



Ushanti
Colour Chem Limited (UCL)
(CIN: L24231GJ1993PLC019444)

28TH ANNUAL REPORT 2020-21

...making the world more colourful
...Leadership through Phthalocyanine Dyestuff & Pigments.



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Members are requested to bring their copies of Annual Report to the Annual General Meeting.



Corporate Information

Name of Company	Ushanti Colour Chem Limited
CIN	L24231GJ1993PLC019444
Financial Year	2020-21
Registered Office	88/8, G I D C Phase I, Vatva, Ahmedabad-382445, Gujarat, India.
Phone No.	079-25833315, 079-25894903
Fax No.	Not Available
Email ID	admin@ushanti.com, csucl@ushanti.com
Website	www.ushanti.com

Board of Directors

Sr. No.	Name of Director	DIN	Designation
1.	Minku Shantilal Gandhi	00118617	Chairman and Joint Managing Director
2.	Maunal Shantilal Gandhi	00118559	Joint Managing Director
3.	Shailesh Indradaman Patwari	00411439	Independent Director (Up to 15 th July, 2021)
4.	Purvi Tapan Trivedi	08064080	Independent Director
5.	Hanisha Jinish Patel	07190911	Independent Director
6.	Arjun Maunal Gandhi	09254434	Additional Non-Executive Non-Independent Director (w.e.f. 31 st July, 2021)

Board Committees

Audit Committee

Name of Directors	Designation in Committee	Nature of Directorship
Hanisha Jinish Patel	Chairman	Independent Director
Purvi Tapan Trivedi	Member	Independent Director
Maunal Shantilal Gandhi	Member	Joint Managing Director

Nomination and Remuneration Committee

Name of Directors	Designation in Committee	Nature of Directorship
Hanisha Jinish Patel	Chairman	Independent Director
Purvi Tapan Trivedi	Member	Independent Director
Arjun Maunal Gandhi	Member	Additional Non-Executive Non-Independent Director

Stakeholders Relationship Committee

Name of Directors	Designation in Committee	Nature of Directorship
Purvi Tapan Trivedi	Chairman	Independent Director
Hanisha Jinish Patel	Member	Independent Director
Arjun Maunal Gandhi	Member	Additional Non-Executive Non-Independent Director

Company Secretary & Compliance Officer	Archita Jitendrakumar Shah Email ID: csucl@ushanti.com
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Chief Financial Officer	Pradip Bhadrilal Parikh
	Email ID: cfo@ushanti.com

Internal Auditor	Mital Dipeshbhai Shah
	Email ID: accounts@ushanti.com

Statutory Auditors	M/s. DJNV & Co Chartered Accountants (Firm Registration No. 115145W)
	Address: 2nd Floor, H.N. House, Opp. Muktajivan Colour Lab, Stadium Circle, Navrangpura, Ahmedabad-380009, Gujarat, India
	Email ID: info@djnv.in

Secretarial Auditors	M/s. Bunty Hudda & Associates Practicing Company Secretary Firm
	Address: E-812, Titanium City Center, Anandnagar-Prahladnagar Road, Satellite, Ahmedabad - 380015, Gujarat, India
	Email ID: bunty.hudda@yahoo.com

Bankers	The Kalupur Commercial Co-operative Bank Limited
	ICICI Bank
	Bank of Baroda

Registrar & Transfer Agent	M/s. Bigshare Services Private Limited (CIN: U99999MH1994PTC076534)
	Address: 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059, Maharashtra, India
	Email ID: info@bigshareonline.com

Company offer products include:

Sr. No.	Product Name	Product
1.	Turquoise Blue Dyes/ Direct Blue/ Reactive Blue	
2.	Copper Phthalocyanine Blue/ CPC Blue Crude	
3.	Alpha Blue/ Pigment Alpha/ Beta Blue	
4.	Pigment Green	
5.	Additive Blue	
6.	Mono Sulpho CPC	



Letter from the Chairman

Dear Stakeholders of Ushanti,

I am glad to present the Annual Report of the Company for Financial year 2020-21. I expect the data/information provided in the report is enough to get the idea of our Company and its progress. I hope you all are doing well during this tough time. Please go and vaccinated, if you are still not, because it is very important for the good health of yours and your family.

The nationwide pandemic has taken many things from all, we cannot exclude our Company from it but we should learn to stay and survive together and also accept future challenges together.

I pleased to inform you that Company has resumed its operation with as much capacity as possible along with all safety measures and guidelines issued by Government. You all know that 1st quarter of the FY was very tough for all because of having complete lockdown so company could not do business up to the mark on that quarter but from 2nd quarter and onwards company was able to do its business quite good and gradually covered its losses made during the lock down and able to generate good profit during the year. It is possible only because of having many years of trustworthy and strong relationship with all stakeholders.

Our Company is in the line of manufacturing as well as selling of Dyes and Intermediates. From the said activity Company generates profit of Rs. 2.43 Crores during the FY which is higher of 2.53% as compared to the previous FY. Company has kept the said profit in its reserve for growth of the Company instead of distributing it as dividend to the members of the Company.

Further I am glad to inform you all that, as per altered object of the Company, SPV of the Company, UC Colours and Intermediates Private Limited has initiated the construction work at Plot No. C-18 situated at GIDC, Saykha Industrial Estate, Bharuch-392140, Gujarat, India, but due to Covid-19 pandemic, there has been a delay in completion of setting up manufacturing facility over there. It will be completed soon and the manufacturing activity will commence then after.

I am grateful to the banks and their support staffs who have provided credit facility to our Company and have been providing constant support for our routine work. They are the support system of the company.

Further without fail, let me thank such a wonderful, supportive and cooperative staff of our ushanti. They are the main pillars of the Company for growing our business. With their support and work company is able to reach its milestone.

I conclude my speech with sincere thanks to all stakeholders who are always believing on us and having faith on us.

Thanking you,

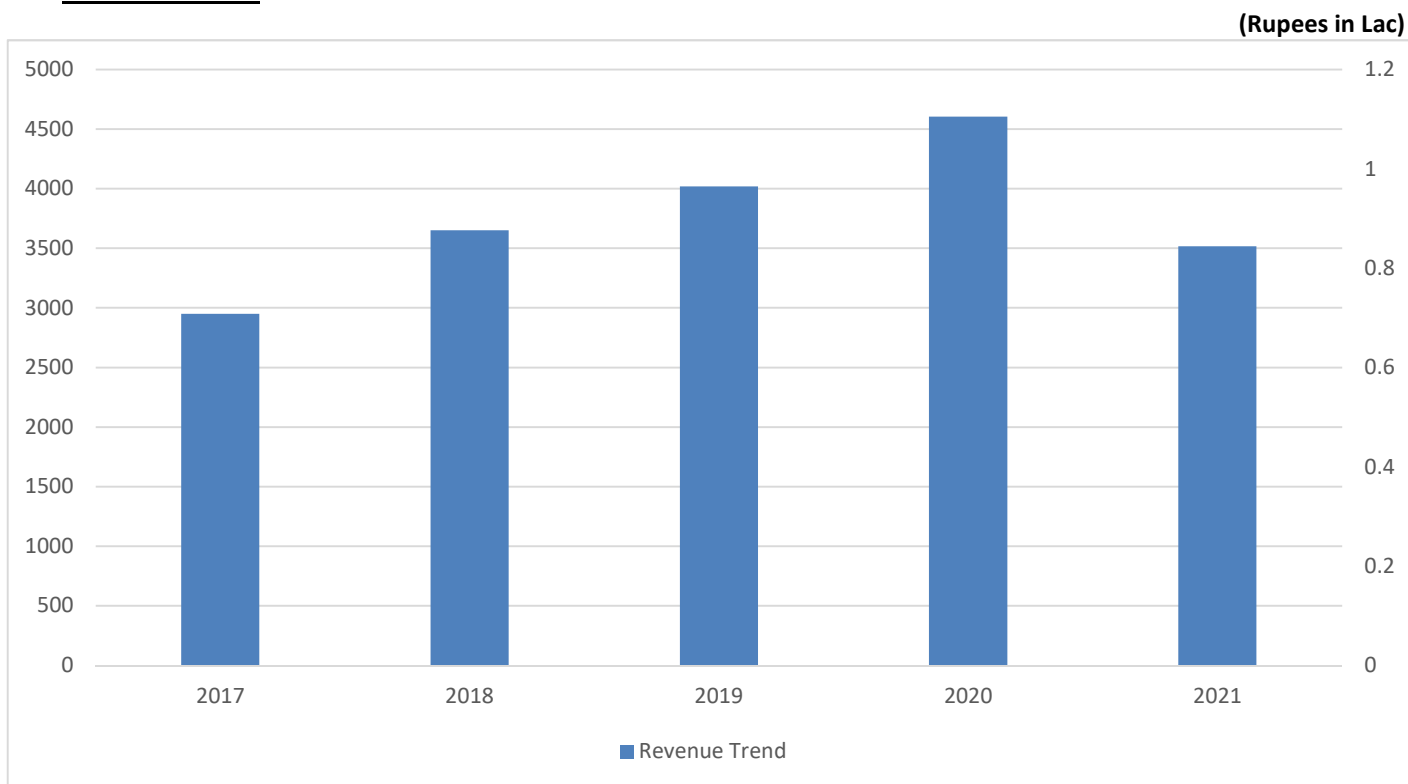
Yours faithfully,

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)

