205,371,204</b>	<b>-</b>	<b>205,371,204</b>

**Note - 46** Balance due to / from third parties are subject to confirmation, reconciliation, and / or adjustments, if any.

**Note - 47** 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.

#### **Note - 48 SEGMENT REPORTING**

The Company's Whole Time Director (WTD) and Chief Financial Officer (CFO) examines the Company's performance from business and geographic perspective. In accordance with Ind AS-108 - Operating Segments, evaluation by the WTD and CFO and based on the nature of activities performed by the Company, which primarily relate to Manufacturing of Chemicals, the Company does not operate in more than one business segment.

**Note - 49** Net Exchange Gain included in the profit and loss account is Rs. 1,07,48,820/- (Gain in PY Rs. Rs. 95,58,542/-).

**Note - 50** Previous year's figures have been regrouped or reclassified wherever necessary to correspond with the current year's classification or disclosure.

**Note - 51** Figures have been rounded off to the nearest rupee.



**Ishan Dyes & Chemicals Limited**

**Reg. Off: 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](mailto:ishandyes@yahoo.com)**

**Website: [www.ishandyes.com](http://www.ishandyes.com)**

**CIN: L24110GJ1993PLC020737**