

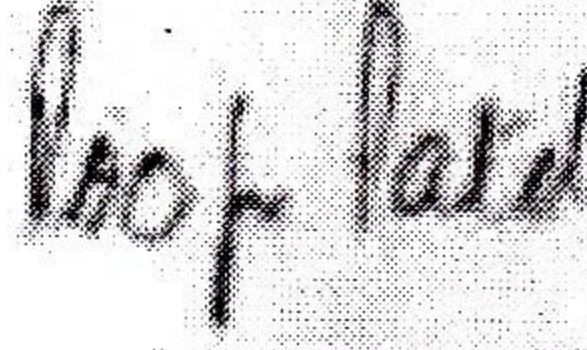
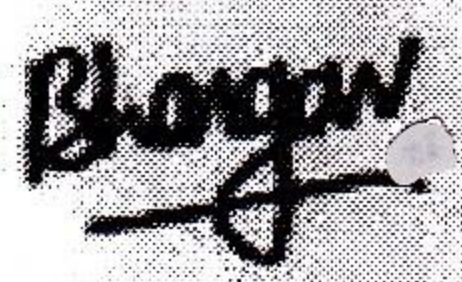


**FORM A**

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the Company	ISHAN DYES & CHEMICALS LIMITED	
2	Annual Financial Statements for the year ended	YEAR ENDED 31 <sup>ST</sup> MARCH 2014	
3	Type of Audit observations	UNQUALIFIED	
4	Frequency of observations	NOT APPLICABLE	
5	To be signed by:	Name	Signature
	Managing Director	Piyush N. Patel	
	CFO	Chintan Pancholi	
	Audit Committee Chairman	Roopin A. Patel	
	Auditors of the Company	For G.S. Mathur & Co Chartered Accountants	





**ISHAN DYES & CHEMICALS LIMITED**  
**21<sup>st</sup> Annual Report 2013-14**



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## **BOARD OF DIRECTORS**

Smt. Anilaben P. Patel	- <i>Chairperson and Non-Executive Director</i>
Shri Piyush N. Patel	- <i>Managing Director</i>
Shri Shrinal P. Patel	- <i>Whole-Time Director</i>
Shri Marut D. Patel	- <i>Non-Executive Director</i>
Shri Ronak Y. Desai	- <i>Non-Executive Director</i>
Shri Roopin A. Patel	- <i>Independent Director</i>
Shri Mayank H. Patel	- <i>Independent Director</i>
Shri Yatin G. Patel	- <i>Independent Director</i>

## **BANKERS**

Kotak Mahindra Bank Ltd.  
CITI Bank  
Bank of India  
Axis Bank Ltd.

## **STATUTORY AUDITORS**

**G.S. Mathur & Co.**  
Chartered Accountants  
215, Loha Bhavan, Old High Court Lane,  
Ashram Road, Ahmedabad - 380009

## **INTERNAL AUDITORS**

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

## **REGISTERED OFFICE & FACTORY ADDRESS**

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

## **CIN No**

L24110GJ1993PLC020737

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

MCS Limited  
Neelam Apartment, 88, Samptrao Apartment, B/h Standard Chartered Bank,  
Alkapuri, Baroda - 390007  
Tel.: 0264-2339397 Fax: 0264-234169  
Email: mcsltdbaroda@yahoo.com



**NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF ISHAN DYES & CHEMICALS LIMITED WILL BE HELD ON TUESDAY, 23<sup>rd</sup> SEPTEMBER 2014, AT 3.00 P.M., AT 18, G.I.D.C. ESTATE, PHASE-1, VATVA, AHMEDABAD - 382445, TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at and Profit and Loss account for the financial year ended on 31<sup>st</sup> March, 2014 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Anilaben P. Patel (DIN: 00450893), Director, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** M/s. G. S. Mathur & Co., Chartered Accountants (Registration No: 008744N) be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting upto the conclusion of the Twenty Sixth (26<sup>th</sup>) Annual General Meeting to be held in year 2019 (subject to ratification of their appointment at every AGM) at such remuneration as shall be mutually agreed between the Board of Directors of the Company with the auditor."

**SPECIAL BUSINESS:**

4. To appoint Shri Mayankkumar H. Patel (DIN: 02838526) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013('the Act') and the rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Mayankkumar H. Patel (DIN: 02838526), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of 26<sup>th</sup> Annual General Meeting of the Company in calendar year 2019."

5. To appoint Shri Roopin A. Patel (DIN: 03302732) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013('the Act') and the rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Roopin



A. Patel (DIN: 03302732), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of 26<sup>th</sup> Annual General Meeting of the Company in calendar year 2019.”

6. To appoint Shri Yatinbhai G. Patel (DIN: 03616381) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013(‘the Act’) and the rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Yatinbhai G. Patel (DIN: 03616381), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of 26<sup>th</sup> Annual General Meeting of the Company in calendar year 2019.”

7. To pass the following resolution for ratification of remuneration payable to Cost Auditor under Section 148(3) of the Companies Act, 2013, the following resolution as **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 (‘Act’) and Companies (Audit and Auditors Rules), 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), Manish B. Analkat, Cost Accountant, Ahmedabad (ICWA Registration No. 19378), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration of Rs. 25,000/- (Rupees twenty five thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses.”

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

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

**13<sup>th</sup> August 2014  
Ahmedabad**

**Piyush N. Patel  
Managing Director**

*Registered office:*  
18, G.I.D.C Estate,  
Phase - 1, Vatva,  
Ahmedabad - 382445  
Tel No: 079-25832144/25893607  
Fax: 079-25833643  
Email id: [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com)  
CIN: L24110GJ1993PLC020737



## NOTES:

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

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

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

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

2. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
4. Members/Proxies should bring attendance slips sent herewith duly filled in, for attending the Meeting.
5. Relevant documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and other holidays between 2.00 P.M. to 4.00 P.M. up to the date of the Annual General Meeting at the registered office of the Company at Plot No. 18 GIDC Phase I, Vatva, Ahmedabad.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 16<sup>th</sup> September, 2014 to 23<sup>rd</sup> September, 2014 (both days inclusive).
7. Members are requested to
  - (i) Expeditiously intimate change of address, if any, to the Company/Registrar and Share Transfer Agents quoting reference to their Registered Folio Number.
  - (ii) Write to the Company for any information about accounts at least 10 days in advance of the Annual General Meeting.





8. The Members are requested to dematerialize their shareholdings with their Depository Participants as the Company's Shares are traded compulsorily under demat mode in the Stock Exchanges.
9. The Register of Contracts or Arrangements in which Directors are interested, maintained under section 301 of the Companies Act, 1956 and Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. Nomination forms can be obtained from the Company's Registered Office.
11. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the Company/Share Transfer Agents along with the relevant Share Certificates for consolidation of such Folios in one Folio.
12. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies of Annual Report to the Meeting.
13. The 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.
14. Entrance Pass and Proxy Form is annexed. Members are requested to affix their signature at the space provided in the entrance pass and hand over the same at the entrance to the place of meeting.
15. **Members who have not registered their email address so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.**
16. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under and the revised Clause 35B of the Listing Agreement, Company is pleased to provide e-voting facility to all its members to enable them to cast their vote at the Annual General Meeting by electronically means.
17. A member may exercise his vote electronically through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

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

- a) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- b) Click on "Shareholders" tab to cast your vote(s)



- c) Select the Electronic Voting Sequence Number (EVSN) i.e. "140819067" along with the Company name "ISHAN DYES & CHEMICALS LIMITED" from the drop down menu and click on "SUBMIT."
- d) Now enter your User ID  
For CDSL: 16 digits beneficiary ID,  
For NSDL: 8 Character DP ID followed by 8 Digits Client ID  
Members holding shares in physical form should enter Folio Number registered with the Company
- e) Enter the Image Verification as displayed and Click on Login.
- f) 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.
- g) For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <p>Members who have not updated their PAN with the Company/DP are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their demat account number/Folio No., as the case may be, in the PAN field.</p> <p>In case the Folio No. is less than 8 digits enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and Folio No. is 1 then enter RA00000001 in the PAN field.</p>
<b>Date of Birth or Date of Incorporation or Bank Account</b>	<p>Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account in DD/MM/YYYY format or enter Folio No.</p> <p style="text-align: center;">OR</p> <p>Enter the Bank Account Number as recorded in your demat account or in the Company's records for the said demat account or Folio No.</p> <p>Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or the Company, please enter the number of shares held in the Bank Account Number field.</p>

- h) After entering these details appropriately, click on "SUBMIT" tab.
- i) For Members holding shares in physical form, the login details can be used only for e-voting on the resolutions contained in this Notice. On logging in, Members holding shares in physical form will be directed to the Company selection screen.
- j) Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the electronic holders for voting on resolutions of other companies, as well, on which they are eligible to vote, provided that company opts for e-voting through



CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- k) Click on the EVSN of the Company i.e. "140819067"
- l) 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.
- m) Click on the "Resolutions File" Link if you wish to view the entire Notice.
- n) 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.
- o) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote. You can also take a print of the voting done by you.
- p) If an electronic account holder has forgotten the set password, then he has a 'Forgot password' option to reset the password.
- q) Note for Institutional Shareholders:
  - Institutional shareholders (i.e. other than Individuals, HUFs, NRIs etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- r) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### **Other Instructions:**

- I. The e-voting period commences on Wednesday, 17<sup>th</sup> September 2014 (9.00 a.m. IST) and ends on Friday, 19<sup>th</sup> September 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in electronic form, as on 15<sup>th</sup> August 2014, 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. 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 15<sup>th</sup> August 2014.
- III. Mr. Kunal Sharma, Practicing Company Secretary (Membership No. ACS 34708), has been appointed as the Scrutinizer to conduct the e-voting process.
- IV. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and submit a Scrutinizer's



Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.

- V. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ishandyes.com](http://www.ishandyes.com) and on the website of CDSL within two days of the passing of the resolutions at the Twenty First AGM of the Company on 23<sup>rd</sup> September, 2014 and communicated to BSE Limited where the shares of the Company are listed.
- VI. The resolutions shall be deemed to be passed on the date of Annual General Meeting of the Company, subject to receipt of sufficient votes.
- VII. You can also update your mobile number and Email Id in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting in future. The same may be used in case the Member forgets the password and the same need to be reset.