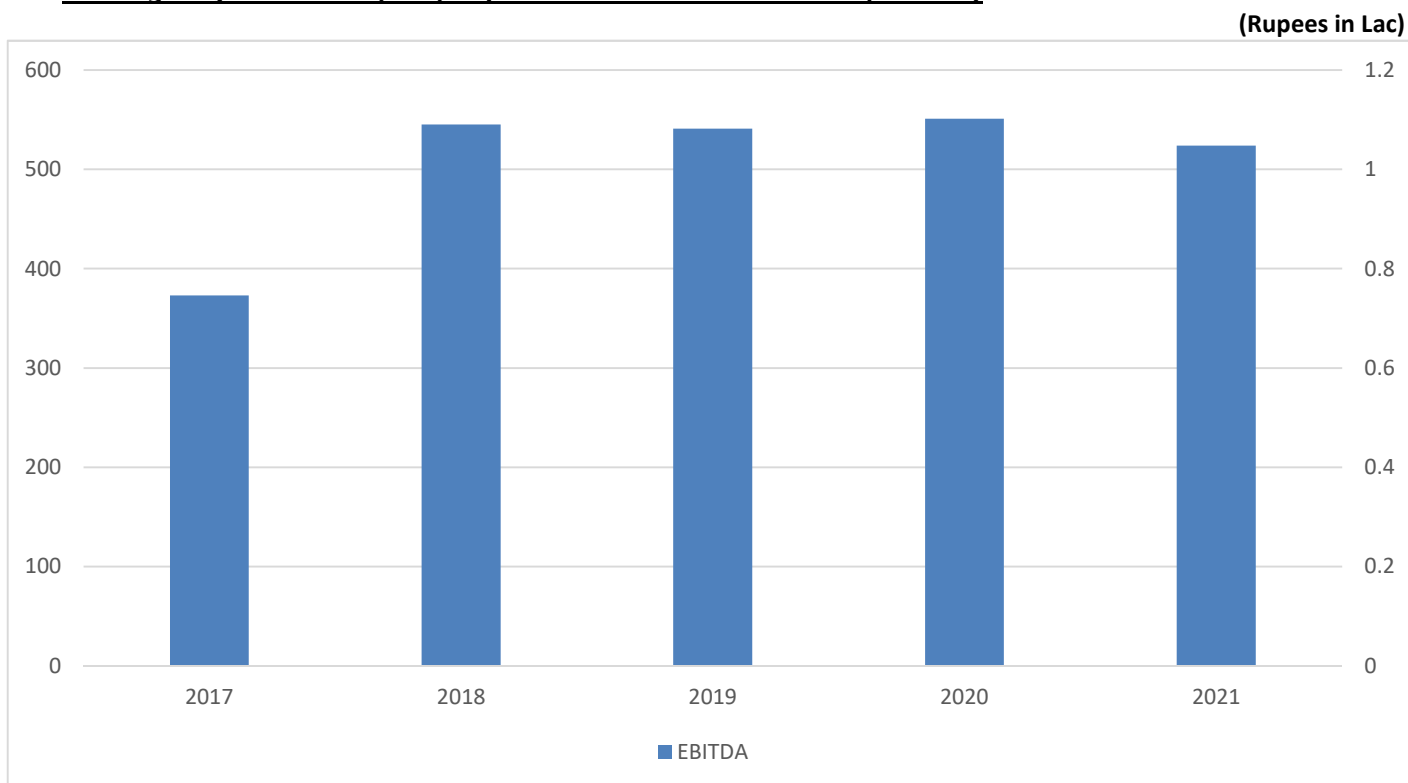


Ushanti Colour Chem Limited ("UCL")
Performance Highlights

● **Revenue Trend**

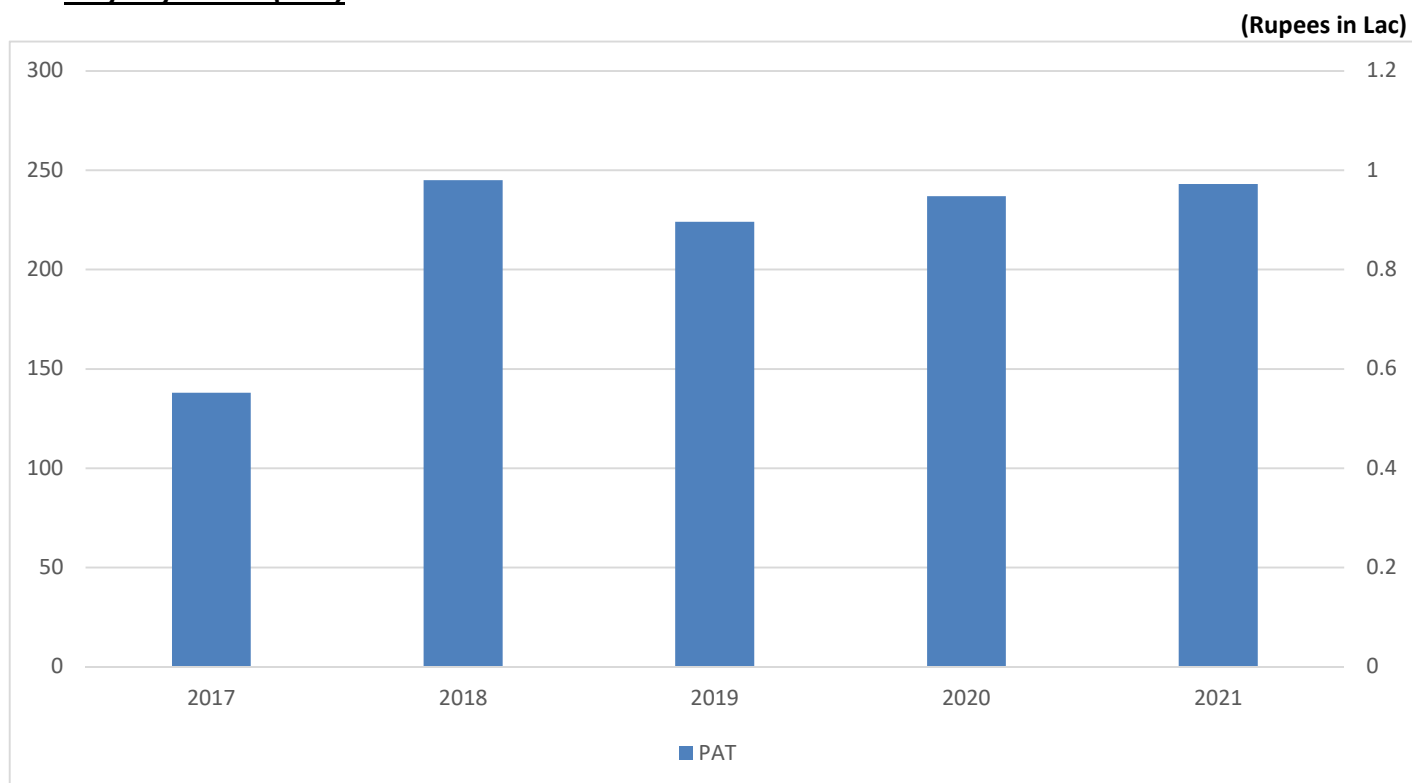


● **Earnings before interest, tax, depreciation and amortization (EBITDA)**





● **Profit after Tax (PAT)**



With the best wishes to all,

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)



USHANTI COLOUR CHEM LIMITED

CIN: L24231GJ1993PLC019444

Registered Office: 88/8, G I D C, Phase I, Vatva, Ahmedabad- 382445, Gujarat, India

Tel. No.: 079-25894903

Email Id: csucl@ushanti.com, Website: www.ushanti.com

Notice of the Twenty Eighth Annual General Meeting

NOTICE is hereby given that the 28th Annual General Meeting of the Members of M/s. Ushanti Colour Chem Limited (CIN: L24231GJ1993PLC019444) will be held on **Saturday, 25th day of September, 2021 at 03.30 p.m. at the Registered Office of the Company situated at 88/8, G I D C Phase I, Vatva, Ahmedabad-382445, Gujarat, India** to transact the following businesses:-

Ordinary Business:

1. To receive, consider and adopt:

a) the Audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2021 and Reports of Board of Directors and Report of Auditors thereon.

"RESOLVED THAT audited standalone financial statements of the company for the financial year ended March 31, 2021 and the reports of the board of directors and auditors' thereon laid before this meeting, be and are hereby considered and adopted."

b) the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2021 and Report of Auditors thereon.

"RESOLVED THAT audited Consolidated financial statements of the company for the financial year ended March 31, 2021 and the reports of auditors' thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint a Director in place of Mr. Maunal Shantilal Gandhi (DIN 00118559), who retires by Rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Maunal Shantilal Gandhi (DIN 00118559), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business:

3. Regularization of Additional Director, Mr. Arjun Maunal Gandhi (DIN: 09254434), by appointing him as a Director of the Company.

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for time being in force) and Articles of Association of the Company, Mr. Arjun Maunal Gandhi (DIN: 09254434), who was appointed as an Additional Non-Executive Non-Independent Director by the Board of Directors with effect from 31st July, 2021 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and whose appointment has been recommended by Nomination and Remuneration Committee and approved by the Board of Directors and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation;

RESOLVED FURTHER THAT 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), read with Articles of Association of the Company, such other



Ushanti

Colour Chem Limited

approvals as are necessary and pursuant to the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors, the approval of the Shareholders of the company be and is hereby accorded for payment of remuneration to Mr. Arjun Maunal Gandhi, Non- Executive Non-Independent Director of the Company of Rs. 71,000/- CTC per month w.e.f. 31st July, 2021. Such changes are made within the limit specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Register of Companies or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

4. Ratification/ Approval of Related Party Transaction.

To consider and if thought fit, to pass with or without modification, the following resolutions as **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), pursuant to the approval of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings and also accomplishing the altered object of the initial public offer (IPO) passed in the general meeting via postal ballot dated 27th November, 2019, the Shareholders of the Company be and is hereby ratified the Related Party Transactions pertaining to Sale of plot No. C-18 situated at GIDC, Saykha Industrial Estate, Bharuch-392140, Gujarat, India entered into by the Company with M/s. UC Colours and Intermediates Private Limited for a value in kind aggregating to Rs. 7,79,26,000/- (Rupees Seven Crore Seventy Nine Lakhs Twenty Six Thousand Only) as per details as set out under Item No. 4 of the statement annexed to this Notice;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

Registered Office:

88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

For and on behalf of the Board
Ushanti Colour Chem Limited

Date: 26/08/2021

Place: Ahmedabad

Archita Jitendrakumar Shah
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50 [fifty] and holding in aggregate not more than ten (10) per cent of the total share capital of the Company. In case proxy proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any such other person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting i.e. by 3.30 p.m. on Thursday, 23rd September, 2021. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.



2. Every Shareholder entitled to vote at a meeting of the company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
3. The Proxy holder shall prove his/her identity at the time of attending the Meeting.
4. When a member appoints a proxy and both the Member and the Proxy attend the Meeting, the Proxy stands automatically revoked.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf.
6. In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
7. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days during business hours up to the date of the Meeting.
8. Members are requested to contact Registrar and Transfer Agent (RTA) namely Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059, Maharashtra, India for recording any change of address, bank mandate, ECS or nominations and for redressal of complaints contact the Compliance Officer at the Registered Office of the Company.
9. In terms of Section 152 of the Companies Act, 2013, Mr. Maunal Shantilal Gandhi (DIN 00118559), Joint Managing Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.

Brief Resume of Director seeking appointment and re-appointment at the 28th Annual General Meeting
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	Mr. Maunal Shantilal Gandhi	Mr. Arjun Maunal Gandhi
DIN	00118559	09254434
Date of Birth and age	21 st February, 1970 and 51 years	02 nd February, 1998 and 23 years
Qualification	Master of Business Administration (MBA) from University of Central Oklahoma and Bachelor of Commerce from Gujarat University	Bachelors of Business Administration (BBA) in Economics and Financial Management from Middlesex University, UK. He is pursuing B.Sc in Chemistry from IGNOU and Diploma in Digital Printing technology.
Expertise in specific Professional area	Having more than 27 years of experience in Chemical industry, mainly involve in the area of marketing, finance and R&D.	He has an extensive experience in the field of chemical industry. He is mainly involved in Lab and R&D Department and also handles production department of the Company.
Date of Appointment	Appointed as a Director on 15 th December, 1993, Change in Designation made on 15 th February, 2018 as Joint Managing Director for the period of 5 years w.e.f. 15 th February, 2018. In terms of Section 152 of the Companies Act, 2013, he is liable for retires by rotation at the meeting and being eligible for himself for re-appointment.	Appointed as an Additional Non-Executive Non-Independent Director on the Board of the company as on 31 st July, 2021 and regularised as a Director in this general meeting. In terms of Section 152 of the Companies Act, 2013, he is liable for retires by rotation at the meeting and being



Colour Chem Limited

		eligible for himself for re-appointment.
List of Companies in which Directorship held	02	01
Chairman/ Member of the Committee of Board other Companies	Nil	Nil
Number of Shares held in the Company as on 31 st March, 2019	1359427	Nil
Relationship between Directors inter se	He is Brother of Mr. Minku Shantilal Gandhi, Joint Managing Director of the Company and Father of Mr. Arjun Maunal Gandhi, Additional Director of the company.	He is a son of Mr. Maunal Shantilal Gandhi, Joint Managing Director of the company and nephew of Mr. Minku Shantilal Gandhi, Joint Managing Director of the company.

10. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.

11. Notice of the AGM along with attendance slip, proxy form and annual report is being sent to all the members whose name appears in the Register of Members as on Friday, August 27, 2021.

The Register of Members and Share Transfer Books of the Company will be closed from Sunday, September 19, 2021 to Saturday, September 25, 2021 (both days inclusive) and same will be re-opened from Sunday, September 26, 2021 onwards.

12. Members are requested to bring their copies of Annual Report at the meeting.

13. Members / Proxies are requested to bring with them the attendance slip duly filled in and hand it over at the entrance.

14. The Notice of the Annual General Meeting, Audited Financial Statements for 2020-21 along with Directors' Report and Auditors Report are also available on the website of the Company www.ushanti.com.

15. Members, who have multiple accounts in identical names or joint names in same order, are requested to intimate **M/s. Bigshare Services Private Limited**, the Ledger Folios of such accounts to enable the Company to consolidate all such share holdings into one account.

16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.

17. Members desiring any information concerning the accounts are requested to address their questions in writing to the Company at its registered office at 88/8, G I D C Phase I, Vatva, Ahmedabad-382445, Gujarat, India, at least 7 (Seven) days before the date of the Meeting so that the information required may be made available at the Meeting.

18. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the security market. The Members are therefore requested to submit their PAN to their depository participant(s).

19. A route map along with prominent landmark for easy reach to the venue of Annual General Meeting is attached in the Annual Report.

20. Voting Through Electronic Means



In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and **the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).**

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or <https://www.ushanti.com/annualreport.html>.

The remote e-voting period begins on Wednesday, September 22, 2021 at 9:00 A.M. and ends on Friday, September 24, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, September 18, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, September 18, 2021.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal

	<p>Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>   </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

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



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

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

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?



(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bunty.hudda@yahoo.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.



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3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to csucl@ushanti.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to csucl@ushanti.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

Registered Office:
88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

Date: 26/08/2021
Place: Ahmedabad

For and on behalf of the Board
Ushanti Colour Chem Limited

Archita Jitendrakumar Shah
Company Secretary



EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

Item no. 3

Mr. Arjun Maunal Gandhi (DIN: 09254434) was appointed as an Additional Non-Executive Non-Independent Director of the Company with effect from 31st July, 2021, by the Board of Directors on the recommendation of Nomination and Remuneration Committee. Pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, he holds office upto the date of this Annual General Meeting of the Company and is eligible for appointment as a Director. The Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director. He has also furnished a further declaration that he is not debarred or disqualified from being appointed or continuing as Director of Companies by the MCA or any such Statutory Authority and has consented to act as Directors of the Company.

Mr. Arjun Maunal Gandhi is associated with Ushanti since 2019 and he has extensive experience in the field of chemical industry. He is mainly involved in Lab and R&D Department and also handles production department of the Company.

As per the provision of Section 197 of the Companies Act, 2013, except with the approval of the Company in general meeting by a special resolution, the payment of remuneration to Non-Executive Directors shall not exceed 1% of the net profits of the Company, in case the Company has a managing or whole-time director.

The Ministry of Corporate Affairs has on 18th March, 2021, notified certain amendments to the provisions of Companies Act, 2013 which allows payment of remuneration to the Non-Executive Directors, including Independent Directors in the event of no profits or inadequate profits in any financial year. The said remuneration can be in addition to the sitting fees paid to the said directors for attending the meetings of the Board or Committees or reimbursement of expenses, if any. Schedule V has also been amended suitably to include enabling provisions and limits for allowing payment of remuneration to the said directors in the event of no profit or inadequate profit.

Here please note Company has given remuneration to its managing directors as per Schedule V of the companies Act, 2013, so Company gives remuneration to Mr. Arjun Maunal Gandhi on that basis only. Pursuant to the said amendments and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have at their meeting held on 31st July, 2021, approved the payment of remuneration to Mr. Arjun Maunal Gandhi, Non-Executive Non-independent Director of the Company w.e.f. 31st July, 2021, subject to the approval of the shareholders by way of an ordinary resolution. The remuneration proposed by the Board as stated in item no 3 is after considering time spent by him for the Company, his valuable guidance for various business initiatives and for Board's decision making.

The relevant details as required under Schedule V to the Companies Act, 2013 are provided hereunder;

I. General Information

1. Nature of Industry: Company is in the Business of Manufacturing and selling various types of Chemicals, Dyes and Intermediates etc.

2. Date of Commencement of Commercial Production: 12/05/1993

3. In Case of New Companies, expected date of Commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.

4. Financial performance based on given indicator: Financial Performance for the below mentioned period is as under:

Amount (in Rs.)

Sr. No.	Particulars	Financial Year 2020-21	Financial Year 2019-20	Financial Year 2018-19
1.	Total Revenue	Rs. 35,15,84,097/-	Rs. 46,54,86,270/-	Rs. 40,98,09,952/-
2.	Earnings before interest, tax, depreciation and amortization	Rs. 5,23,83,642/-	Rs. 5,51,08,175/-	Rs. 5,41,21,246/-
3.	Financial Cost	Rs. 60,20,020/-	Rs. 82,85,592/-	Rs. 91,47,112/-
4.	Depreciation and amortization	Rs. 1,40,95,433/-	Rs. 1,60,41,059/-	Rs. 1,58,81,506/-



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5.	Profit Before Tax	Rs. 3,32,78,298/-	Rs. 3,21,00,920/-	Rs. 3,03,30,893/-
6.	Current Tax	Rs. 86,25,450/-	Rs. 90,03,679/-	Rs. 82,00,000/-
7.	Deferred Tax	Rs. 3,84,000/-	(Rs. 6,46,000/-)	(Rs. 2,61,000/-)
8.	Net Profit	Rs. 2,42,68,848/-	Rs. 2,37,43,241/-	Rs. 2,23,91,893/-

5. Foreign investments and collaborations, if any: N.A.

II Information about the appointee:

A) Background Details:

Mr. Arjun Maunal Gandhi, 23 Years of age, is holding Bachelors of Business Administration (BBA) degree in Economics and Financial Management from Middlesex University, UK and is pursuing B.Sc in Chemistry from IGNOU and Diploma in Digital Printing technology. He has an extensive experience in the field of chemical industry. He is mainly involved in Lab and R&D Department and also handles production department of the Company.

B) Past Remuneration:

Rs. 70,948/- CTC per month.

C) Recognition or awards:

Not Applicable

D) Job Profile and his suitability:

He has an extensive experience in the field of chemical industry. He is mainly involved in Lab and R&D Department and also handles production department of the Company.

E) Remuneration Proposed:

As mentioned in the resolution set out at Item No.3 of the accompanying Notice.

F) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, his experience and the valuable years invested in the ushanti, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other Companies.

G) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Beside the remuneration proposed, Mr. Arjun Maunal Gandhi, does not have any pecuniary relationship with the Company.

III Other Information:

A) Reasons of loss or inadequate profits:

The Company is engaged in the business of manufacturing and selling various types of Chemicals, Dyes and Intermediates etc. During the Year 20-21, the Company made sufficient Profit of Rs. 2.43 Crores during FY 20-21 but the Company has given remuneration to its managing directors as per Schedule V of the companies Act, 2013, so Company gives remuneration to Mr. Arjun Maunal Gandhi on that basis only.

B) Steps taken or proposed to be taken for improvement:

All economic measures are being adopted to maintain profitability.

C) Expected increase in productivity and profits in measurable terms:



Continuous efforts are made to expand marketing and economy in Operation.

IV Disclosures:

The disclosures in respect of remuneration package and other details of all the Directors are given at appropriate places in the Directors' Report.

The Board of Directors is of the opinion that he will be of great value to the Company and hence recommends the resolution as set out in Item No. 3 of the accompanying notice for the approval of the Shareholders of the Company as an Ordinary Resolution.

Except Mr. Minku Shantilal Gandhi and Mr. Maunal Shantilal Gandhi and their relatives to the extent of their shareholding, if any, in the Company, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed item no. 3.

Item no. 4

Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended, prescribe certain procedure for approval of related party transactions. Fourth proviso to Section 188 provides that nothing contained in sub-section (1) of Section 188 applies where transactions are entered into by the company in the ordinary course of conduct of business other than transactions which are not on an arm's length basis.

It is to inform you that for accomplishing the altered object of the initial public offer (IPO) passed in the general meeting via postal ballot dated 27th November, 2019 it is required to sale land to its SPV of the Company i.e. UC Colours and Intermediates Private Limited.

Please note that, the said contract/arrangement/transaction was approved by the Audit Committee at their meeting held on Thursday, 19th December, 2019 and recommended to the Board of Directors at its meeting held on Thursday, 19th December, 2019 for their approval. In the Board Meeting held on Thursday, 19th December, 2019, Board of Directors of the Company agreed to sale the Plot No. C-18 situated at GIDC, Saykha Industrial Estate, Bharuch-392140, Gujarat, India at a price in kind of Rs. 7,79,26,000/- (Rupees Seven Crore Seventy Nine Lakhs Twenty Six Thousand Only) to its wholly owned subsidiary M/s. UC Colours and Intermediates Private Limited. Fifth proviso to Section 188 provides that the requirement of passing the resolution of the company shall not be applicable for transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval. Accordingly Company has not approved the said matter on Shareholders meeting.

Further keeping in mind adherence of good corporate governance, transparency and following good practice, Board of Directors of the company has decided to ratify the said transaction in this meeting.

Again please note that, on 26th March, 2021, Company entered into an Agreement to Sell (Banakhat) with UC Colours and Intermediates Private Limited but Sale deed yet not to be made.

Information required to be given as per Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, are furnished hereunder:

Name of the Related Party	M/s. UC Colours and Intermediates Private Limited (UCCIPL)
Name of the Director or key managerial personnel who is related, if any	1. Mr. Maunal Shantilal Gandhi 2. Mr. Minku Shantilal Gandhi 3. Mr. Arjun Maunal Gandhi
Nature of Relationship	M/s. UC Colours and Intermediates Private Limited is a Subsidiary of the Company. Mr. Maunal Shantilal Gandhi and Mr. Minku Shantilal Gandhi are directors of M/s. UC Colours and Intermediates Private Limited. Mr. Arjun Maunal Gandhi is son of Mr. Maunal Shantilal Gandhi and nephew of Mr. Minku Shantilal Gandhi.
The nature, material terms, monetary value and particulars	1. Nature of the contract or arrangement: Sale of Plot No. C-



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Colour Chem Limited

of the contract or arrangement	<p>18 situated at GIDC, Saykha Industrial Estate, Bharuch-392140, Gujarat, India.</p> <p>2. Material terms: The said total consideration of 7,79,26,000/- (Rupees Seven Crore Seventy Nine Lakhs Twenty Six Thousand Only) shall be received by the Company by way of allotment of the securities of the UCCIPL mentioned in Point No. 4 on or before execution of the deed of conveyance or assignment with GIDC, Saykha, Dahej.</p> <p>3. *Monetary value: The said plot is to be sold at Rs. 7,79,26,000/- (Rupees Seven Crore Seventy Nine Lakhs Twenty Six Thousand Only).</p> <p>4. Particulars of the contract or arrangement: Company receives below mentioned equity shares and Convertible and/or Redeemable Debentures from M/s. UC Colours and Intermediates Private Limited against sale of the said plot.</p> <table border="1" data-bbox="810 757 1505 1216"><thead><tr><th>Sr. No.</th><th>Particulars</th><th>Amount in Rs.</th></tr></thead><tbody><tr><td>1.</td><td>20,00,000 Equity Shares of Rs. 10 each</td><td>Rs. 2,00,00,000/- (Rupees Two Crore Only)</td></tr><tr><td>2.</td><td>5,79,260 Convertible Debentures of Rs. 100 each</td><td>Rs. 5,79,26,000/- (Rupees Five Crore Seventy Nine Lakhs Twenty Six Thousand Only)</td></tr><tr><td></td><td>Total</td><td>Rs. 7,79,26,000/- (Rupees Seven Crore Seventy Nine Lakhs Twenty Six Thousand Only)</td></tr></tbody></table>	Sr. No.	Particulars	Amount in Rs.	1.	20,00,000 Equity Shares of Rs. 10 each	Rs. 2,00,00,000/- (Rupees Two Crore Only)	2.	5,79,260 Convertible Debentures of Rs. 100 each	Rs. 5,79,26,000/- (Rupees Five Crore Seventy Nine Lakhs Twenty Six Thousand Only)		Total	Rs. 7,79,26,000/- (Rupees Seven Crore Seventy Nine Lakhs Twenty Six Thousand Only)
Sr. No.	Particulars	Amount in Rs.											
1.	20,00,000 Equity Shares of Rs. 10 each	Rs. 2,00,00,000/- (Rupees Two Crore Only)											
2.	5,79,260 Convertible Debentures of Rs. 100 each	Rs. 5,79,26,000/- (Rupees Five Crore Seventy Nine Lakhs Twenty Six Thousand Only)											
	Total	Rs. 7,79,26,000/- (Rupees Seven Crore Seventy Nine Lakhs Twenty Six Thousand Only)											
Any other information relevant or important for the members to take a decision on the proposed resolution	None												

* Plus taxes, stamp duty, registration fees and such other charges wherever applicable.