**Contact Details:**

Company	<b>M/s Ishan Dyes &amp; Chemicals Limited</b> <b>Reg. Office: 18, G.I.D.C Estate, Phase - 1, Vatva, Ahmedabad - 382445</b> <b>Tel No: 079-25832144/25893607, Fax: 079-25833643</b> <b>Email id: <a href="mailto:ishandyes@yahoo.com">ishandyes@yahoo.com</a></b> <b>CIN: L24110GJ1993PLC020737</b>
Registrar and Share Transfer Agent	<b>M/s MCS Ltd.,</b> <b>Neelam Apartment, 88, Sampatrao Colony, B/h Standard Chartered Bank, Alkapuri, Baroda- 390007</b> <b>Tel No: 0265-2339397, Fax: 0265-2341639</b> <b>Email id: <a href="mailto:mcsltbaroda@yahoo.com">mcsltbaroda@yahoo.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</b> <b>Practising Company Secretary</b> <b>Email id: <a href="mailto:cskunalsharma@gmail.com">cskunalsharma@gmail.com</a></b>

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

**13<sup>th</sup> August 2014**  
**Ahmedabad**

**Piyush N. Patel**  
**Managing Director**

*Registered office:*  
18, G.I.D.C Estate,  
Phase - 1, Vatva,  
Ahmedabad - 382445  
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: 4 to 6

#### **Appointment of Independent Directors**

Section 149 of the Companies Act 2013 ('the Act') requires all listed public companies to have at least one-third of the total number of directors as Independent Directors. Your Company complies with this requirement.

Sub-section (10) of section 149 of the Act further provides that Independent Directors are required to hold office for a term up to five consecutive years on the Board of a company and can be re-appointed thereafter subject to the limit under sub-section (11) of section 149 of the Act which provides that they shall not hold office for more than two consecutive terms.

The revised clause 49 of the Listing Agreement which will be coming into effect from 1<sup>st</sup> October, 2014 also stipulates similar conditions with regard to initial tenure for appointment of Independent Directors for a term up to five consecutive years.

Further, in terms of sub-section (13) of section 149 read with Explanation to sub-section (6) of section 152 of the Act, Independent Directors are not liable to retire by rotation.

The following Directors on the Board of your Company qualify as Independent Directors under section 149 of the Act and clause 49 of the Listing Agreement:

- 1. Shri Mayankkumar H. Patel**
- 2. Shri Roopin A. Patel**
- 3. Shri Yatinbhai G. Patel**

These Directors were duly appointed under the Companies Act 1956 as Directors liable to retire by rotation.

In order to give effect to the requirements under the Act and revised clause 49 of the Listing Agreement, it is proposed that these Directors be appointed as Independent Directors under section 149 of the Act read with the revised clause 49 of the Listing Agreement, to hold office for five consecutive years, for a term up to 22<sup>nd</sup> September, 2019. The matter regarding appointment of aforesaid directors as Independent Director was placed before the Nominations & Remuneration Committee, which has recommended the same.

None of the aforesaid named Directors are disqualified from being appointed as a Director in terms of section 164 of the Act and have given their consent to act as a Director.

The Company has received notices in writing from members, along with the deposit of requisite amount under section 160 of the Act, proposing the candidature of each of the aforesaid named Directors for the office of Directors of the Company.

The Company has received declarations from all the above Directors that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, they fulfill the conditions for their appointment as Independent Directors as specified in the Act and the Listing Agreement. They are independent of the management.



Brief resumes of these Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view their expertise and knowledge, it will be in the interest of the Company that these Directors are appointed as Independent Directors.

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

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

Except for the respective Directors / their relatives who may be deemed to be interested in the respective resolutions at item nos. 4 to 6 of the Notice as it concerns their appointment as Independent Directors, 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 resolutions set out at Item Nos. 4 to 6 of the Notice.

The Board recommends the Ordinary Resolutions set out at Item Nos. 4 to 6 of the Notice for approval by the shareholders.

#### **Item no: 7**

#### **Cost Auditor's Remuneration**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Manish B. Analkat., Cost Accountant, Ahmedabad as Cost Auditors to conduct the Audit of the cost records maintained by the Company for the financial year ending March 31, 2015 at a remuneration of Rs. 25,000/- (Rupees twenty five thousand only plus service tax and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.



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

**13<sup>th</sup> August 2014  
Ahmedabad**

**Piyush N. Patel  
Managing Director**

*Registered office:*  
18, G.I.D.C Estate,  
Phase - 1, Vatva,  
Ahmedabad - 382445  
Tel No: 079-25832144/25893607  
Fax: 079-25833643  
Email id: [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com)  
CIN: L24110GJ1993PLC020737



**To,  
The Members,  
ISHAN DYES AND CHEMICALS LIMITED**

Your Directors have pleasure in presenting 21<sup>st</sup> Annual Report together with the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2014.

<b>FINANCIAL RESULTS:</b>	<b>Amount in Rupees Lacs</b>	
	<b>Current Year (2013-14)</b>	<b>Previous Year (2012-13)</b>
Sales(Net)	7,471.16	7,207.25
Other Income	61.64	35.89
<b>Total Revenue</b>	<b>7,532.80</b>	<b>7,243.14</b>
<b>Profit before Interest and Depreciation &amp; Exceptional /Extraordinary Items</b>	<b>964.66</b>	<b>700.76</b>
Interest(Net)	52.18	126.40
Depreciation	208.36	229.27
<b>Profit before Exceptional / Extraordinary items</b>	<b>704.12</b>	<b>345.09</b>
Exceptional / Extraordinary expenses	--	352.03
<b>Profit / (Loss) before Tax</b>	<b>704.12</b>	<b>(6.94)</b>
Tax Expense (Net)	(64.28)	89.81
<b>Profit after Tax</b>	<b>639.84</b>	<b>82.87</b>

**DIVIDEND:**

Considering the future growth plans, ongoing project and with a view to conserve the resources, your Directors have not recommended any Dividend for the financial year 2013-14.

**REVIEW OF OPERATIONS:**

The Company has achieved total revenue of Rs. 7532.80 Lacs and EBITAD (pre exceptional and extraordinary item) of Rs. 964.66 Lacs as against that of Rs. 7243.14 Lacs and Rs. 700.76 Lacs respectively for the previous year. Total income for the year ended has shown an increase of 4% as compared with last year, however, EBITDA has registered sharp increase of 38% over previous year. The overall efficient operations, good demand, competitive procurements and cost management adopted by the management of the Company has yielded favorable financial results for the Company and supported to register EBITDA margin of 12.80% for the year ended 31<sup>st</sup> March 2014 as compared to that of 9.58% for the last financial year. For the year under review, the Profit before exceptional and extraordinary items recorded at Rs. 704.12 Lacs which was double as compared to that of Rs. 345.09 Lacs for the previous year. The year under review recorded Net profit of Rs. 639.84 Lacs as compared to Rs. 82.87 Lacs for the past year.

The financial year under review was full of opportunities and good demand for the products of the Company for the first nine months period. The last quarter was dull due to low demand growth, pollution constraints and effect of overall economic slowdown. Despite of various limitations and challenges the management was successful in delivering exceptionally well performance and the same has been attributed mainly on account of prudent cost management





and procurement policy besides demand driven market conditions during the first three quarters.

Your management is pleased to mention that the systematic and focused approach adopted since last couple of years has yielded favorable and consistently improved results during the year ended.

### **FINANCE**

Your Company is practically zero banking debt Company. There are outstanding private loans and vehicle loans which will be rapid as per schedule in due course.

### **PROSPECTS & DEVELOPMENTS:**

The business segment of the Company is full of challenges with multiple variables effecting the operations and business of the Company. Key such variables are ecology and allied regulatory compliances, commodity and petro-products price volatility, foreign currency fluctuations, inflationary pressure on operation costs, large working capital need, skilled manpower availability etc. The management of the Company is working with a proactive approach to meet challenges and cater opportunities with an aim to enhance stakeholder's value. The coming year looks challenging mainly on demand front as well as compliance for stringent pollution norms. The management has designed a plan to overcome challenges.

As a part of growth and strategy for your Company to become integrated phthalocyanine blue manufacturer, the management has undertaken expansion and up gradation plan which will increase production volumes, brings efficiencies in plant operations and provide benefits for economies of large scale. The expansion and up gradation plan are under full progress and likely to be completed by third quarter of current financial year. The management expects benefits from the said projects from last quarter of the current financial year.

The expansion and up gradation plan will benefit the Company by increase in production volume due to debottlenecking its plant and process improvements which will further yield better margins. The said efforts will make your Company one of the front runner and dedicated integrated phthalocyanine blue manufacturer.

### **EXPORTS**

The Export is the thrust area for the growth of the Company and during the year ended recorded gross export turnover of Rs. 14.73 Crores.

### **CORPORATE GOVERNANCE:**

The information pursuant to Clause 49 of the Listing Agreement with the Stock Exchange is forming part of this report.

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

As required under Section 217 (2AA) of the Companies Act, 1956 the Directors hereby confirm that:

- i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;



- ii) the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability;
- iv) the Directors have prepared the Annual Accounts on a "Going Concern" basis.

#### **DIRECTORATE:**

Pursuant to provisions of Section 149 and all other applicable provisions of the Companies Act, 2013 and also with the listing agreement, your directors are seeking appointment of Shri Mayankkumar H. Patel, Shri Roopin A. Patel and Shri Yatinbhai G. Patel as an Independent Directors of the Company. Smt. Anilaben P. Patel will retire by rotation in the ensuring annual general meeting and being eligible offered herself for reappointment.

Necessary details for said appointments have been provided in the notice of the 21<sup>st</sup> Annual General Meeting.

#### **INDUSTRIAL RELATIONS**

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

#### **PARTICULARS OF THE EMPLOYEES:**

There is no Employee drawing Remuneration in excess of the limits prescribed by the Companies (Particulars of Employees) Rules, 1975.

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

The information required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 with respect to these matters are given in Annexure-I appended hereto and forms part of this Report.

#### **DEPOSITS:**

There are no deposits which is outstanding neither the Company has accepted any deposits.

#### **INSURANCE:**

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



#### **EXPLANATION ON AUDITORS REPORT:**

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

#### **AUDITORS:**

The Company's auditors M/s. G. S. Mathur & Co., Chartered Accountants retires at the conclusion of the ensuing Annual General Meeting and is eligible for reappointment.

#### **DELISTING OF EQUITY SHARES FROM ASE & VSE:**

Your Company's shares are currently listed on the Bombay Stock Exchange (BSE). On account of no volumes and since shares are listed with BSE the management of the Company has opted for voluntary delisting of its equity shares from the Ahmedabad Stock Exchange Ltd. ("ASE") and also from the Vadodara Stock Exchange Ltd. ("VSE") during the financial year ended on 31<sup>st</sup> March 2014.

#### **ACKNOWLEDGEMENT:**

The Director place on record their appreciation for the assistance and co-operation received from the Company's valued customers, members, investors, employees, bankers, government departments, Company's suppliers and all form of business associates for their continued support and trust in the management of the company.