Further Board may make changes in the said contract/arrangement/transaction at its discretion after taking into consideration of interest of the company as a whole.

As per Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014, where any Director is interested in any contract or arrangement with a related party, such Director shall not be present at the meeting during discussion on the subject matter of the resolution relating to such contract or arrangement. Accordingly, all related parties of the Company, including, among others, the Directors or Key Managerial Personnel of the company shall not participate or vote on this resolution.

The Board recommends this resolution set out in Item No.4 of this notice for approval of the Members to be passed as ordinary resolution.

Except Mr. Minku Shantilal Gandhi, Mr. Arjun Maunal Gandhi and Mr. Maunal Shantilal Gandhi and their relatives to the extent of their shareholding, if any, in the Company, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed item no. 5.

Registered Office:
88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

For and on behalf of the Board
Ushanti Colour Chem Limited

Date: 26/08/2021
Place: Ahmedabad

Archita Jitendrakumar Shah
Company Secretary



Boards' Report

To the Members,

Your Directors are pleased to present the 28th Annual Report of the Company along with Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2021.

Financial Results

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

(Rs. In Rs.)

Financial Highlights	Standalone		Consolidated	
	Financial Year 2020-21	Financial Year 2019-20	Financial Year 2020-21	Financial Year 2019-20
Revenue from Operations	351584097	460326941	351455097	460326941
Other Income	4809887	5159329	4809887	5159329
Total Income	356393984	465486270	356264984	465486270
Total Expenses	323115686	433385350	323115686	433385350
Profit before Exceptional and Extra Ordinary items and Taxation	33278298	32100920	33149298	32100920
Less: Exceptional items	0	0	0	0
Profit before Extra -Ordinary items and Taxation	33278298	32100920	33149298	32100920
Less: Extra -Ordinary items	0	0	0	0
Profit before Taxation	33278298	32100920	33149298	32100920
Less: Current Tax	8370000	8850000	8370000	8850000
Add: Deferred Tax	384000	(646000)	384000	(646000)
Less: Other Tax Exp./Adj. for Earlier year	255450	153679	255450	153679
Profit for the year	24268848	23743241	24139848	23743241

Performance / Highlights of the Company

During the year under review, due to Covid 19 pandemic, Company earned from its Operation of Rs. 3515.84 lacs as against Rs. 4603.27 lacs which recorded a reduction of 23.62%.

Other Income during FY 2020-21 was Rs.48.10 lacs as against Rs. 51.59 lacs which recorded a reduction of 6.76%.

The Company recorded Profit before Tax of Rs. 332.78 lacs as against Rs. 321.01 lacs which recorded a growth of 3.67%.

COVID-19

The COVID 19- Coronavirus Pandemic also impacted during FY 20-21. But after second quarter and onwards Company has gradually increased manpower up to normal but due to 2nd wave of COVID 19 it is not possible to reach up to normal level and with the existing manpower Company has continued its operation activity and ran its business. Second wave of COVID 19 which was started from March, 2021 impacted a lot to the Company. On that wave most of the staff members of the Company were tested positive and it is affected a lot to the Company. But with the limited capacity, Company ran its business and earned profit during FY 20-21 which is higher of 2.53% from previous FY.

Due to Covid-19 pandemic, there has also been a delay in completion of altered object of the Company i.e. setting up manufacturing facility at Plot No. C-18 situated at GIDC, Saykha Industrial Estate, Bharuch-392140, Gujarat, India by SPV of the Company, M/s. UC Colours and Intermediates Private Limited and it has not been completed yet.



Business Outlook

India accounts for 16% of the world production of dyestuffs and dye intermediates. Indian colorants industry has emerged as a key player with a global market share of 15%. The country's chemicals industry is de-licensed, except for few hazardous chemicals. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at global level (excluding pharmaceuticals).

The domestic chemicals sector's small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals.

The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a Compound annual growth rate (CAGR) of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025. The Indian government recognises chemical industry as a key growth element and forecast to increase share of the chemical sector to 25% of the GDP in the manufacturing sector by 2025.

Despite the current pandemic situation, the Indian chemical industry has numerous opportunities considering the supply chain disruption in China and trade conflict among the US, Europe and China. Anti-pollution measures in China will also create opportunities for the Indian chemical industry in specific segments.

Change in the Nature of Business

There was no Change in the nature of the business of the Company done during the year.

Annual Return

The Annual Return for Financial year 2020-21 as per provisions of the Act and Rules thereto, is available on the Company's website at <https://www.ushanti.com/annualreport.html>.

Board Meetings conducted during the year under review

During the Financial year 2020-21, 08 (Eight) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Meetings were conducted on 29th May, 2020, 29th June, 2020, 21st July, 2020, 19th September, 2020, 10th November, 2020, 04th January, 2021, 11th February, 2021 and 22nd March, 2021.

The detail of attendance at the aforesaid meeting is as follows:

Name of Directors	Designation	No. of Meetings	
		Held during their respective tenures	Attended
Mr. Maunal Shantilal Gandhi	Joint Managing Director	08	07
Mr. Minku Shantibhai Gandhi	Joint Managing Director	08	08
Mr. Shantilal Bhailal Gandhi	Executive Director	01	01
Mr. Shailesh Indradaman Patwari	Independent Director	08	06
Mrs. Hanisha Jinish Patel	Independent Director	08	07
Mrs. Purvi Tapan Trivedi	Independent Director	08	07

Annual General Meeting and Extra Ordinary General Meeting

The 27th Annual General Meeting (AGM) of the Company was held on 20th August, 2020.

Directors' Responsibility Statement

Pursuant to section 134(5) of the Companies Act, 2013, Your Directors state that:



- a) In the preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards have been following and there are no material departures from the same,
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the year ended on that date,
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- d) The Directors have prepared the annual accounts on a going concern basis,
- e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Comment on Auditor's Report

The Auditors Report is annexed with the Annual Report of the Company. The observation made by Auditors in their Report, your Directors wish to state that the report is self - explanatory and do not require any further clarification from the Board.

Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013

The details of loans, guarantees, securities and investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the financial statement.

Particulars of Contracts or Arrangements made with Related Parties

The Company presents all related party transactions before the Audit Committee and Board specifying the nature, value, and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority.

Particulars of Contracts entered into with Related Parties referred to in Section 188(1) of the Companies Act, 2013, in prescribed Form AOC-2 is attached as an '**Annexure I**' to this Report.

The State of Company's Affairs

During the year Company served its reputed clients best of its services and ensure that in future also will do the same. Company is thankful towards all the stakeholders for being associate with it in a tough time because without them growth of the Company is not easily possible.

Status of the Altered IPO Object: As per altered object of the Company, SPV of the Company, M/s. UC Colours and Intermediates Private Limited has initiated the construction work at Plot No. C-18 situated at GIDC, Saykha Industrial Estate, Bharuch-392140, Gujarat, India, but due to Covid-19 pandemic, there has been a delay in completion of setting up manufacturing facility over there and it has not been completed yet.

Further Company has transferred its remaining unutilised IPO proceeds of Rs. 248.55 lakhs including interest thereon as debt to its SPV for completion of the altered object.

pursuant to Regulation 14 of Listing Regulation, the Annual Listing fees for the year 2021-22 has been paid within due date. The bill for annual custodian fees to NSDL has been paid by the Company for the Securities of the Company held in dematerialized mode with it for year 2021-22. Due to having billing content issue in CDSL, Company will pay annual custodian fees to CDSL within a time as mentions under bill.



Share Capital

During the year under review, there is no any change made in share capital of the Company.

Electronic Voting

Your Company has entered into an agreement with NSDL for providing facility of e-voting to its shareholders, Now Shareholders can avail the facility of remote e-voting to its shareholders for casting their vote electronically, if required.

Internal Financial Control and their adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

Corporate Governance

The Equity Shares of the Company are listed on the SME platform (NSE-emerge) of NSE Limited. Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance is not applicable to the Company listed on the SME platform (NSE-emerge) of NSE. Hence the Company is not required to disclose information as covered under Para (C), (D) and (E) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reserve

The Company has a Closing Balance of Rs. 20,00,17,560/- (Rupees Twenty Crore Seventeen Thousand Five Hundred Sixty Only) as Reserve and Surplus as on 31/03/2021.

The Closing Balance of Reserves and Surplus is bifurcated as follows:

Sr. No.	Particulars	Amount (In Rs.)
1.	Balance at the beginning of the year	17,56,48,712/-
2.	Current Year's Profit	2,42,68,848/-
3.	Addition of Amount of Securities Premium during period/year	-
4.	Interim Dividend Paid	-
5.	Addition/(deduction) of Capital Reserve	1,00,000/-
	Total	20,00,17,560/-

Dividend

Considering the capital requirement for ongoing business expansion during the year 2021-22, the Board of Directors do not recommend any dividend on the Equity shares.

Material changes and commitment if any affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the Report:

No material changes and commitments, affecting the financial position of the Company have been occurred between the end of the financial year to which this financial statement relate and the date of the report except;

1. Company has transferred its remaining unutilised IPO proceeds of Rs. 248.55 lakhs including interest thereon as debt to its SPV, M/s. Ushanti Colour Chem Limited for completion of the altered object.

Transfer to Investor Education and Protection Fund

Pursuant to Section 125(2) of the Companies Act, 2013, it is required to transfer the amount of dividend remaining unpaid or unclaimed for a period of seven years to the Investor Education and Protection Fund ("IEPF"). During the year under review, there was no unpaid or unclaimed dividend amount having in the "Unpaid Dividend Account" for a period of 7 years from the



date of transfer of such unpaid dividend to the said account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

Conservation of energy, Technology absorption, Foreign exchange earnings and outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as an 'Annexure II' to this Report.

Statement concerning development and implementation of Risk Management Policy of the Company

The Company has in place, a mechanism to identify, access, monitor and mitigate various risks towards the key business objectives of the Company. Major risk identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable on your Company for the financial year ended 31st March, 2021 as per Section 135(1) of the Companies Act, 2013 and rules made there-under.

Directors and Key Managerial Personnel

In accordance with the provision of Section 152 of the Companies Act, 2013, at this Annual General Meeting (AGM) Mr. Maunal Shantilal Gandhi (DIN: 00118559), retires by rotation and being eligible, offers himself for re-appointment. The notice convening the AGM includes the proposal for his re-appointment as director.

Mr. Shantilal Bhailalbai Gandhi (DIN: 00118509), Chairman and Director of the Company has gave his resignation from the said post w.e.f. close of business hours of 30th May, 2020.

The Board Comprise of the followings as on 31st March, 2021:

Sr. No.	Name of Director	Designation	DIN
1.	Minku Shantibhai Gandhi	Joint Managing Director	00118617
2.	Maunal Shantilal Gandhi	Joint Managing Director	00118559
3.	Shailesh Indradaman Patwari	Independent Director	00411439
4.	Purvi Tapan Trivedi	Independent Director	08064080
5.	Hanisha Jinish Patel	Independent Director	07190911
6.	Pradip Bhadrilal Parikh	Chief Financial Officer	-
7.	Archita Jitendrakumar Shah	Company Secretary	-

After the closure of the Financial year 2020-21, Mr. Shailesh Indradaman Patwari (DIN: 00411439), Independent Director of the Company has given his resignation from the said post, due to his health issue and advancing age, w.e.f. close of business hours of 15th July, 2021 and Mr. Arjun Maunal Gandhi (DIN: 09254434) is appointed as an Additional Non-Executive Non-Independent Director of the company on 31st July, 2021. The notice convening the AGM includes the proposal for regularisation of his appointment as a Non-Executive Non-Independent Director.

Declaration by Independent Directors

The following directors have been appointed as independent directors in terms of Section 149(6) of the Act;

1. Mr. Shailesh Indradaman Patwari
2. Mrs. Purvi Tapan Trivedi
3. Mrs. Hanisha Jinish Patel

The Company has received requisite declarations/ confirmations from all the above Directors confirming their independence.



Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

Annual Evaluation by the Board

Pursuant to the provision of Companies Act, 2013, Rules made thereunder and as per policy of the Company, Separate meeting of directors was held to evaluate the performance of the directors, performance of the board as a whole and performance of the members of the Committee and Committee, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Evaluation of the performance of the board, its committees and individual directors has been carried out after taking into consideration various criteria as recommended by the Nomination and Remuneration Committee of the Company and reviewed by the Nomination and Remuneration Committee too.

All Directors of the company were satisfied with the evaluation process and its outcome.

Subsidiaries, Joint Ventures and Associate Companies

The Company has 01 subsidiary as on 31st March, 2021. There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is given as an '**Annexure III**' to this Report.

Financial accounts of subsidiary company for the Financial Year 2020-21 are available for inspection by any Member at the Registered Office of your Company, during normal business hours on all working days, up to the date of the Annual General Meeting of the Company, a copy of which can also be sought by any Member on making a written request to the Secretarial Department of your Company in this regard.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statement in respect of subsidiary, is available on the website of the Company, www.ushanti.com.

Performance / Highlights of the Subsidiary Company

Directors of the Company glad to inform you that company will commence its operation soon.

Deposits

Your Company has neither accepted nor renewed any deposits during the year within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Pursuant to the provisions of Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014 Company has accepted Rs. 8,67,99,553/- during the FY 20-21 from the Directors of the Company.

Auditor and Auditor's Report

Statutory Auditors

M/s. ANA & Associates, Chartered Accountants, (FRN: 130797W), were appointed as Statutory Auditors of the Company at the 26th AGM held on 28th September, 2019 till the conclusion of the 31st AGM, subject to ratification of their appointment by the shareholders of the Company at every AGM held thereafter. As on 04th December, 2019, Statutory Auditor Firm M/s. ANA & Associates, Chartered Accountants, Ahmedabad (FRN: 130797W) has been merged with the firm M/s. DJNV & Co., Chartered Accountants, (FRN: 115145W). Audit Committee and Board of Directors of the company, in their meeting held on 13th January, 2020 took note of the same and recommended the said matter to the Shareholders of the Company. As on 20th August, 2020



members of the Company took a note of name change of Statutory Auditor Firm due to its merger with M/s. DJNV & Co., Chartered Accountants, (FRN: 115145W) and approved them as a Statutory Auditor of the Company on the same terms and conditions including remuneration and tenure on which M/s. ANA & Associates was appointed by the shareholders and board of directors of the Company.

However, vide notification dated May 7, 2018, issued by the Ministry of Corporate Affairs, New Delhi, the requirement of seeking ratification of appointment of Statutory Auditors by members at each Annual General Meeting has been done away with. Accordingly, no such item has been considered in notice of the 28th AGM.

Cost Auditors

Provision of Cost Audit is not applicable on your Company. Accordingly, your Company is not required to conduct the cost audit for the financial year ended 31st March, 2021.

Secretarial Auditors

The Board appointed M/s. Hudda and Associates Company Secretaries LLP, Ahmedabad to conduct Secretarial Audit of the Company for the financial year 2020-21, The Report pertains to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as an '**Annexure IV**' to this Report.

The Auditors Report is annexed with the Annual Report of the Company. The observation made by Auditors in their Report, your Directors wish to state that the report is self - explanatory and do not require any further clarification from the Board.

Internal Auditors

During the year under the preview, as per section 138 of the Companies Act, 2013 & Rules framed thereunder and based on recommendation of the Audit Committee of your Company, the Board of Directors of your Company has appointed Mrs. Mital Dipeshbhai Shah as Internal Auditor of the Company for the financial year 2020-21.

Committees of the Board

As Company is listed on EMERGE Platform of National Stock Exchange of India Limited, Hence Company required to constitute various committees as per applicable provisions of Companies Act, 2013.

Presently, the board has Three (3) committees i.e. Audit Committee, Nomination and Remuneration Committees, Stakeholders Relationship Committee, constitution of which are given below.

A) Composition of Audit Committee:

The Board of Directors constituted an Audit Committee in compliance with the provision of Section 177 of the Companies Act, 2013.

During the year under review, Audit Committee met 6 (Six) times viz 29th May, 2020, 29th June, 2020, 21st July, 2020, 10th November, 2020, 04th January, 2021 and 22nd March, 2021. The composition of the Committee and the details of meetings attended by its members are given below:

Name	Status	No. of Committee Meeting entitled	No. of Committee Meeting attended
Mr. Shailesh Indradaman Patwari	Chairman	6	6
Mrs. Hanisha Jinish Patel	Member	6	6
Mr. Maunal Shantilal Gandhi	Member	6	6

Recommendations of Audit Committee, wherever/whenever given, have been accepted by the Board.

B) Composition of Nomination and Remuneration Committee:

The Board of Directors constituted Nomination and Remuneration Committee in compliance with the provision of Section 178 of the Companies Act, 2013.



Colour Chem Limited

During the year under review, Nomination and Remuneration Committee met 4 (Four) times viz 29th May, 2020, 29th June, 2020, 21st July, 2020 and 04th January, 2021. The composition of the Committee and the details of meetings attended by its members are given below:

Name	Status	No. of Committee Meeting entitled	No. of Committee Meeting attended
Mrs. Hanisha Jinish Patel	Chairman	4	4
Mr. Shailesh Indradaman Patwari	Member	4	4
Mrs. Purvi Tapan Trivedi	Member	4	4

The term of reference of Nomination & Remuneration Committee is as below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Policy of Nomination and Remuneration Committee has been placed before Website of the Company at www.ushanti.com and the same has been also disclosed under 'Annexure V'.

C) Stake Holder's Relationship Committee:

The Board of Directors constituted Stake Holder's Relationship Committee in compliance with the provision of Section 178 of the Companies Act, 2013.

During the year under review, Stake Holder's Relationship Committee met 4 (Four) times viz 29th June, 2020, 21st July, 2020, 10th November, 2020 and 22nd March, 2021. The composition of the Committee and the details of meetings attended by its members are given below:

Name	Status	No. of Committee Meeting entitled	No. of Committee Meeting attended
Mrs. Purvi Tapan Trivedi	Chairman	4	4
Mr. Shailesh Indradaman Patwari	Member	4	4
Mrs. Hanisha Jinish Patel	Member	4	4

During the year, the Company had not received any complaints from the Shareholders. There was no complaint pending as on 31st March, 2021.

Insurance

All the assets of your Company including buildings, machineries, fixtures, other fixed assets, stocks-raw materials, WIP, finished goods, etc. have been adequately insured.

Significant and Material Orders Passed by the Regulators or Courts or Tribunals

There has been no significant and material order passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

Reporting of Fraud

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

Vigil Mechanism / Whistle Blower Policy



Colour Chem Limited

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables directors and employees to disclose their concerns and grievances on Unethical Behaviour and Improper/Illegal Practices and Wrongful Conduct taking place in the Company for appropriate action. Through this Policy, the Company provides necessary safeguards to all such persons for making sheltered disclosures in good faith.

The Vigil Mechanism team was framed by Board in its Board Meeting held on 27th April, 2018 and it comprises of the following:

Sr. No.	Name	Status
1.	Mr. Maunal Shantilal Gandhi	Vigilant Officer
2.	Mr. Shailesh Indradaman Patwari	Member
3.	Mrs. Hanisha Jinish Patel	Member

During the year under review, no any grievances received by company. The Vigil Mechanism is available on the website of the Company at www.ushanti.com.

Disclosures under Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has been employing women employees in various departments within its Registered Office. The Company has in place a policy against Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committees is set up to redress complaints if received and are monitored on regular basis. During the year under review, the Company did not receive any complaint regarding sexual harassment.

Disclosure under Insolvency and Bankruptcy Code, 2016

During the year under review, there is no any application made under Insolvency and Bankruptcy Code, 2016 by the Company.

Particulars of Employees

Disclosures with respect to remuneration of employees as per Section 197 of the Companies Act, 2013, read with Rule 5(1) & 5(2)** of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2021 is given as an 'Annexure VI' to this Report.

There are no employees who are posted outside India and in receipt of a remuneration of Rs. 60.00 lakh or more per annum or Rs. 5.00 lakh or more a month.

**During the year under review, there are no employees who received remuneration of Rs. 1,02,00,000/- per annum or Rs. 8,50,000/- per month during the year hence the Company is not require to give disclosure as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, List of top ten employees and details thereof mentioned in the annexure.

Management and Discussion Analysis

Management and Discussion Analysis Report as an integral part of this Report required to give under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is mentioned as an 'Annexure VII' to this report.

Related Party Disclosure

Related Party disclosure as mentioned in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been mentioned in Note No. 30 of Audit Report.

Industrial Relations

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

Policy on Director Appointment and Remuneration



Ushanti

Colour Chem Limited

As per provision of Section 178 of the Companies Act, 2013, Company prepared policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3) of the Companies Act, 2013.

The policy itself drives the remuneration criteria which depends upon performance and is reasonable and sufficient to attract, retain and motivate director for running company smoothly. The remuneration and sitting fees paid by the Company are within the salary scale approved by the Nomination and Remuneration Committee, Board and Shareholders.

Acknowledgement

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review.

Registered Office:

88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

**For and on behalf of the Board
Ushanti Colour Chem Limited**

Date: 26/08/2021

Place: Ahmedabad

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)

Maunal Shantilal Gandhi
Joint Managing Director
(DIN: 00118559)



ANNEXURE I TO THE BOARDS' REPORT

Form No. AOC-2

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

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

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

There were no Contracts or arrangements or transactions entered into by the Company during the year ended 31st March, 2021, which were not at arm's length basis.

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

Sr.	Name of Related Party & Nature of Relationship	Nature of Contract/ arrangement/ Transaction	Duration of Contract/ arrangement/ transaction	*Salient terms of Contract/ arrangement/ transaction including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	Mona Maunal Gandhi-Relative of KMP	Employment	From the date of Appointment	Salary paid by the Company, Rs. 25.13 Lakhs	BM 28/08/2018	Nil
2.	Shefali Minku Gandhi-Relative of KMP	Employment	From the date of Appointment	Salary paid by the Company, Rs. 25.13 Lakhs	BM 28/08/2018	Nil
3.	Arjun Maunal Gandhi-Relative of KMP	Employment	From the date of Appointment	Salary paid by the Company, Rs. 2.51 Lakhs	BM 27/05/2019 and 04/01/2021	Nil
4.	Aadit Minku Gandhi-Relative of KMP	Employment	From the date of Appointment	Salary paid by the Company, Rs. 2.29 Lakhs	BM 21/07/2020 and 04/01/2021	Nil
5.	Shantilal Bhailalbai Gandhi-Relative of KMP	Employment	From the date of Appointment	Salary paid by the Company, Rs. 22.81 Lakhs	BM 29/06/2020	Nil
6.	HUF Industries- Executive Directors of the Company are interested	By Agreement	01/04/2020 to 31/03/2021	Rent payable to HUF Industries for lease of Plot- Rs. 8.70 Lakhs	BM 28/08/2018 AGM 29/09/2018	Nil

Here please note that Company has passed the resolution in its Audit Committee and Board meeting dated 19th December, 2019 for sale of Plot No. C-18 situated at GIDC, Saykha Industrial Estate, Bharuch-392140, Gujarat, India. On 26th March, 2021, Company entered into an Agreement to Sell (Banakhat) with UC Colours and Intermediates Private Limited but Sale deed yet not to be made.