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

**13<sup>th</sup> August 2014  
Ahmedabad**

**Piyush N. Patel  
Managing Director**



**INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.**

**A. CONSERVATION OF ENERGY**

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

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

	<b>31/03/2014</b>
	<b>Amount in(Rs.)</b>
<b>1. Electricity</b>	
a) Purchased unit in kwh	48,46,600 kwh
Total Amount (Rs.)	Rs. 3,22,80,629
Rate/Unit (Rs.)	Rs. 6.66 per kwh
b) Own generation	N.A
Through Diesel Generator Units in kwh	N.A
Unit per liter of diesel oil (kwh)	N.A
Liter of Diesel	N.A
Total amount (Rs.)	N.A
Cost/Units (Rs.)	N.A
<b>2. Coal</b>	
Quantity (Kg)	53,94,680 Kg
Total Amount (Rs.)	Rs. 2,42,63,403
Average Rate (Rs./MT)	Rs. 4.50 per kg
<b>4. Water</b>	
Quantity (M3)	N.A
Total Cost (Rs.)	Rs. 2,20,400
Average Rate (Rs./M3)	N.A

**TECHNOLOGY ABSORPTION**

**FORM-B: FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY RESEARCH AND DEVELOPMENT**

1. The R&D efforts of the Company are directed towards process improvement, energy conservation, Pollution control and quality up-gradation.
2. Benefits derived as a result of the above R&D.

R&D efforts have resulted in reduction in production cost due to process improvement and also quality has been improved.

3. No Specific expenditure has been incurred on R & D.



## B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

The Company has improved the production process and quality of the products.

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

There is improvement in quality and yield of the product and has widened product range for marketing.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year). No imports of technology during last 5 years.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans.

The total exports during the period were Rs. 14.72 Cr. (Previous Year Rs. 5.49 Cr). The Company is focusing and putting all its efforts to tap new export markets and widen its clientele base. Also Company supplies under deemed exports to various parties in India.

- b) Total Foreign Exchange used and earned. (in Rs.)

	<b>31/03/2014</b>
	<b>Amount in(Rs.)</b>
(i) Used :	
a) Imports (CIF)	72,53,920
b) Other expenditure	4,51,157
(ii) Earned :	
Exports (F.O.B.)	14,72,97,596

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

**13<sup>th</sup> August 2014**  
**Ahmedabad**

**Piyush N. Patel**  
**Managing Director**



## 1. Company's Philosophy:

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

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

## 2. Board of Directors:

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

As on March 31, 2014 the Board comprises of Eight (8) Directors out of which Two (2) are Executive Directors and other Six (6) are Non-Executive which is in the conformity with Clause 49 of the Listing Agreement with the Stock Exchange. The details for the Board of Directors are as under:

Name of the Director(s)	Category	No of Board Meetings Attended		Attendance at the last AGM held on 27 <sup>th</sup> Sept., 2013	No of outside Directorships including Private Limited Companies	No of outside Committees position held*	
		Held	Attended			Member	Chairman
<b>Piyushbhai N. Patel (Promoter)</b>	Executive – Managing Director	8	8	Yes	1	NIL	NIL
<b>Shrinal P. Patel (Promoter)</b>	Executive – Whole Time Director	8	8	Yes	1	NIL	NIL
<b>Anilaben P. Patel (Promoter)</b>	Non-Executive	8	8	Yes	NIL	NIL	NIL
<b>Marutbhai D. Patel (Promoter)</b>	Non-Executive	8	-	No	NIL	NIL	NIL
<b>Ronak Y. Desai</b>	Non-Executive – Independent	8	4	No	NIL	NIL	NIL
<b>Mayankkumar H. Patel</b>	Non-Executive – Independent	8	4	Yes	NIL	NIL	NIL
<b>Roopin A. Patel</b>	Non-Executive – Independent	8	8	Yes	NIL	NIL	NIL
<b>Yatinbhai G. Patel</b>	Non-Executive – Independent	8	4	Yes	NIL	NIL	NIL



The composition of the Board is in conformity with the provisions of erstwhile Companies Act, 1956 and the Companies Act, 2013 together with the Listing Agreement. All the Directors bring rich and varied experience and also they contribute an active role in the meetings of the Board and its committees.

The detail profile of Directors is provided in Annexure-1 to this report.

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

During the year 2013-2014, there were in total Eight (8) Board Meetings held on 29<sup>th</sup> May, 2013, 13<sup>th</sup> August, 2013, 29<sup>th</sup> October, 2013, 14<sup>th</sup> November, 2013, 26<sup>th</sup> November, 2013, 7<sup>th</sup> January, 2014, 11<sup>th</sup> February 2014 and 25<sup>th</sup> March, 2014. 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.

### **B. Board Procedure**

Board meets at least once in every quarter wherein inter alia they review quarterly performance and 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 Annexure IA to the Clause 49 of the Listing Agreement is regularly made available to the Board. The minutes of the Board meeting is circulated in advance to all Directors and confirmed at subsequent meeting. The minutes of Audit committee and other committees of the Board are circulated in advance to all Directors and also regularly placed before the Board.

### **3. Code of Conduct:**

The Company has laid down a Code of Conduct ('Code') for all Board Members and Senior Management Personnel which is in compliance with Clause 49 of the Listing Agreement. A declaration regarding compliance of Code by the Board is separately annexed to the Annual Report.

### **4. Audit Committee:**

#### **A. Constitution of the Committee**

As on March 31, 2014 composition of members of Audit Committee and their details are mentioned below:

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

The composition and terms of reference of the Audit Committee are in conformity with the Section 292A of the Companies Act, 1956 as well as Section 177 of the Companies Act, 2013 together with Clause 49 of the Listing Agreement. All the minutes of the Audit Committee are placed before the Board for its information. All the members of the Audit Committee have accounting and finance knowledge. Mr. Roopin Patel, Chairman of the Committee is a



Chartered Accountant having experience and knowledge in the areas of accounts, taxation, finance, banking and projects.

### ***B. Terms of reference***

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

1. Overseeing and reviewing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board for appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of the fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems;
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit including for appointment, re-appointment and if required, the replacement or removal of the Internal Auditor and the fixation of the fees.
8. Discussions with internal auditors any significant findings and follow up thereon.





9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussions with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. The Audit Committee shall mandatorily review the following information.
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the audit committee), and submitted by Management ;
  - c. Management letters/letters of internal control weaknesses issued by the statutory auditors ;
  - d. Internal audit reports relating to internal control weakness ; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
13. To review the functioning of the Whistle Blower mechanism;
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
15. To look into any other matter which may be referred to it by the Board.
16. In addition to the above, the Committee shall have such functions / role / powers as may be specified in the Companies Act, Listing Agreement with Stock Exchanges or any other applicable law.

### **C. Meetings held and attendance**

During the Financial year 2013-14, four meetings were held on 29<sup>th</sup> May 2013, 13<sup>th</sup> August, 2013, 14<sup>th</sup> November 2013 and 11<sup>th</sup> February 2014. The attendance record of the members is as follows:

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

Mr. Roopin A. Patel, Chairman of the Audit Committee, was present at the last Annual General Meeting held on 27<sup>th</sup> September, 2013.



## 5. Remuneration Committee

### A. Composition of the Committee

As on 31<sup>st</sup> March, 2014 the Remuneration Committee consists of the following Directors:

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

The Board of Directors of the Company at their meeting held on 13<sup>th</sup> August, 2014 has re-christened the Remuneration Committee as the Nomination and Remuneration Committee, in accordance with the requirements of the Section 178 of the Companies Act, 2013 and the Companies (Board and its Powers) Rules, 2014.

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 198,309, Schedule XIII and other applicable provisions of the Companies Act, 1956 and Section 197,198, Schedule V and other applicable provisions of the Companies Act, 2013 which has come into force with effect from 1<sup>st</sup> April, 2014.

### B. Terms of reference

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

1. The Remuneration Committee shall have meetings periodically as it may deem fit.
2. The Remuneration Committee shall invite such of the executives to be present at the meetings of the Committee required by it.
3. The Remuneration Committee shall have the following powers and functions :
  - a. To recommend to the Board, the terms and conditions of appointment of key Management personnel.
  - b. To seek information from any employee.
  - c. To obtain outside legal or other professional advice.
4. To frame company's policies for compensation and benefits for Executive Directors.
5. To Review and recommend compensation payable to the Executive Directors.
6. To administer and supervise Employee Stock Option Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS.
7. To Review HR Policies and initiatives.

### C. Details of Remuneration paid to all the Directors

The details of remuneration paid to the directors of the Company during the Financial year 2013-14 are as under:



Directors	Remuneration paid/payable during 2013-2014(in Rs)				Shares held by Non-Executive Directors
	Sitting Fees	Salary & Perks	Commission	Total	
Shri Piyushbhai N. Patel	NIL	29,37,888	NIL	29,37,888	N.A.
Shri Shrinal P. Patel	NIL	19,32,000	NIL	19,32,000	N.A.
Smt. Anilaben P. Patel	NIL	NIL	NIL	NIL	2,34,600
Shri Roopin A. Patel	NIL	NIL	NIL	NIL	NIL
Shri Yatinbhai G. Patel	NIL	NIL	NIL	NIL	73,700
Shri Ronak Y. Desai	NIL	NIL	NIL	NIL	NIL
Shri Mayankkumar H. Patel	NIL	NIL	NIL	NIL	22,300
Shri Marutbhai D. Patel	NIL	NIL	NIL	NIL	2,72,510
<b>Total:</b>	---- <b>NIL</b> =====	----- <b>48,69,888</b> =====	----- <b>NIL</b> =====	----- <b>48,69,888</b> =====	

\* The Company has no practice of paying any sitting fees to Independent Directors. Also executive directors are not eligible for sitting fees and remuneration paid to them are in terms of managerial contract approved by the board of directors and shareholders. Shri Piyushbhai N. Patel and Shri Shrinal P. Patel are eligible for commission linked with profit of the Company in terms of the managerial contract, however, keeping in view past losses and with a view to conserve resources both of them have voluntarily forgone same for the financial year 2013-14.

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

#### **D. 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 2013-14, the meetings were held on 29<sup>th</sup> May 2013 and 11<sup>th</sup> February 2014. The attendance records of the Members are as follows:

Name of the Member	No of Meetings	
	Held	Attended
Shri Roopin A. Patel(Chairman)	2	2
Shri Ronak Y. Desai(Member)	2	2
Shri Mayank H. Patel(Member)	2	2
Shri Yatinbhai G. Patel(Member)	2	2



## 6. Shareholders/Investors Grievances Committee:

### A. Composition of the Committee

The Committee comprise of 2 (Two) Directors. The Chairperson of the Committee is a Non-Executive Director. As on March 31, 2014 composition of members of the Committee and their details are mentioned below:

Smt. Anilaben P. Patel	Chairperson	Non-Executive
Shri Piyushbhai N. Patel	Member	Managing Director

The Composition of this committee is also in compliance with the requirements of Section 178(5) of the Companies, Act 2013, and the clause 49 of the listing agreement. Accordingly the said committee has been rechristened as Stakeholder's Relationship Committee.