*Here transaction value mentioned is an actual payment made to the respective parties.



Ushanti

Colour Chem Limited

The Company has made necessary compliance under sub-section (1) of Section 188 of the Companies Act, 2013 and has obtained approval from shareholders if required.

Registered Office:

88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

**For and on behalf of the Board
Ushanti Colour Chem Limited**

Date: 26/08/2021

Place: Ahmedabad

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)

Maunal Shantilal Gandhi
Joint Managing Director
(DIN: 00118559)



ANNEXURE II TO THE BOARDS' REPORT

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

(A) Conservation of energy

(i) The steps taken or impact on conservation of energy:

The Company continues to work towards Conservation of Energy and has been taking various measures like replacement of out dated energy intensive equipment with energy saving equipment and timely maintenance of electrical equipment etc.

(ii) The steps taken by the company for utilising alternate sources of energy:

Company has not taken any step for utilising alternate sources of energy.

(iii) The capital investment on energy conservation equipment:

Company has not made any capital investment on energy conservation equipment.

(B) Technology Absorption

(i)	the efforts made towards technology absorption	The Company uses technology by which it can increase its yield, production, scale of operations and up-grade it timely.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Product improved through high efficiency and energy saving has improved an overall working of the Company
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	The Company has no foreign collaboration and is well versed with the indigenous technology.
	(a) the details of technology imported	-
	(b) the year of import;	-
	(c) whether the technology been fully absorbed	-
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	-
(iv)	the expenditure incurred on Research and Development	No separate expenditure on R&D is booked in the accounts but is included in laboratory expenses.

(C) Foreign exchange earnings and Outgo

Particulars with regard to foreign exchange earnings and outgo are furnished below:

Particulars	2020-21 (Amount in Rs.)	2019-20 (Amount in Rs.)
Foreign Exchange Earnings	Rs. 15,56,01,435.07/-	Rs. 20,93,00,057.31/-
Foreign Exchange Outgo	Rs. 22,32,487.00/-	Rs. 31,65,808.00/-

Registered Office:

88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

For and on behalf of the Board
Ushanti Colour Chem Limited

Date: 26/08/2021

Place: Ahmedabad

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)

Maunal Shantilal Gandhi
Joint Managing Director
(DIN: 00118559)



ANNEXURE III TO THE BOARDS' REPORT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

(Amount in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	UC Colours and Intermediates Private Limited
2.	Date of becoming subsidiary	23 rd October, 2019
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April to March every year
4.	Reporting currency	INR
5.	Exchange rate as on the last date of the relevant Financial year	-
6.	Share capital	5,00,000.00
7.	Reserves & surplus	0.00
8.	Total assets	2,90,41,645.00
9.	Total Liabilities	2,85,41,645.00
10.	Investments	0.00
11.	Turnover	0.00
12.	Profit before taxation	0.00
13.	Provision for taxation	0.00
14.	Profit after taxation	0.00
15.	Proposed Dividend	0.00
16.	% of shareholding	90.00

1. Names of subsidiaries which are yet to commence operations: UC Colours and Intermediates Private Limited.

2. Names of subsidiaries which have been liquidated or sold during the year: None.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: N.A.

Registered Office:

88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

For and on behalf of the Board
Ushanti Colour Chem Limited

Date: 26/08/2021

Place: Ahmedabad

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)

Maunal Shantilal Gandhi
Joint Managing Director
(DIN: 00118559)

Pradip Bhadrilal Parikh
Chief Financial Officer
(PAN: AIZPP5478J)

Archita Jitendrakumar Shah
Company Secretary
(Mem. No. A54472)



ANNEXURE IV TO THE BOARDS' REPORT

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Ushanti Colour Chem Limited
88/8, G I D C Phase I, Vatva, Ahmedabad-382445, Gujarat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Ushanti Colour Chem Limited (CIN: L24231GJ1993PLC019444)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended 31st March, 2021 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the Audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and 2018 (Not Applicable to the Company during the Audit period);
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015



Ushanti

Colour Chem Limited

We further report that having regarded to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- (a) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (b) Employees State Insurance Act, 1948;
- (c) Payment of Bonus Act, 1965;
- (d) Payment of Gratuity Act, 1972;
- (e) Payment of Wages Act, 1936;
- (f) Minimum Wages Act, 1948 and other applicable labor laws;
- (g) Environment Protection Act, 1986 and other environmental laws;
- (h) Factories Act, 1948;
- (i) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003
- (j) Indian Contract Act, 1872;
- (k) Indian Stamp Act, 1999;
- (l) Industrial Dispute Act, 1947; (Not applicable to the Company during the audit period)
- (m) Negotiable Instruments Act, 1881;
- (n) The Environment (Protection) Act, 1986;
- (o) The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder;
- (p) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder and all other laws applicable to the Chemical Industry.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited- NSE EMERGE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that-

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- (b) Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the audit period, the company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Hudda & Associates Company Secretaries LLP

Place: Ahmedabad

Date: 26/08/2021

(CS Buntty Hudda)

Designated Partner

ACS: 31507 COP: 11560

UDIN: A031507C000836894

Note: This Report is to be read with my letter of above date which is annexed as Annexure A and forms an integral part of this report.



ANNEXURE – A To the Secretarial Audit Report

**To,
The Members,
Ushanti ColourChem Limited**

88/8, G I D C Phase I, Vatva, Ahmedabad-382445, Gujarat, India.

My Report of even date is to be read along with this letter;

1. Maintenance of Secretarial Record is the responsibility of the management of the company. My responsibility is to express an opinion on Secretarial Records on our Audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and books of accounts of the company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Hudda & Associates Company Secretaries LLP

Place: Ahmedabad
Date: 26/08/2021

(CS Buntty Hudda)
Designated Partner
ACS: 31507 COP: 11560
UDIN: A031507C000836894



ANNEXURE V TO THE BOARDS' REPORT

Policy of Nomination and Remuneration Committee

Introduction

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Agreement, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors and the said committee comprises of:

Name of Directors	Status	Designation
Mrs. Hanisha Jinish Patel	Chairman	Independent Director
Mrs. Purvi Tapan Trivedi	Member	Independent Director
Mr. Shailesh Indradaman Patwari	Member	Independent Director

Due to resignation of Mr. Shailesh Indradaman Patwari, on 31st July, 2021 Company has re-constituted the Nomination and Remuneration Committee of the Company.

Definitions

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective

The objective of the policy is to ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director’s performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.



- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Appointment and Removal of Director, Key Managerial Personnel and Senior Management

- 1) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- 2) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- 3) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

Term / Tenure

- 1) Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- 2) Independent Director: An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- 3) No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Evaluation

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy for Remuneration to Directors/KMP/Senior Management Personnel

- 1) Remuneration to Managing Director / Whole-time Directors:
 - a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.



b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Implementation

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

- The Committee may Delegate any of its powers to one or more of its members.

Registered Office:

88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

For and on behalf of the Board

Ushanti Colour Chem Limited

Date: 26/08/2021

Place: Ahmedabad

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)

Maunal Shantilal Gandhi
Joint Managing Director
(DIN: 00118559)



ANNEXURE VI TO THE BOARDS' REPORT

Disclosure under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(A) Statement of Particulars of remuneration as per Rule 5(1):

Sr. No.	Description			Note No.
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	Mr. Minku Shantilal Gandhi Joint Managing Director Mr. Maunal Shantilal Gandhi Joint Managing Director	35.65 35.65	1
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Joint Managing Director Joint Managing Director Chief Financial Officer Company Secretary	16.47% 16.47% - -	
3.	The percentage increase in the median remuneration of employees in the financial year.		6.105%	-
4.	The number of permanent employees on the rolls of company.		50	-
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase of salary of employees other than the managerial persons Managerial Remuneration	12% 16.47%	-
6.	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, Remuneration is as per the remuneration policy of the company.	-	-

Notes:

1. Both Joint Managing Directors are the Whole Time Directors and others are Non-Whole-Time Directors, who are paid only sitting fees, if any for attending the meetings of the Board and Committees thereof. Hence ratios are provided only for Whole Time Directors.

The remuneration package of the above Directors was approved by the Committees and Board of Directors and which were also approved by the Members of the Company at the General Meeting.

For the Computation of median remuneration of the employees of the Company for the Financial Year 2020-21, CTC of each employee has taken into consideration.

(B) Statement of Particulars of remuneration as per Rule 5(2):

a) List of top ten employees in terms of remuneration drawn:

Sr. No.	Employee Name	Designation	Nature of employment whether contractual or non-contractual	Qualification of the employee	Date of Joining	Experience	*Remuneration Received (in Rs.)	Age	Last employment held by employee	Relative of any Director/ Manager of the Company
1.	Shantilal Bhailalbhair	Senior Employee	Non-Contractual	B.Sc	12/05/1993	50 Years	Rs. 28,80,600/-	93 Years	Atul Products	Father of Mr.



Ushanti

Colour Chem Limited

	Gandhi	e							Limited	Minku Shantilal Gandhi and Maunal Shantilal Gandhi
2	Shefali Minku Gandhi	Marketing Head	Non-Contractual	Diploma in Fashion Designing	15/12/1993	28 Years	Rs. 26,36,552/-	48 Years	N.A.	Wife of Minku Shantilal Gandhi
3.	Mona Maunal Gandhi	Marketing Head	Non-Contractual	B.com	15/12/1993	28 Years	Rs. 26,36,552/-	50 Years	N.A.	Wife of Maunal Shantilal Gandhi
4.	Pradip Bhadrilal Parikh	Chief Financial Officer and Head of Account Department	Non-Contractual	B.Com	01/04/1994	37 Years	Rs. 9,18,000/-	55 Years	N.A.	N.A.
5.	Hemant Sanat Kashyap	Chemist	Non-Contractual	B.Sc	01/04/2011	27 Years	Rs. 9,00,000/-	51 Years	Meghmani Group	N.A.
6.	Kalpesh Patel	Lab Incharge	Non-Contractual	B.Sc	01/03/2010	16 Years	Rs. 7,90,000/-	43 Years	Umiya Chem	N.A.
7.	Gitaben Sureshbhai Shah	Employee	Non-Contractual	B.A.	01/12/2017	3.5 Years	Rs. 5,52,900/-	71 Years	N.A.	N.A.
8.	Laxmikant Banshidhar Patel	Chemist	Non-Contractual	B.Sc	12/02/2012	25 Years	Rs. 4,62,000/-	48 years	Chiripal Industries Limited	N.A.
9.	Arjun Maunal Gandhi	Assistant Manager in Plant	Non-Contractual	BBA	01/07/2019	2 Yeas	Rs. 4,02,750/-	23Years	N.A.	Son of Mr. Maunal Shantilal Gandhi
10.	Alpesh J. Kothiya	Chemist	Non-Contractual	B.Sc	01/05/2016	8 Years	Rs. 3,64,540/-	31 Years	Bodal Chemicals Limited	N.A.

*Here please note, CTC of each employee is mentioned in the remuneration received column.

b) Employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees:

There was no such employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees.

c) Employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month:



Ushanti

Colour Chem Limited

There was no such employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month.

d) Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company:

There was no such employees employed throughout the financial year or part thereof, who was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

e) Employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month:

There are no employees who are posted outside India and in receipt of a remuneration of Rs. 60.00 lakh or more per annum or Rs. 5.00 lakh or more a month.

Registered Office:

88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

**For and on behalf of the Board
Ushanti Colour Chem Limited**

Date: 26/08/2021

Place: Ahmedabad

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)

Maunal Shantilal Gandhi
Joint Managing Director
(DIN: 00118559)



ANNEXURE VII TO THE BOARDS' REPORT

Management Discussion and Analysis Report

Strategic Location:

Ushanti Colour Chem Limited is highly involved in chemical manufacturing and selling activity and its units located at Vatva, Ahmedabad with having annual installed capacity of 2820 MT. Company's total production during the year was 1188 MT against which sale was made by Company of 1261 MT. Company is in process to transfer its one of Land located at Saykha, Bharuch to its SPV/Subsidiary for fulfilling the altered object of the Company. The said SPV/Subsidiary has initiated the construction work over there and very soon the production activity will be commenced.

In future, Company will make such strategy by which it increase its production and create demand for the manufactured product. By this it will earn high value and serve best to its stakeholders.

A. Industry structure and developments.

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, speciality chemicals, agrochemicals, petrochemicals, polymers and fertilisers.

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16% of the world production of dyestuffs and dye intermediates. Indian colorants industry has emerged as a key player with a global market share of 15%. The country's chemicals industry is de-licensed, except for few hazardous chemicals. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at global level (excluding pharmaceuticals).

The domestic chemicals sector's small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals.

The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025.

However, In India, chemical industry is expected to follow an accelerated growth path and is expected to double up its global share in the next decade.

B. Opportunities and Threats.

Company has huge opportunity to expand business in the Dye industry. In Dye Industry have only 2 major players across the globe, India and China apart from Indonesia. In China due to increasing environmental norms and strict governmental regulations w.r.t operating a chemical industry there have been shutdowns of many facilities in China which positively impacting the dye industry in India consequently growth in Dye prices. With decrease in total supply, dye manufacturers have huge opportunity both in terms of volume and value and also as per Government of Gujarat Notification via GPCB, Notification no: GPCB/P-1/99/411451 WDT. 4TH MAY 2017 Company has been got permission to manufacture 9 of 11 intermediates at its new plant in Saykha.

Indian Dyes and Dyestuff market is highly fragmented, with 40-50% of the market being unorganized. Due to Introduction of GST, their stricter environment norms, rising compliance needs from global clients could eventually lead to a need to consolidate, large and efficient players growing higher than the industry and smaller units closing or consolidating with large players.

Apart from this opportunity Company face challenges include, Company deals in hazardous chemicals. Hence here there is huge amount of compliance risk wherein it is obvious to state that if the Company fails to comply with Environmental Laws and Regulations, the results of operations will be adversely affected, another is Company faces tough competition in terms of pricing and customer base. Further, there is contingency on the longevity of benefit accruing due to restrictions in China. There may be turnaround in China's dye industry, which possess huge threat to Indian market. Also, Due to COVID-19 pandemic and having



Colour Chem Limited

nationwide lockdown, growth of the Company has been affected. Considering the opportunities, threats and strengths of your Company, management continuously works for increasing the productivity of the Company and meet the demand of clients so that Company can gradually stable its position in the market. However, all necessary activities have been initiated which would give us the lead in future.

C. Segment-wise or product-wise performance.

The Company's business activity falls within a single business segment i.e. Manufacturing Dyes and Intermediates.

Financial Performance

(Amount in Rs.)

Particulars	2020-21	2019-20
Revenue from Operations	35,15,84,097.00/-	46,03,26,941.00/-
EBDT	4,73,73,731.00/-	4,81,41,980.00/-
Profit after Tax	2,42,68,848.00/-	2,37,43,242.00/-

During the year under review, due to Covid 19 pandemic, your company has earned Revenue from Operation of Rs. 3515.84 lacs as against Rs. 4603.27 lacs which recorded a reduction of 23.62%.

The Company recorded Earning before Depreciation and Tax of Rs. 473.74 lacs as against Rs. 481.42 lacs which recorded a reduction of 1.60%.

The Company recorded Profit after Tax of Rs. 242.69 lacs as against Rs. 237.43 lacs which recorded a growth of 2.22%.

Geographic Revenue Analysis

(Amount in Rs.)

Particulars	2020-21	2019-20
Domestic	18,52,31,168/-	24,23,97,196.00/-
Export	15,99,74,534/-	21,79,29,746.00/-

D. Outlook.

The company expects positivity in revenue and growth in FY 2021-22. Revenue will be generated by focusing on:-

- Reduce cost of the Company in various fields, if possible.
- Increase of local and Exports as much as possible.
- Modernization of manufacturing process to improvise quality and reduction of costs.

The Company is quite confident that the overall productivity, profitability would improve in a sustainable manner, as a result of this strategy.

Outlook as provided above is based on certain assumption and expectation of future events, eco-political and other development across the country, the Company cannot guarantee that from the bases of these, company will generate revenue. Bases of the Company's actual results, performance or achievements could thus differ from those projected in above dictated key bases or dictated in any other forward looking statement. The Company assumes no responsibility to publicly amend or review any such statement on the basis of subsequent development, information or events.

E. Risks and concerns.

Major risk in Chemical Industry is Company deals in hazardous chemicals. Hence here there is huge amount of compliance risk wherein it is obvious to state that if the Company fails to comply with Environmental Laws and Regulations, the results of operations will be adversely affected, another is Company faces tough competition in terms of pricing and customer base. Further, there is contingency on the longevity of benefit accruing due to restrictions in China. There may be turnaround in China's dye industry, which possess huge threat to Indian market.

F. Internal control systems and their adequacy.



The Company has an adequate and efficient internal control system, which provides protection to all its assets against loss from unauthorised use and for correct reporting of transactions. The Company has put in place proper controls, which are reviewed at regular intervals to ensure that transactions are properly authorised and correctly reported and assets are safeguarded. The Audit Committee of the Board addresses issue raised by Auditor, if any. The internal control system is implemented to safeguard the company's assets from loss and damages. To keep constant check on cost structure and to provide adequate financial and accounting controls and implement accounting standards. In addition to above, the Company has formulated a vigil Mechanism (Whistle Blower Policy) for its Directors and Employees of the Company for reporting genuine concern about unethical practices and suspected malpractices.

G. Discussion on financial performance with respect to operational performance.

Due to Covid 19 pandemic, the Company has not been able to grow up to the mark during the Financial Year 2020-21 in the segment in which company operate. During the year under review, Company earned from its Operation of Rs. 3515.84 lacs as against Rs. 4603.27 lacs which recorded a reduction of 23.62%.

The Company recorded Profit before Tax of Rs. 332.78 lacs as against Rs. 321.01 lacs which recorded a growth of 3.67%.

The Company recorded Net Profit of Rs. 242.69 lacs as against Rs. 237.43 lacs which recorded a growth of 2.22%.

H. Material developments in Human Resources / Industrial Relations front, including number of people employed.

The Company has in place adequate number of employees as required in its registered office and its factory and also hire from contractor as and when needed. Professionals with required amount of experience and knowledge are hired on need to need basis by the Company.

The Industrial relation of the Company with various suppliers, customers, financial lenders and employee is cordial. There are total 50 Employees on payroll of the Company.

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

Particulars	FY ended March 31, 2021	FY ended March 31, 2020	% Change between Current FY & Previous FY	Explanation
Debtors Turnover	99	74	33.78%	Due to Covid-19 pandemic, Company has not received payment from its parties within a time period and therefore debtor's turnover increased significantly.
Inventory Turnover	38.49	25.89	48.67%	Reason for increasing inventory turnover during the year is due to Covid-19 pandemic, Company could not deliver its export materials in time.
Interest Coverage Ratio	6.53	4.87	34.09%	Due to not receiving payments from the respective parties within a time period, finance cost of the Company increased gradually and therefore



Ushanti

Colour Chem Limited

				interest Coverage Ratio of the Company increased during the year.
Current Ratio	1.41	1.29	9.30%	N.A.
Debt Equity Ratio	0.58	0.63	(7.94%)	N.A.
Operating Profit Margin (%)	11.38	8.94	27.29%	Due to coming up with an automation system in the plant it increases operating profit margin of the Company.
Net Profit Margin (%)	6.81	5.10	33.53%	Due to expansion/installation of plant in the Company there is an increase of Net and Operating profit margin of the Company.
Return on Net Worth (%)	8.88	9.54	(6.92%)	N.A.

2. Disclosure of Accounting Treatment.

The Company has followed all the treatments in the Financial Statement as per the prescribed Accounting Standards.

Registered Office:

88/8, GIDC Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India.

**For and on behalf of the Board
Ushanti Colour Chem Limited**

Date: 26/08/2021

Place: Ahmedabad

Minku Shantilal Gandhi
Chairman and Joint Managing Director
(DIN: 00118617)

Maunal Shantilal Gandhi
Joint Managing Director
(DIN: 00118559)



INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
USHANTI COLOUR CHEM LIMITED**
Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **USHANTI COLOUR CHEM LIMITED**, which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed u/s 133 of the Act read with relevant Rules issued thereunder (as amended) and other 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, 2021;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date.
- c) In the case of the Statement of Cash Flow, of its Cash Flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Standalone AS Financial Statement and our auditor's report thereon.

Our opinion on the Standalone AS Financial Statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone AS Financial Statement or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibility of Management for Standalone Financial Statements



The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-A** a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, we report that:

According to the records of the company examined by us and the information and explanation given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

- h) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.



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- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For DJNV&CO.
Chartered Accountants**

**Place: Ahmedabad
Date: 28/06/2021**

**CA NIRAV R CHOKSI
(Partner)
Membership No. 112249
UDIN: 21112249AAAACH5766
Firm Reg. No.0115145W**



ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of USHANTI COLOUR CHEM LIMITED for the year ended 31st March, 2021.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1.
 - a. In our opinion and according to the information and explanation given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. In our opinion, the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. Total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company except Land at Sakhya GIDC C-18, for which agreement to sale is made on 26/03/2021 with subsidiary company i.e. UC Colours and Intermediaries Private Limited.
2. As explained to us, physical verification of the inventories have been conducted at reasonable interval by the management, which in our opinion is reasonable, having regard to the size of the company and nature of its inventories. No material discrepancies were noticed on such physical verification.
3. The company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted deposits, within the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 therefore the provisions of paragraph 3(v) of the order are not applicable to the company.
6. The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of any of the company's products and hence clause VI of the order is not applicable.
7.
 - a. According to the records of the company undisputed statutory dues including provident fund, income tax, service tax, value added tax, cess, excise duty, GST and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance & custom duty. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2021 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company has not raised moneys by way of initial public offer.
10. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instances of material fraud by the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management



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11. Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. The company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the order are not applicable to the company.
13. As per the information provided all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) is not applicable to the company.
15. As per the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of Companies Act, 2013 are not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence this clause is not applicable.