### B. Terms of Reference

The terms of reference of the Committee as under:

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

### C. Investors' Grievances Redressal:

There were no pending complaints/transfers as on 31<sup>st</sup> March, 2014 and also there were no complaints which were not resolved to the satisfaction of Shareholders during the financial year ended. The summary of status of complaints/request received, disposed and pending as on March 31, 2014 is as under:

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

The minutes of Shareholders/Investors Grievance 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 Limited, Neelam Apartment, 88, Sampatrao Colony, Alkapuri, Baroda- 390007.

**D. Compliance officer:**

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

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

**7. General Body Meetings:**

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

Annual General Meeting	Date and Time	Venue	Details of Special resolutions passed
20 <sup>th</sup> Annual General Meeting (2012-13)	27 <sup>th</sup> September, 2013 at 11.30 am	1 <sup>st</sup> Floor, Dinsha Chambers, Borsad-388540	Re-appointment of Mr. Piyushbhai N. Patel as Managing Director from 1 <sup>st</sup> June, 2013 and re-appointment of Mr. Shrinal P. Patel as Whole Time Director from 1 <sup>st</sup> February, 2013.
19 <sup>th</sup> Annual General Meeting (2011-12)	29 <sup>th</sup> September, 2012 at 11.00 am	1 <sup>st</sup> Floor, Dinsha Chambers, Borsad-388540	NIL
18 <sup>th</sup> Annual General Meeting (2010-11)	30 <sup>th</sup> July, 2011 at 11.00 am	1 <sup>st</sup> Floor, Dinsha Chambers, Borsad-388540	NIL

**B. Postal Ballot**

No resolution was passed through Postal Ballot during the Financial Year 2013-14. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of resolution through Postal Ballot.

Recently, the Company has passed postal ballot resolution for shifting of its registered office.

**8. Disclosures:**

- i. The Board has received disclosures from Directors and/or key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. Transactions with related parties, if any, are disclosed in "Notes on Accounts" annexed to Financial Statements of the year. All related parties transactions are entered after



approval from the board in accordance with the requirements of the Companies Act, 1956 and interested directors did not participated in the discussions or proceedings of the agenda of such transaction and the remaining board of directors has approved the transaction unanimously.

- ii. The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- iii. Though there is no formal Whistle Blower Policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee of the Board of Directors of the Company. The Company has periodic review and reporting to the Board of Directors of risk assessment by senior executives with a view to minimize risk.
- iv. The Compliance Officer is responsible for compliances in respect of Company Law, SEBI, Stock Exchange rules and regulations and other related laws and legal issues in general.
- v. As a matter of transparency and good governance, key operational and financial data is furnished to the Directors in every meeting of the Board. Management Discussions and Analysis report forming part of the Annual Report is enclosed.

## **9. Reconciliation of Share Capital**

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

## **10. Means of Communication:**

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

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

Management discussion and analysis forms part of the Annual Report and appears as Annexure to the Directors' Report.

## **11. General Shareholders Information**

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

21<sup>st</sup> Annual General Meeting on 23<sup>rd</sup> September, 2014 at 3.00 p.m. at 18, G.I.D.C Estate, Phase - 1, Vatva, Ahmedabad - 382445

**B. Financial Calendar(Tentative):**

Quarter ended 30 June, 2014	1 <sup>st</sup> week of August, 2014
Quarter ended 30 September, 2014	1 <sup>st</sup> week of November, 2014
Quarter ended 31 December, 2014	1 <sup>st</sup> week of February, 2015
Year ended 31 March, 2015	Mid of May, 2015
Annual General Meeting for the year ending March 31, 2015	September 2015

**C. Date of Book Closure:**

16<sup>th</sup> September 2014 to 23<sup>rd</sup> September 2014 (both days inclusive)

**D. Dividend Payment date:**

Dividend Declared: NIL for the Year 2013-14

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

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

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

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE)

**Delisting with ASE & VSE:**

Due to the non-trading in Equity Shares of the Company since long, Company has voluntarily delisted its Equity Shares from The Ahmedabad Stock Limited ('ASE') and The Vadodara Stock Exchange Limited (VSE) during the financial year 2013-14. ASE vide its letter dated 31<sup>st</sup> March 2014 has approved delisting of equity shares of the Company from ASE. Similarly, VSE vide its letter dated 21<sup>st</sup> May 2014 has approved delisting of equity shares of the Company from VSE. This statement can be treated as a compliance with the requirements under clause 7(1)(d) of SEBI (Delisting of Equity Shares) Regulation 2009.

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

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

The Company has paid up to date listing fees to Bombay Stock Exchange Limited (BSE)

**H. Stock Market Data:**

Month/Year	Volume Nos.	Bombay Stock Exchange Limited(BSE)	
		High (₹)	Low (₹)
Apr-2013	-	-	-
May-2013	-	-	-
Jun-2013	-	-	-



Jul-2013	-	-	-
Aug-2013	400	20.00	20.00
Sep-2013	-	-	-
Oct-2013	-	-	-
Nov-2013	-	-	-
Dec-2013	4360	22.05	17.20
Jan-2014	-	-	-
Feb-2014	13698	28.00	16.05
Mar-2014	7589	24.75	17.70

#### **I. Registrars and Share Transfer Agents:**

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

MCS Limited  
 Neelam Apartment,  
 Sampatrao Colony, B/h Standard Chartered Bank,  
 Alkapuri, Baroda - 390007  
 Tel. No.: 0265-2339397 | Fax: 0265-2341636  
 Email id: [mcsLtdbaroda@yahoo.com](mailto:mcsLtdbaroda@yahoo.com)

#### **J. Share Transfer System:**

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

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

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

#### **K. Shareholding Pattern:**

Shareholding Pattern as on 31<sup>st</sup> March 2014.

Sr. No.	Category	No. of Shares	% of shareholding
<b>A</b>	<b>Promoters Shareholding</b>	1794270	23.89%
	<b>Total (A)</b>	<b>1794270</b>	<b>23.89%</b>
<b>B</b>	<b>Public Shareholding</b>		
	<i>Non Institutions</i>		
1	Body Corporates	9084	0.12%
2	Individual Shareholders having Share Capital upto Rs. 1 Lakh	1033853	13.77%





3	Individual Shareholders having Share Capital in excess of Rs. 1 Lakh	3187023	42.44%
4	Non Resident Individuals	1478010	19.68%
5	HUF	7560	0.10%
	<b>Total(B)</b>	<b>5715530</b>	<b>76.11%</b>
	<b>Grand Total (A+ B)</b>	<b>7509800</b>	<b>100.00%</b>

#### **L. Distribution of Share:**

Distribution of shareholding as on 31<sup>st</sup> March, 2014

Category	No. of Shareholders	% to Total No. of Shareholders	No. of Shares	% to Total Shares
1-500	1146	65.08	320052	4.21
501-1000	197	11.19	164853	2.20
1001-2000	90	5.11	141400	1.88
2001-3000	48	2.73	123791	1.65
3001-4000	20	1.14	73171	0.97
4001-5000	140	7.95	686600	9.14
5001-10000	60	3.41	489050	6.51
10001-50000	39	2.21	822373	10.95
50001-100000	6	0.34	520000	6.92
100000 & above	15	0.85	4168510	55.51

#### **M. Dematerialisation of Shares:**

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

The shares of your Company are to be compulsorily traded in the dematerialized form. As on 31<sup>st</sup> March, 2014 total 39,75,860 Equity Shares comprising of 52.94% 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 2013-14.

#### **N. Plant Location:**

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



#### **O. Investors Correspondence:**

<b>Registered Office (*)</b>	<b>Secretarial Department</b>	<b>Registrar &amp; Share Transfer Agents</b>
Ishan Dyes and Chemicals Ltd 18, G.I.D.C Estate, Phase-1, Vatva, Ahmedabad - 382445	The Compliance Officer Ishan Dyes and Chemicals Ltd 18, G.I.D.C Estate, Phase-1, Vatva, Ahmedabad - 382445	MCS Limited Neelam Apartment, Sampatrao Colony, B/h Standard Chartered Bank, Alkapuri, Baroda - 390007

(\*) In terms of postal ballot approval obtained from the shareholders, with effect from 13<sup>th</sup> August 2014 the registered office of the Company has been shifted to 18, GIDC Estate, Phase I, Vatva, Ahmedabad 382445. Before that the registered office of the Company was situated at 1<sup>st</sup> Floor, Dinsha Chambers, Borsad- 388540

#### **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.

#### **CEO/CFO CERTIFICATION:**

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

#### **COMPLIANCE CERTIFICATE:**

Pursuant to Clause 49 of the Listing Agreement, a certificate from the Auditors of the Company, certifying the compliance by the Company with the provisions of Corporate Governance of the Listing Agreement is given as an Annexure to this report

#### **DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT:**

In terms of the requirements of the Clause 49 of the Listing Agreement, this is to confirm that all the members of the Board have affirmed compliance with Code of Conduct for the year ended 31<sup>st</sup> March, 2014.

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

**Piyush N. Patel**  
**Managing Director**  
**Ahmedabad, 13<sup>th</sup> August, 2014**

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

Name	Age	Qualifications	Experience	
<b>Piyushbhai N. Patel</b>	59 Yrs	B.E.(Mechanical Engineer)	He is having rich experience in the business of Chemicals, general Trading and Banking. He is also actively involved with various social, industrial and trade association activities.	He is the key promoter and associated with the Company since incorporation. Presently he is a Managing Director of the Company.  He holds 6,47,160 Shares in the Company
<b>Shrinal P. Patel</b>	29 Yrs	BBA(Business Finance, Psychology and Bioscience) from University of Florida	He is having rich experience in the areas of Marketing, finance and Business operations.	He is Co-promoter of the Company and associated as a Whole-Time Director of the Company since 2010 and contributed to accelerate the growth of the Company to achieve present scale of operations and performance.  He holds 6,39,000 Shares in the Company
<b>Anilaben P. Patel</b>	56 Yrs	B.A.(Psychology)	She is having experience of general administration and involved into various social activities.	She is one of the key promoter of the Company. Presently she is a Chairperson of the Company and promoter director liable to retire by rotation. Her terms expiries at the ensuing annual general meeting and being eligible has offered herself for reappointment.  She holds 2,34,600 Shares in the Company
<b>Marutbhai D. Patel</b>	58 Yrs	Graduate	He is NRI and has rich experience of running retail business of over 30 years.	He is co-promoter of the Company and associated as Non-executive Director of the Company since 08/09/1994. He is non independent director liable to retire by rotation.  He holds 2,72,510 Shares in the Company.
<b>Ronak Y. Desai</b>	29 Yrs	H.Sc	He is having rich experience in the areas of quarry, mining and Infrastructure projects.	The Board of Directors had first appointed Mr. Ronak Y. Desai as an Additional Director of the Company with effect from 30/04/2005. He is non independent director liable to retire by rotation.  He holds NIL Shares in the Company.



<b>Mayankkumar H. Patel</b>	40 Yrs	Undergraduate	He is farmer and actively involved with agricultural business.	<p>The Board of Directors had first appointed Mr. Mayankkumar H. Patel as an Additional Director of the Company with effect from 28/01/2010.</p> <p>Mr. Mayankkumar H. Patel is proposed to be reappointed as an Independent Director of the Company.</p> <p>He holds 22,300 Shares in the Company</p>
<b>Roopin A. Patel</b>	37 Yrs	Chartered Accountant	He is practicing Chartered Accountant and having vast experience in the field of accounts, finance, taxation and banking.	<p>The Board of Directors had first appointed Mr. Roopin A. Patel as an Additional Director of the Company with effect from 20/09/2010.</p> <p>Mr. Roopin A. Patel is proposed to be reappointed as an Independent Director of the Company.</p> <p>He holds NIL Shares in the Company</p>
<b>Yatinbhai G. Patel</b>	59 Yrs	Graduate	He is a Graduate and having rich experience in the areas of Finance and Management.	<p>The Board of Directors had first appointed Mr. Yatin G. Desai as an Additional Director of the Company with effect from 07/09/2011.</p> <p>Mr. Yatin G. Desai is proposed to be reappointed as an Independent Director of the Company.</p> <p>He holds 73,700 Shares in the Company</p>

Name of the Companies in which Directors proposed to be appointed by Shareholders holds directorship and the membership of Committees of the board:

<b>Name of the Director</b>	<b>Name of the Companies he/she holds Directorship</b>	<b>Name of the Companies in which he/she is a Member of the Committee of the Board</b>
<b>Shri Mayankkumar H. Patel</b>	NIL	NIL
<b>Shri Roopin A. Patel</b>	NIL	NIL
<b>Shri Yatinbhai G. Patel</b>	NIL	NIL



To the Members of **ISHAN DYES & CHEMICALS LIMITED**

We have examined the compliance of conditions of Corporate Governance by **ISHAN DYES & CHEMICALS LIMITED** for the financial year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an 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, the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March 2014 no investor grievances are pending against the Company as on 13<sup>th</sup> August, 2014 as per the records maintained by the Company.

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

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

**Bhargav Vaghela**  
**Partner**  
**Membership No. 124619**  
**FRN: 008744N**  
**Ahmedabad**  
**13<sup>th</sup> August, 2014**



## A. INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company has registered impressive performance during the financial year ended on 31<sup>st</sup> March 2014 with turnover of Rs. 74.71 Cr and Profit before Extraordinary Item and Tax of Rs. 7 Cr. During the year ended turnover has grown by 3%, however Profit Before Extraordinary Item and Tax has sharply increased by 108% over past financial year.

The Management's proactive measures for efficiency and productivity improvements has provided significant gain to the Company in terms of dramatic increase in the gross and net margins for the operations of the Company. First nine months of the year has witnessed good demand and increase in sales prices which has also supported to the Company in achieving exceptional performance. Your Company maintained its position as one of the market leader in quality phthalocyanine blue producer and exporter.

Your Company's current products include various kinds of Phthalocyanine Blue range of products like CPC Blue, Pigment Alpha Blues and Pigment Beta Blue. All these products are having wide applications for various industrial purposes. Also the management has undertaken expansion in capacity by debottlenecking its existing plant set up together with efficiency improvements and general up gradation of manufacturing facility.

## B. OPPORTUNITIES, THREATS, RISK AND CONCERNS

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

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

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

## C. OUTLOOKS FOR 2014-2015

The calendar year 2014 started with dull market scenario and low export volumes. The management anticipates slowdown during financial year 2014-15 mainly on account of low export demands, high input cost, and country economic scenario and thereby it expects reasonable performance during the financial year 2014-15. Also the company has faced environmental challenges due to stringent regulations and practices insisted by the authorities which in turn will affect production and cost of operations. However, the management of the Company has charted out growth plan and undertaken expansion by way of increase in capacities by removing debottlenecks and increases in productivity.



#### **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 impressive financial performance and the same is on account of increased margin and cost optimization. The profitability for the year was very good and the EBITDA margins has gone up from 9.58% to 12.80% which in turn has resulted into handsome net profit of Rs. 6.39 Cr. Barring unforeseen circumstances your Company expects to increase turnover during financial year with maintaining profit levels due to reduced margins on account of high input and other operating cost.

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

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

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

**13<sup>th</sup> August 2014  
Ahmedabad**

**Piyush N. Patel  
Managing Director**



## To the members of Ishan Dyes & Chemicals Ltd

### 1. Report on the Financial Statements :

We have audited the attached Balance Sheet of **ISHAN DYES & CHEMICALS LIMITED**, as at **March 31<sup>st</sup>, 2014**, and the related profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") read with the General Circular dated 13th September, 2013 of the Ministry of Company Affairs in respect to Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;





(b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

(a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 read with the General Circular dated 13th September, 2013 of the Ministry of Company Affairs in respect to Section 133 of the Companies Act, 2013;

(e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1) (g) of the Act.

**Place: Ahmedabad**

**Date: 30<sup>th</sup> May, 2014**

**For G S MATHUR & CO  
Chartered Accountants**

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



**Annexure to the Auditors' Report:  
Re: Ishan Dyes & Chemicals Limited**

**Referred to in paragraph 3 of our Report of even date,**

**1. In respect of its fixed assets:**

- (a) The company has maintained proper records showing plant wise particulars giving details and situation of fixed assets on the basis of available information.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As explained to us, no material discrepancies were noticed on such physical verification.
- (c) In our opinion, the Company has not disposed of a substantial part of its fixed assets during the Year and the going concern status of the Company is not affected

**2. In respect of its inventories:**

- (a) The inventory has been physically verified during the Year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of Physical verification of Inventory 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 is maintaining proper records of inventories. As explained to us, there was no material discrepancies noticed on verification of inventories as compared to the book records.

**3. In respect of the loans, secured, or unsecured, granted or taken by the company to / from companies, firms or other parties covered in the registered maintained under section 301 of the companies act, 1956:**

- (a) The Company has taken unsecured loans from parties covered in the register maintained under section 301 of the companies Act, 1956. Therefore, in respect of the said loans, the maximum amounts outstanding at any time during the year is Rs. 37.67 lacs and the year ended balance is NIL.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans taken by the Company or whether they are prima facie prejudicial to the interest of the company.
- (c) Since no unsecured loan is there as mentioned in point no. (a) Above, there are no stipulations for payment of interest or repayment of principal. Further, there is no question of outstanding of loan taken as on 31<sup>st</sup> March, 2014; the question of overdue amount of loan taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 does not arise. Since the outstanding amount as on 31<sup>st</sup> March, 2014 is NIL the requirements of clause (iii) (d) of paragraph 4 of the order are not applicable.



- (d) The Company has given unsecured loans to parties covered in the register maintained under section 301 of the companies Act, 1956. In respect of the said loans, the maximum amounts outstanding at any time during the year are Rs. NIL and the year-end balance is NIL.
- (e) The company has not taken any loan during the year from the companies/firms or other parties covered under register maintained under section 301 of the companies Act, 1956.
- (f) There are no stipulations for repayment of principal. There being no outstanding of loan given as on 31<sup>st</sup> March, 2014, the question of overdue amount of loan given to parties listed in the register maintained under section 301 of the Companies Act, 1956 does not arise. Since the outstanding amount as on 31<sup>st</sup> March, 2014 is NIL the requirements of clause (iii) (g) of paragraph 4 of the order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In respect of the contracts or arrangements referred to in section 301 of the companies act, 1956:
- (a) In our opinion, and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements that need to be entered in the register maintained under Sec.301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion, and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements, entered in the register maintained under Sec.301 of the Companies Act, 1956 and exceeding the value of Rs.5.00 lacs in respect of each party during the Year have been made at prices which appear reasonable as per information available with the company.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. However, company has not accepted any term deposits from public. Company has taken unsecured loans from friends and relatives of directors. All such loans have been repaid and outstanding amount as on 31<sup>st</sup> March, 2014 is NIL.
7. In our opinion, the Company has internal audit system commensurate with size and nature of its business.
8. We have broadly reviewed cost records maintained by the Company pursuant to Companies (Cost Accounting) Records, Rules 2011 prescribed by the Central Government u/s 209(1)(d) of the Companies Act,1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made the detailed examination of the Cost Records with a view to determine whether they are accurate or complete.



9. In respect of statutory dues:

- (a) According to records of the company, undisputed statutory dues including Provident Fund, Income-tax, VAT, CST, Service tax, custom duty, excise duty, cess, and other material statutory dues have been generally regularly deposited with the appropriate authorities. According information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than 6 months from the date of becoming payable.
- (b) According to information and explanation given to us, old outstanding statutory undisputed dues are nil.
- (c) The disputed statutory dues on account of disputed matters pending before appropriate authorities as under :

Sr. No	Name of the Statue	Nature of the dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act	Penalty u/s 271 (1) (b)	Not determined	AY 2011-12	DCIT, Circle-3, Baroda

10. The company has made profits during the period covered by our audit and in the immediately preceding the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.

During the previous year, in case of Term Loans from C.N.S. Bank Limited, the Company received a settlement order dated 16/07/12 under 'one time settlement scheme' determining liability of Rs.495.41 Lacs (as against book liability of Rs.143.62 Lacs) to be settled by July'13. The Company has discharged the entire liability during the year under review. The Company has also received No Due Certificate from C.N.S.Bank dated 5th April, 2014.

12. In our opinion and according to the explanation given to us and based on the information available, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of Clause 4 (xiii) of paragraph 4 of the order are not applicable.
14. The company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of paragraph 4 of the order are not applicable.
15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not obtained term loans during the year.



17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that there are no funds raised on short term basis that have been used for long term investment.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the Year.
19. According to the information and explanations given to us, the Company had not issued any Secured Debentures during the year.
20. The Company has not raised any money by way of public issues during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**Place: Ahmedabad**

**Date: 30<sup>th</sup> May, 2014**

**For G S MATHUR & CO  
Chartered Accountants**

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



**ISHAN DYES & CHEMICALS LTD.**

(Amount in Rs.)

	Refer Note No.	As at 31st March 2014	As at 31st March 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders's funds</b>			
(a) Share Capital	3	750,98,000	750,98,000
(b) Reserves and surplus	4	805,49,032	179,90,341
<b>2 Non-current liabilities</b>			
(a) Long-Term Borrowings	5	293,75,242	408,94,717
(b) Long-term provisions	6	150,00,000	21,49,111
<b>4 Current liabilities</b>			
(a) Trade payables	7	377,99,349	1605,63,505
(b) Other current liabilities	8	69,79,021	85,26,176
(c) Short-term provisions	9	47,68,261	24,83,612
<b>Total - Equity &amp; Liabilities</b>		<b>2495,68,904</b>	<b>3077,05,462</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
<b>1 (a) Fixed assets</b>			
(i) Tangible Assets	10	706,56,424	706,45,555
(ii) Intangible Assets		-	121,48,282
(iii) Capital work-in-progress	10	186,55,118	7,11,897
(b) Non-current investments	11	5,000	5,000
(c) Deferred tax assets (net)	12	87,10,807	22,87,661
(d) Long-term loans and advances	13	236,97,237	154,03,133
<b>2 Current Assets</b>			
(a) Inventories	14	725,14,127	739,61,443
(b) Trade receivables	15	246,69,612	1276,06,302
(c) Cash and cash equivalents	16	50,18,431	3,25,956
(d) Short-term loans and advances	17	256,42,146	46,10,232
<b>Total Assets</b>		<b>2495,68,904</b>	<b>3077,05,462</b>
Significant accounting policies & notes to the financial statements	1 to 41		
As per our report of even date attached <b>For, G S Mathur &amp; Co.</b> Chartered Accountants		For and on behalf of the Board of Directors <b>Piyush N. Patel</b> Managing Director	<b>Shrinal P. Patel</b> Director
<b>Bhargav Vagehla</b> Partner M. No. : 124 619 FRN: 008744N Place : Ahmedabad Date : 30th May, 2014		<b>Roopin A. Patel</b> Director  Place : Ahmedabad Date : 30th May, 2014	



## Statement of Profit & Loss for the year ended 31st March, 2014

### ISHAN DYES & CHEMICALS LTD.

(Amount in Rs.)

	Particulars	Refer Note No.	For the year ended 31st March 2014	For the year ended 31st March 2013
I.	Revenue from operations	18	7471,15,918	7207,25,062
II.	Other Income	19	61,64,403	35,89,331
III.	<b>Total Revenue</b>		<b>7532,80,321</b>	<b>7243,14,393</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	20	5173,25,795	5246,30,615
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	(153,38,339)	(26,85,644)
	Employee benefits expense	22	288,53,415	188,87,660
	Finance Costs	23	52,17,570	126,40,154
	Depreciation and amortization expense		208,36,294	229,27,470
	Other Expenses	24	1259,73,564	1140,72,686
	<b>Total Expenses</b>		<b>6828,68,299</b>	<b>6904,72,941</b>
V.	<b>Profit before extraordinary items and tax</b>		<b>704,12,022</b>	<b>338,41,452</b>
VI.	Extraordinary Items		-	345,35,677
VII.	<b>Profit / (Loss) before tax</b>		<b>704,12,022</b>	<b>(6,94,225)</b>
VIII.	Tax expense:			
	(1) Current tax		150,00,000	30,00,000
	(2) Excess Provision of Tax in respect of earlier year		(21,49,111)	(14,08,082)
	(3) Deferred Tax		(64,23,146)	10,64,036
	(4) MAT Credit		-	(116,37,252)
IX.	<b>Profit for the year</b>		<b>639,84,279</b>	<b>82,87,073</b>
X.	<b>Earnings per equity shares</b> (Nominal Value per Share Rs. 10/-, Previous Year Rs.10/-)			
	(a) Basic		8.52	1.10
	(b) Diluted		8.52	1.10
	Significant accounting policies & notes to the financial statements	1 to 41		
	As per our report of even date attached <b>For G S Mathur &amp; Co.</b> Chartered Accountants		For and on behalf of the Board of Directors <b>Piyush N. Patel</b> <b>Shrinal P. Patel</b> Managing Director                      Director	
	<b>Bhargav Vagehla</b> Partner M. No. : 124 619 FRN: 008744N Place : Ahmedabad Date : 30th May, 2014		<b>Roopin A. Patel</b> Director  Place : Ahmedabad Date : 30th May, 2014	



**ISHAN DYES & CHEMICALS LTD.**

(Amount in Rs.)

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax as per Profit and Loss Statement</b>	704,12,022	(6,94,225)
<b>Adjustments for :</b>		
Cash flow from exceptional and extraordinary items	-	352,03,588
Depreciation and Amortization Expenses	208,36,294	229,27,470
Finance Costs	52,17,570	126,40,154
Interest Income	(2,90,975)	(2,80,708)
(Gain) / Loss on sale/write-off of Fixed Assets	10,67,289	-
<b>Adjustments for Working Capital changes :</b>		
Inventories	14,47,316	(118,89,297)
Trade Receivables	1029,36,690	(478,20,930)
Loans and Advances	(293,26,018)	(36,98,209)
Long Term Loans & Advances		
Trade Payables	(1227,64,156)	805,52,568
Other Current Liabilities	(15,47,155)	(207,94,332)
Short Term Provisions	22,84,649	(1,98,554)
Long Term Provisions	-	(8,50,889)
Cash flow from exceptional and extraordinary items	-	(352,03,588)
<b>Cash generated from operations</b>		
Income Taxes Paid	-	(128,91,918)
MAT Credit availed / Gratuity paid	(14,25,588)	116,37,252
<b>Net cash flow from operating activities</b>	<b>488,47,936</b>	<b>286,38,381</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to Tangible / Intangible Assets	(285,67,412)	(183,13,158)
Sale of Fixed Assets	8,58,020	-
Interest Income	2,90,975	2,80,708
Sale of Non Current Investment	-	5,06,369
<b>Net cash flow from investing activities</b>	<b>(274,18,417)</b>	<b>(175,26,081)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings	(115,19,475)	(3,54,489)
Finance Costs	(52,17,570)	(126,40,154)
<b>Net cash flow from financing activities</b>	<b>(167,37,045)</b>	<b>(129,94,643)</b>
Net increase / decrease in Cash and Cash Equivalents	46,92,474	(18,82,342)
Opening balance of Cash and Cash Equivalents	3,25,956	22,08,298
<b>Closing balance of Cash and Cash Equivalents</b>	<b>50,18,430</b>	<b>3,25,956</b>
As per our report of even date attached <b>For G S Mathur &amp; Co.</b> Chartered Accountants	For and on behalf of the Board of Directors <b>Piyush N. Patel</b> <b>Shrinal P. Patel</b> Managing Director      Director	
<b>Bhargav Vagehla</b> Partner M. No. : 124 619 FRN: 008744N Place : Ahmedabad Date : 30th May, 2014	<b>Roopin A. Patel</b> Director  Place : Ahmedabad Date : 30th May, 2014	





## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### 1 BACKGROUND:

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

### 2 SIGNIFICANT ACCOUNTING POLICIES:

#### a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

#### Current / Non-current classification

The Revised Schedule VI to the Act requires assets and liabilities to be classified as either Current or Non-current.

An asset is classified as current when it satisfies any of the following criteria:

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

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.

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

#### b. USE OF ESTIMATES

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

#### c. TANGIBLE ASSETS

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

#### d. INTANGIBLE ASSETS

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

#### e. INVESTMENTS

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

#### f. DEPRECIATION

Depreciation on fixed assets is provided on straight line / written down value basis in accordance with the Companies Act, 1956.

- Depreciation is provided at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956



(ii) Depreciation for the year is provided on the revalued cost of Assets and is charged to the Profit and Loss Account.

(iii) Depreciation for the year on Intangible assets is provided at 100% and charged to the Profit and Loss Account.

#### **g. INVENTORIES**

The inventory is valued as follows:

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

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

#### **h. RETIREMENT BENEFITS**

##### **1) GRATUITY**

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

##### **2) PROVIDENT FUND**

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

#### **i. CENVAT CREDIT**

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

#### **j. FOREIGN CURRENCY TRANSACTIONS**

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

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

#### **k. REVENUE RECOGNITION**

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

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

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

#### **m. BORROWING COSTS**

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

#### **n. TAXES ON INCOME**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/ period. Deferred tax assets are recognised only to the extent that there is reasonable certainty that



sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation and losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

**o. DOUBTFUL DEBTS/ADVANCES**

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

**p. IMPAIRMENT LOSS**

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

**3 Share Capital**

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

Share Capital	As at 31st March 2014		As at 31st March 2013	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	110,00,000	1100,00,000	110,00,000	1100,00,000
<b>Issued, Subscribed &amp; Fully Paid</b>				
75,09,800 Equity Shares of Rs. 10/- each	75,09,800	750,98,000	75,09,800	750,98,000
<b>Total</b>	<b>75,09,800</b>	<b>750,98,000</b>	<b>75,09,800</b>	<b>750,98,000</b>

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

Share Capital	As at 31st March 2014		As at 31st March 2013	
	Number	Rs.	Number	Rs.
Equity Shares Outstanding at the beginning of the year	75,09,800	750,98,000	75,09,800	750,98,000
Equity Shares issued during the year	-	-	-	-
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	75,09,800	750,98,000	75,09,800	750,98,000

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

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shardaben J. Patel	10,81,000	14.39%	10,81,000	14.39%
Piyush N. Patel	6,47,160	8.62%	5,81,300	7.74%
Shrinal P. Patel	6,39,000	8.51%	6,39,000	8.51%

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

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



#### 4 Reserves and Surplus

Particulars	As at 31st March 2014	As at 31st March 2013
<b>a. Securities Premium Account</b>		
Balance as per last account	53,75,000	53,75,000
	<b>53,75,000</b>	<b>53,75,000</b>
<b>b. Revaluation Reserve</b>		
Balance as per last account	121,36,953	121,36,953
	<b>121,36,953</b>	<b>121,36,953</b>
<b>c. Gratuity Reserve</b>		
Balance as per last account	14,25,588	12,71,227
Less: Utilised for fund creation during the year	(14,25,588)	1,54,361
	-	<b>14,25,588</b>
<b>d. Surplus in Statement of Profit &amp; Loss</b>		
Balance as per last account	(9,47,200)	(92,34,273)
Add: Profit for the year	639,84,279	82,87,073
<b>Balance as per end of the year</b>	<b>630,37,079</b>	<b>(9,47,200)</b>
<b>Total</b>	<b>805,49,032</b>	<b>179,90,341</b>

#### 5 Long Term Borrowings

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Vehicle Loans</b>		
from Kotak Mahindra Prime Ltd. (Secured by Hire Purchase of vehicle where the vendors have a lien on and right of repossession of specific vehicle)	3,16,072	45,85,007
<b>Unsecured Loans</b>		
Inter corporate Deposits	290,59,170	363,09,710
<b>Total</b>	<b>293,75,242</b>	<b>408,94,717</b>

#### 6 Long Term Provisions

Particulars	As at 31st March 2014	As at 31st March 2013
Provision for Income Tax	150,00,000	30,00,000
MAT Credit	-	(8,36,087)
Earlier Year Income Tax provision	-	(14,802)
<b>Total</b>	<b>150,00,000</b>	<b>21,49,111</b>

#### 7 Trade Payables

Particulars	As at 31st March 2014	As at 31st March 2013
Micro, Small & Medium Enterprises	-	-
Others	377,99,349	1605,63,505
<b>Total</b>	<b>377,99,349</b>	<b>1605,63,505</b>

#### 8 Other Current Liabilities

Particulars	As at 31st March 2014	As at 31st March 2013
Statutory Liabilities	26,04,156	14,90,067
Repayment due within 1 year		
Secured		
Vehicle Loans from Kotak Mahindra Prime Ltd.	43,74,865	70,36,109
<b>Total</b>	<b>69,79,021</b>	<b>85,26,176</b>

#### 9 Short Term Provisions

Particulars	As at 31st March 2014	As at 31st March 2013
<b>a. Provision for employee benefits</b>		
Salary & Reimbursements	22,81,628	4,58,016
Leave Encashment	6,89,873	3,64,417
Bonus	16,37,017	12,67,799
<b>b. Others</b>		
Duty & Taxes Payable on Finished Goods	-	3,64,094
Other Expenses	1,59,743	29,286
<b>Total</b>	<b>47,68,261</b>	<b>24,83,612</b>



Sch :10 Fixed Assets

Sr. No.	Fixed Assets	Gross Block				Accumulated Depreciation			Net Block	
		Balance as at 1st April 2013	Additions during the year	Disposals during the year	Balance as at 31st March 2014	Balance as at 1st April 2013	Depreciation provided for the year	Reversals	Balance as at 31st March 2014	Balance as at 31st March 2013
<b>a</b>	<b>Tangible Assets</b>									
	Land	187,44,820	-	-	187,44,820	-	-	-	-	187,44,820
	Factory Building	157,30,466	56,226	-	157,86,692	89,09,841	5,26,529	-	94,36,370	68,20,625
	Office Building	50,06,230	-	-	50,06,230	4,00,817	81,602	-	4,82,419	46,05,413
	Electrical Fittings	107,96,277	-	-	107,96,277	78,43,718	11,16,335	-	89,60,053	29,52,559
	Plant & Machinery	507,74,128	20,49,418	-	528,23,546	453,16,296	24,69,871	-	477,86,167	54,57,832
	Plant & Equipment	20,90,606	84,08,532	-	104,99,138	10,89,043	8,00,443	-	18,89,486	10,01,563
	Office Equipments	32,72,561	17,500	-	32,90,061	6,98,019	1,55,732	-	8,53,751	25,74,542
	Computer	10,73,752	34,495	-	11,08,247	6,84,238	1,78,205	-	8,62,443	3,89,514
	Furniture & Fixtures	16,30,919	-	-	16,30,919	4,79,042	1,03,237	-	5,82,279	11,51,877
	Vehicles	342,74,304	-	31,23,200	311,51,104	73,27,495	32,56,059	12,55,911	93,27,643	269,46,809
	<b>Total</b>	<b>1433,94,064</b>	<b>105,66,171</b>	<b>31,23,200</b>	<b>1508,37,034</b>	<b>727,48,509</b>	<b>86,88,012</b>	<b>12,55,911</b>	<b>801,80,610</b>	<b>706,45,555</b>
<b>b</b>	<b>Intangible Assets</b>									
	ISO Exp & Webhosting Exp.	3,23,820	-	-	3,23,820	2,93,483	30,337	-	3,23,820	30,337
	Green Environment	112,50,000	-	-	112,50,000	7,52,055	104,97,945	-	112,50,000	104,97,945
	Novel Spent	18,00,000	-	-	18,00,000	1,80,000	16,20,000	-	18,00,000	16,20,000
	Misc Exps	7,01,400	-	-	7,01,400	7,01,400	-	-	7,01,400	-
	<b>Total</b>	<b>140,75,220</b>	<b>-</b>	<b>-</b>	<b>140,75,220</b>	<b>19,26,938</b>	<b>121,48,282</b>	<b>-</b>	<b>140,75,220</b>	<b>121,48,282</b>
	<b>Grand Total</b>	<b>1581,81,181</b>	<b>285,67,412</b>	<b>31,81,220</b>	<b>1835,67,372</b>	<b>746,75,447</b>	<b>208,36,294</b>	<b>12,55,911</b>	<b>942,55,830</b>	<b>835,05,734</b>
	<b>Previous Year</b>	<b>2762,44,452</b>	<b>183,13,158</b>	<b>-</b>	<b>2945,57,610</b>	<b>1881,24,406</b>	<b>229,27,470</b>	<b>-</b>	<b>2110,51,876</b>	<b>881,20,046</b>

Amount in Rs.



#### 11 Non-current Investments

Particulars	As at 31st March 2014	As at 31st March 2013
Investments in Others	5,000	5,000
<b>Total</b>	<b>5,000</b>	<b>5,000</b>

#### 12 Deferred Tax Calculation

Particulars	As at 31st March 2014	As at 31st March 2013
Opening Balance	22,87,661	33,51,697
Deferred Tax Liability		
Provisions	-	(2,79,145)
Deferred Tax Assets		
Depreciation on Fixed Assets	64,23,146	(13,43,181)
<b>Total</b>	<b>87,10,807</b>	<b>22,87,661</b>

#### 13 Long Term Loans & Advances

Particulars	As at 31st March 2014	As at 31st March 2013
<b>a. Capital Advances</b>		
Unsecured and considered good	97,00,923	14,09,819
<b>b. Security Deposits</b>		
Unsecured and considered good	31,95,149	31,92,149
<b>c. MAT Credit Entitlement as per last account</b>	108,01,165	116,37,252
Less: MAT Credit utilised	-	(8,36,087)
<b>Total</b>	<b>236,97,237</b>	<b>154,03,133</b>

#### 14 Inventories

Particulars	As at 31st March 2014	As at 31st March 2013
a. Raw Materials and components	26,61,562	182,91,923
b. Work-in-progress	641,96,857	526,89,204
c. Finished goods	50,49,037	12,18,351
d. Stores and Spares	3,91,513	13,07,968
f. Fuel	2,14,442	2,05,913
g. ETP Material	716	2,48,084
<b>Total</b>	<b>725,14,127</b>	<b>739,61,443</b>

#### 15 Trade Receivables

Particulars	As at 31st March 2014	As at 31st March 2013
Trade Receivables outstanding for a period less than six months from the date they are due for payment	229,06,463	1251,97,007
Unsecured and considered good		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	17,63,149	24,09,295
Unsecured and considered good		
<b>Total</b>	<b>246,69,612</b>	<b>1276,06,302</b>

#### 16 Cash and cash equivalent

Particulars	As at 31st March 2014	As at 31st March 2013
a. Fixed Deposits for Bank Guarantee	33,08,886	56,674
In Current Account	16,42,202	2,22,043
b. Cash on Hand	67,342	47,239
<b>Total</b>	<b>50,18,431</b>	<b>3,25,956</b>

#### 17 Short-Term loans and advances

Particulars	As at 31st March 2014	As at 31st March 2013
Balances with Government Authorities	194,77,505	22,37,759
Deposits	16,642	18,642
Others	61,48,000	23,53,831
<b>Total</b>	<b>256,42,146</b>	<b>46,10,232</b>

**18 Revenue from Operations**

Particulars	As at 31st March 2014	As at 31st March 2013
Sale of Products	8062,82,438	7875,14,290
Less:		
Excise Duty	591,66,519	667,89,228
<b>Total</b>	<b>7471,15,918</b>	<b>7207,25,062</b>

**19 Other Income**

Particulars	As at 31st March 2014	As at 31st March 2013
Interest Income	2,90,975	2,80,708
Export Incentive	29,89,697	5,41,992
Foreign Exchange Fluctuation	16,58,790	17,86,009
Gujarat Sales Tax Revesal	-	7,38,989
Discounts	6,94,655	2,40,933
Others	5,30,286	700
<b>Total</b>	<b>61,64,403</b>	<b>35,89,331</b>

**20 Cost of materials consumed**

Particulars	As at 31st March 2014	As at 31st March 2013
Opening Stock	182,91,923	94,09,013
Add: Purchases	5016,95,434	5335,13,525
Less: Closing Stock	26,61,562	182,91,923
<b>Consumption</b>	<b>5173,25,795</b>	<b>5246,30,615</b>
Imported	72,53,920	54,16,232
Indigenous	5100,71,875	5192,14,383
<b>Total</b>	<b>5173,25,795</b>	<b>5246,30,615</b>

**21 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Closing Balance</b>		
Work-in-Progress	641,96,857	526,89,204
Finished Goods	50,49,037	12,18,351
Stock-in-trade	-	-
<b>Total</b>	<b>692,45,894</b>	<b>539,07,555</b>
<b>Less: Opening Balances</b>		
Work-in-Progress	526,89,204	488,32,596
Finished Goods	12,18,351	23,89,315
Stock-in-trade	-	-
<b>Total</b>	<b>539,07,555</b>	<b>512,21,911</b>
<b>Net increase in inventories</b>	<b>153,38,339</b>	<b>26,85,644</b>

**22 Employee benefits expenses**

Particulars	As at 31st March 2014	As at 31st March 2013
Salaries & Wages	228,06,308	153,22,534
Contribution to PF & Other Funds	26,75,734	26,71,540
Staff Welfare Exps	33,71,373	8,93,586
<b>Total</b>	<b>288,53,415</b>	<b>188,87,660</b>

**23 Finance cost**

Particulars	As at 31st March 2014	As at 31st March 2013
Interest Expense	49,98,419	122,19,722
Other Borrowing Cost	2,19,151	4,20,432
<b>Total</b>	<b>52,17,570</b>	<b>126,40,154</b>



#### 24 Other expense

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Manufacturing Exps</b>		
Consumption of Stores & Spares parts	244,11,181	190,84,039
Power and Fuel	584,72,462	622,95,301
Repair & Machinery	44,80,084	47,98,443
Pollution Control & Effluent,Treatment Exp	56,07,274	47,50,938
Job Work Charges	59,29,000	46,73,400
<b>Administrative Exps</b>		
Professional Fees	11,73,455	9,13,674
Insurance	14,20,515	11,60,071
Rent,Rates and taxes,excluding , taxes on income	2,46,892	1,34,185
Auditor Remuneration	98,142	3,75,942
Office & Factory Expense	10,16,565	14,56,475
Vehicle Running Exps	14,63,192	6,98,968
Travelling & Conyence Exps	29,06,456	39,30,083
Donation	46,000	50,000
Excise & Service Tax Exp	2,73,304	6,94,289
Communication Exps	5,22,603	4,42,475
Legal Exps	91,498	61,186
Security Exps	5,64,646	6,02,728
Printing & Stationery	1,69,469	1,15,260
Miscellaneous Exps	25,22,802	4,78,045
Prior Period Adjustments	2,10,230	-
Penalty Exp	-	16,000
Other Exp	27,94,834	-
<b>Selling and Distribution Expenses</b>		
Freight Outward	103,77,182	69,21,071
Selling & Distirbution Exps	11,75,778	4,20,114
<b>Total</b>	<b>1259,73,564</b>	<b>1140,72,686</b>

#### 25 Extraordinary Items

Particulars	As at 31st March 2014	As at 31st March 2013
CNSB Loan Repayment Exp.	-	345,35,677
<b>Total</b>	<b>-</b>	<b>345,35,677</b>

#### 26 Contingent Liabilities

Particulars	As at 31st March 2014	As at 31st March 2013
Income Tax	-	1,95,000
ESIC	-	11,98,094
<b>Total</b>	<b>-</b>	<b>13,93,094</b>

#### 27 Details of contingent Liability Not Provided

Particulars	As at 31st March 2014	As at 31st March 2013
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt	-	-
(b) Guarantees		
Bank Gurantee for GPCB (with Bank of India)	-	50,000
(c) Other money for which the company is contingently liable		
Income Tax Act		
CIT(A) Penalty matter for AY 2006 - 07	-	1,95,000
ESIC	-	11,98,094
<b>Total</b>	<b>-</b>	<b>14,43,094</b>

The company has received a penalty notice u/s. 271(1)(c ) of the Income Tax Act, 1961 for the AY 2011 - 12.





## 28 Details of Payment of Auditors

Particulars	As at 31st March 2014	As at 31st March 2013
as an auditor	90,000	90,000
<b>Total</b>	<b>90,000</b>	<b>90,000</b>

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

Particulars	As at 31st March 2014	As at 31st March 2013
Import of Raw Material	72,53,920	35,97,113
Other matters		
Comission	39,222	-
Travelling Expenses	4,11,935	9,64,630
<b>Total</b>	<b>77,05,077</b>	<b>45,61,743</b>

### Details of Consumption during the year

Particulars	As at 31st March 2014		As at 31st March 2013	
	Amount	%	Amount	%
Raw Materials	5173,25,795	93.53%	5246,30,615	92.80%
Fuel	244,22,467	4.42%	316,40,940	5.60%
Stores & Spares	113,58,494	2.05%	90,49,869	1.60%
<b>Total</b>	<b>5531,06,756</b>	<b>100.00%</b>	<b>5653,21,423</b>	<b>100.00%</b>

## 30 Employee Benefits

As required by Accounting Standard-15 'Employee Benefits' the disclosures are as under :

### Defined Contribution Plans

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

Particulars	As at 31st March 2014	As at 31st March 2013
Employee's Pension contribution	4,30,453	3,83,679
Employee's Provident Fund contribution	2,51,965	2,47,413
<b>Total</b>	<b>6,82,418</b>	<b>6,31,092</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, 2014 are as under:

Particulars	As at 31st March 2014	As at 31st March 2013
i) Changes in present value of obligations		
Present value of as at beginning of year	14,25,587	12,71,227
Current service cost	3,86,174	1,88,934
Interest cost	1,15,822	1,05,664
Actuarial loss / (gain)	3,84,362	(83,988)
Benefit (paid)	(26,250)	(56,250)
Present value of obligations as at end of year	22,85,695	14,25,587



ii) Amount recognised in the Balance Sheet		
Present value of the obligations as at year end	22,85,695	14,25,587
Fair value of the plan assets as at year end		
Net (asset) / liability recognised as on March 31, 2014	22,85,695	14,25,587
iii) Expenses recognised in the Statement of Profit and Loss		
Current service cost	3,86,174	1,88,934
Interest on defined benefit obligation	1,15,822	1,05,664
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognized in the current year	3,84,362	(83,988)
Total expense	8,86,358	2,10,610

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.

Since the Company has formed Gratuity Trust during the year which inturn has taken policy with LIC of India during the year, hence change in fair value of assets has not been provided

#### Leave Encashment:

Particulars	As at 31st March 2014	As at 31st March 2013
Provision for Leave Encashment outstanding during the year	6,89,873	3,64,417
<b>Total</b>	<b>6,89,873</b>	<b>3,64,417</b>

#### 31 Earning Per Share (EPS)

Particulars	As at 31st March 2014	As at 31st March 2013
Profit/(Loss) attributable to equity shareholders	639,84,279	82,87,073
Weighted avg. number of shares outstanding during the year	75,09,800	75,09,800
Basic / Diluted Earnings per share	8.52	1.10
Nominal value per share	10.00	10.00

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

Particulars	As at 31st March 2014	As at 31st March 2013
Export of goods calculated on F.O.B basis	1472,97,596	549,38,610
<b>Total</b>	<b>1472,97,596</b>	<b>549,38,610</b>

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

(Amount in '000)

Particulars	As at 31st March 2014		As at 31st March 2013	
	Amount	%	Amount	%
Phthalic Anhydride	1,99,708	39.81%	1,82,839	34.27%
Cuprous Chloride	1,36,050	27.12%	1,34,327	25.18%
Urea	52,314	10.43%	26,639	4.99%
Sulphuric Acid	18,314	3.65%	26,610	4.99%
Ammonium Molybdate	4,554	0.91%	4,919	0.92%
Others	90,756	18.09%	1,58,180	29.65%
<b>Total</b>	<b>5,01,695</b>	<b>100%</b>	<b>5,33,514</b>	<b>100%</b>

#### 33 Related Party Disclosures

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

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

Nature of transactions	Key management personnel and its relative	Enterprises over which key management personnel are able to exercise significant influence	Total
<b>Loan &amp; Advances received</b>			
Mr. Piyush N. Patel	10,00,000		10,00,000
Mr. Shrinal P. Patel	27,67,548		27,67,548
	(42,07,425)		(42,07,425)



<b>Loan &amp; Advances Paid</b>			
Mr. Piyush N. Patel	10,00,000		10,00,000
Mr. Shrinal P. Patel	27,67,548		27,67,548
	(42,07,425)		(42,07,425)
<b>Remuneration to key management personnel</b>			
<b>Managerial remuneration</b>			
Mr. Piyush N. Patel	24,00,000		24,00,000
	(18,00,000)		(18,00,000)
Mr. Shrinal P. Patel	18,00,000		18,00,000
	(12,00,000)		(12,00,000)
<b>Bonus</b>			
Mr. Piyush N. Patel	1,98,000		1,98,000
	(1,98,000)		(1,98,000)
Mr. Shrinal P. Patel	1,32,000		1,32,000
	(1,32,000)		(1,32,000)
<b>Outstanding as at year end</b>			
	-		-

Figures in brackets pertain to the figures of previous year.

**34 DIRECTORS REMMUNERATION:**

Salary of Rs. 42,00,000/- & Bonus – Rs. 3,30,000/-

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

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

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

**38 Disclosure Under Micro, Small & Medium Enterprises Development Act, 2006**

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

39 Net Exchange Gain included in the profit and loss account is Rs. 17,14,465/-.

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

41 Figures have been rounded off to the nearest rupee.



## ISHAN DYES & CHEMICALS LIMITED

CIN: L24110GJ1993PLC020737

Regd. Office: 18, G.I.D.C Estate, Phase - 1, Vatva, Ahmedabad - 382445

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

Website: [www.ishandyes.com](http://www.ishandyes.com) | E-mail: [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com)

Share Transfer Agent: MCS Ltd.,

Neelam Apartment, 88, Sampatrao Colony, B/h Standard Chartered Bank,  
Alkapuri, Baroda- 390007

### Proxy form

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

Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him

3. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the company, to be held on the 23<sup>rd</sup> day of September, 2014 at 03.00 p.m. at 18, G.I.D.C Estate, Phase - 1, Vatva, Ahmedabad - 382445 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
<i>Ordinary Business:</i>		
1		
Adoption of the Audited Balance Sheet as at and Profit and Loss for the financial year ended on March 31, 2014 and the Reports of the Directors and Auditors thereon.		
2		
Re-appointment of Smt. Anilaben P. Patel who retires by rotation		
3		
Appointment of Auditors and fixing their remuneration		
<i>Special Business:</i>		
4		
Appointment of Shri Mayankkumar H. Patel as an Independent Director		
5		
Appointment of Shri Roopin A. Patel as an Independent Director		
6		
Appointment of Shri Yatinbhai G. Patel as an Independent Director		
7		
Ratification of remuneration payable to Cost Auditors for the year 2014-15		



Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014

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

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

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorization should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



## ISHAN DYES & CHEMICALS LIMITED

CIN: L24110GJ1993PLC020737

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

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

**Website:** [www.ishandyes.com](http://www.ishandyes.com) | **E-mail:** [ishandyes@yahoo.com](mailto:ishandyes@yahoo.com)

**Share Transfer Agent:** MCS Ltd.,

Neelam Apartment, 88, Sampatrao Colony, B/h Standard Chartered Bank,  
Alkapuri, Baroda- 390007

### ATTENDANCE SLIP

I/We hereby record my/our presence at the 21<sup>st</sup> Annual General Meeting of the Company held at 18, G.I.D.C Estate, Phase - 1, Vatva, Ahmedabad - 382445 at 3.00 p.m. on Tuesday, the 23<sup>rd</sup> day of September, 2014

Name and Address of the Shareholder(s):		
If shareholder(s), please sign here	If proxy, please mention name and sign here	
	Name of Proxy	Signature

**Notes:**

- (1) Shareholder / Proxy holder, as the case may be, is requested to produce the attendance slip duly signed at the entrance of the Meeting venue.
- (2) Members are requested to advise the change of their address, if any, to Link Intime India Pvt. Ltd., at the above address.



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**If undelivered please return to:**



**ISHAN DYES & CHEMICALS LIMITED**

**18, G.I.D.C ESTATE, PHASE - 1,  
VATVA, AHMEDABAD - 382445**