**For DJNV & Co.
Chartered Accountants**

**Place : Ahmedabad
Date : 28/06/2021**

**CA NIRAV R CHOKSI
(Partner)
Membership No. 112249
UDIN: 21112249AAAACH5766
Firm Reg. No.0115145W**



ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **USHANTI COLOUR CHEM LIMITED** as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk



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that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

**For DJNV & Co.
Chartered Accountants**

**Place : Ahmedabad
Date : 28/06/2021**

**CA NIRAV R CHOKSI
(Partner)
Membership No. 112249
UDIN: 21112249AAAACH5766
Firm Reg. No.0115145W**



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Ushanti Colour Chem Limited			
Standalone Balance Sheet as at 31st March 2021			
(Amount in Rs.)			
I. EQUITY AND LIABILITIES	Note No.	As at 31-03-2021	As at 31-03-2020
1) Shareholders' Funds			
a) Share Capital	2	7,30,17,000	7,31,17,000
b) Reserves and Surplus	3	20,00,17,560	17,56,48,712
2) Share application money pending allotment			
3) Non-Current Liabilities			
a) Long-term Borrowings	4	2,43,10,470	5,31,14,158
b) Deferred Tax Liabilities (net)		-	-
c) Other Long-term Liabilities		-	-
4) Current Liabilities			
a) Short-term Borrowings	5	7,48,00,740	4,91,65,543
b) Trade Payables	6		
Due to MSME		95,31,827	1,38,60,987
Other than MSME		2,28,85,835	1,21,68,122
c) Other Current Liabilities	7	2,23,22,495	2,58,20,170
d) Short-term Provisions	8	38,68,431	17,48,070
	Total	43,07,54,357	40,46,42,762
II. ASSETS			
1) Non-current Assets			
a) Property, Plant and Equipments			
(i) Tangible Assets	9.1	18,40,30,590	18,78,07,395
(ii) Intangible Assets	9.2	51,14,448	17,82,755
(iii) Capital Work-in-progress	9.3	1,11,00,202	61,45,106
(iv) Intangible Assets under Development		-	-
b) Non-current Investments	10	17,87,775	17,87,775
c) Deferred Tax Assets (net)	11	22,000	4,06,000
d) Long-term Loans and Advances	12	1,69,16,038	1,88,27,476
e) Other Non-current Assets	13	-	42,45,759
2) Current Assets			
a) Current Investments		-	-
b) Inventories	14	5,91,58,151	4,61,22,264
c) Trade Receivables	15	9,37,98,695	9,15,50,736
d) Cash and Cash Equivalents	16	4,27,43,011	3,12,81,408
e) Short-term Loans and Advances	17	1,33,28,121	90,10,430
f) Other Current Assets	18	27,55,326	56,75,657
	Total	43,07,54,357	40,46,42,762
Significant Accounting Policies	1		
The accompanying notes are integral part of financial statements			
As per our Report of even date attached			
For, DJNV & Co.		For and on behalf of the Board of directors	
Chartered Accountants		Ushanti Colour Chem Limited	
Firm Reg. No. : 115145W			
(CA Nirav R Choksi)	(Maunal S. Gandhi)	(Minku S. Gandhi)	(Pradip Parikh)
Partner	Joint MD	Joint MD	CFO
Membership No. 112249	0118559	00118617	AIZPP5478J
UDIN: 21112249AAAACH5766			(Archita Shah)
			CS
			A54472
Place : Ahmedabad	Place : Ahmedabad		
Date : 28-06-2021	Date : 28-06-2021		



Ushanti

Colour Chem Limited

Ushanti Colour Chem Limited			
Standalone Statement of Profit and Loss for the year ended 31st March, 2021			
(Amount in Rs.)			
	Note No.	As at 31-03-2021	As at 31-03-2020
INCOME			
Revenue from Operations	19	35,15,84,097	46,03,26,941
Other Income	20	48,09,887	51,59,329
TOTAL REVENUE		35,63,93,984	46,54,86,270
EXPENSES			
Cost of Material Consumed	21	16,80,27,949	24,18,45,716
Purchase of Stock-in-Trade	22	1,02,22,130	1,82,41,210
Changes in Inventories	23	(43,63,236)	(95,03,865)
Employees Benefits Expenses	24	3,23,40,752	3,63,20,590
Finance Cost	25	60,20,020	82,85,592
Depreciation and Amortization	9.1	1,28,69,182	1,48,14,731
Amortization of Leasehold land	9.1	12,26,251	12,26,328
Other Expenses	26	9,67,72,639	12,21,55,048
TOTAL EXPENSES		32,31,15,686	43,33,85,350
Profit before exceptional and extraordinary items and tax		3,32,78,298	3,21,00,921
Exceptional Items		-	-
Profit before extraordinary items and tax		3,32,78,298	3,21,00,921
Extraordinary items		-	-
Profit before Tax		3,32,78,298	3,21,00,921
Tax Expenses			
Current Tax		83,70,000	88,50,000
Deferred Tax		3,84,000	(6,46,000)
Other Tax Exp / Adj. for Earlier year		2,55,450	1,53,679
Profit / (loss) for the Period		2,42,68,848	2,37,43,242
Earnings Per Equity Share			
Basic		3.32	3.25
Diluted		3.32	3.25
Significant Accounting Policies	1		
The accompanying notes are integral part of the financial statements			
As per our report of even date			
For, DJNV & Co.		For and on behalf of the Board of directors	
Chartered Accountants		Ushanti Colour Chem Limited	
Firm Reg. No. : 115145W			
(CA Nirav R Choksi)	(Maunal S. Gandhi)	(Minku S. Gandhi)	(Pradip Parikh) (Archita Shah)
Partner	Joint MD	Joint MD	CFO CS
Membership No. 112249	0118559	00118617	AIZPP5478J A54472
UDIN: 21112249AAAACH5766			
Place : Ahmedabad	Place : Ahmedabad		
Date : 28-06-2021	Date : 28-06-2021		



Colour Chem Limited

Ushanti Colour Chem Limited

Standalone Statement of Cash Flows for the year ended 31st March, 2021

(Amount in Rs.)

	As at 31-03-2021	As at 31-03-2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	3,32,78,298	3,21,00,921
Adjustment for :		
Depreciation and amortization	1,28,69,182	1,48,14,731
Amortization of leasehold land	12,26,251	12,26,328
Finance Cost	60,20,020	81,10,727
Dividend Income	-	(2,00,666)
Interest Income	(31,64,592)	(37,60,788)
(Profit) / Loss on Sale Of Investments	(16,151)	-
(Profit) / Loss on Sale of Assets	(2,10,947)	-
Waste Disposal Reversal Income	(2,54,862)	-
(Net Gain) / Loss on Foreign Currency Translation	-	-
Sundry balances written back(net)	-	(45,214)
Other MAT / Tax Adjustment	-	-
Operating profit before working capital changes	4,97,47,199	5,22,46,038
Adjustments for Changes in Working Capital		
Trade receivables	(22,47,959)	(34,70,692)
Long-term and short-term loans & advances	(24,06,253)	(10,02,142)
Other non-current and current assets, other bank balances	(42,66,601)	(3,51,175)
Trade payables, short-term & long-term provisions, Other current & non-current liabilities	50,11,239	(1,79,16,272)
(Increase) / decrease in inventories	(1,30,35,887)	(1,45,81,145)
Cash Generated from operations	(1,69,45,461)	(3,73,21,426)
Taxes (Paid) / Refund	(86,25,450)	(1,04,53,679)
Net Cash Flow from Operating Activities (A)	2,41,76,288	44,70,933
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Assets / CWIP	(1,89,24,608)	(60,44,511)
Sale of Fixed Assets	7,85,000	-
Sale / Purchase of Investments	16,151	-
Investment in Subsidiary	-	(4,50,000)
Dividend Income	-	2,00,666
Interest Income	31,64,592	37,60,788
Net Cash Flow from Investing Activities (B)	(1,49,58,866)	(25,33,057)
CASH FLOW FROM FINANCING ACTIVITIES		
Finance Costs	(60,20,020)	(81,10,727)
Interim Dividend Paid	-	(17,66,399)
Proceeds/(Repayment) of Short-term borrowings(Net)	2,56,35,197	1,35,52,721
Proceeds/(Repayment) of Long-term borrowings(Net)	(2,88,03,689)	(54,48,153)
Net Cash Flow from Financing Activities (C)	(91,88,511)	(17,72,558)



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Net Increase/(Decrease) in Cash and Cash Equivalents (D) (A+B+C)	28,911	1,65,318		
Cash and Cash Equivalents at the Beginning of the Year	4,59,134	2,93,816		
Cash and Cash Equivalents at the End of the Year	4,88,046	4,59,134		
For, DJNV & Co.	For and on behalf of the Board of directors			
Chartered Accountants	Ushanti Colour Chem Limited			
Firm Reg. No. : 115145W				
(CA Nirav R Choksi)	(Maunal S. Gandhi)	(Minku S. Gandhi)	(Pradip Parikh)	(Archita Shah)
Partner	Joint MD	Joint MD	CFO	CS
Membership No. 112249	0118559	00118617	AIZPP5478J	A54472
UDIN: 21112249AAAACH5766				
Place : Ahmedabad	Place : Ahmedabad			
Date : 28-06-2021	Date : 28-06-2021			



Ushanti Colour Chem Limited

Notes to the standalone financial statements for the year ended 31st March 2021

1. Significant Accounting Policies:

1.1 Basis of preparation of Financial Statements

The financial statements have been prepared under the historical cost convention, on accrual basis in accordance with Generally Accepted Accounting Principle (GAAP), and comply with the Companies Accounting Standard specified under section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014.

1.2 Use of Estimates

The preparation of financial statements requires estimates and assumptions which affect the reporting amount of assets, liabilities, revenues and expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

1.3 Property, Plant and Equipment

(a) Measurement

(i) Land

Land is initially recognized at cost.

(ii) Factory Building and other property, plant and equipment

Factory building and all other items of property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(iii) Components of costs

The cost of an item of property, plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation and Amortization

(i) Leasehold Land

Premium paid on leasehold land is amortized over the period of lease.

(ii) Other Tangible Assets

Depreciation on property, plant and equipment is calculated using the written down method to allocate their depreciable amounts over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognized in profit or loss when the changes arise.

(iii) Intangible Assets

Computer Software is amortized over the period of 5 years as estimated by the Company.

Waste Disposal Rights are amortized over the useful life of 10 years as estimated by the Company.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognized in the Statement of Profit or Loss when incurred.



(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in the Statement of Profit or Loss.

1.4 Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis. (Batch wise)

1.5 Revenue Recognition

- (i) Revenue from sales is recognized at the point of dispatch to the customers when risk and reward stand transfer to the customers. Sales are booked net of sales return and exclusive of GST.
- (ii) Export incentives and interest income are accounted for on accrual basis.
- (iii) Dividend income is recognized when the right to receive the dividend is established.

1.6 Purchase and Expenses

- (i) Purchases are shown exclusive of taxes /duties wherever input tax credit is taken and net of Trade Discounts availed from suppliers and purchase return.
- (ii) Major items of the expenses are accounted on time / pro-rata basis and necessary provisions for the same are made.

1.7 Employee Benefits

Short-term employee benefits are recognized as expenses in the Statement of Profit and Loss of the period/year in which the related service is rendered at the undiscounted amount as and when it accrues.

Long term employee benefits and post employment benefits both funded and non funded are recognized as expenses in the Statement of Profit and Loss of the period/year in which the related service is rendered based on actuarial valuation done by LIC.

1.8 Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

1.9 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. Disclosure for Contingent Liabilities is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. No provision is recognized or disclosure for Contingent Liability is made when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

1.10 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period/year in which an asset is identified as impaired. The impairment loss recognized in prior period is reversed if there has been a change in the estimate of recoverable amount.



1.11 Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- (ii) Monetary items denominated in foreign currencies at the period/year-end are restated at period/year-end rates.
- (iii) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.
- (iv) Premium or discount on forward contracts for hedging foreign currency transactions are amortized and recognized in the statement of profit and loss over the period of the contract.

1.12 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long- term investments. Current Investments are carried at lower of cost and quoted/fair value determined on category/item wise. Long Term Investments are stated at cost. However, Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

1.13 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

1.14 Government Grants

Grants and subsidy from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is netted off from the respective expenses necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grants or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

1.15 Leases

The company's significant leasing arrangements are in respect of operating leases for factory. The leasing arrangements are usually renewable by mutual consent at agreed terms. The aggregate lease rent payable is charged as rent in Statement of Profit & Loss.



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Notes to Standalone Financial Statements for the year ended 31st March 2021

	As at 31-03-2021	As at 31-03-2020		
Note 2 : Share Capital				
Authorised Share Capital				
1,00,00,000 shares of Rs. 10 each	10,00,00,000	10,00,00,000		
Issued, Subscribed and Paid-Up				
73,01,700 Shares of Rs. 10 Each Fully Paid Up	7,30,17,000	7,30,17,000		
Forfeited Shares (Amount originally paid-up)				
10,000 Shares of Rs. 10 Each Fully Paid Up	-	1,00,000		
The company has only 1 class of shares referred to as Equity shares having face value of Rs. 10/- Each holder of Equity share is entitled to 1 vote per share.				
In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.				
Details of shareholders holding more than 5% share in the company	No. of shares as at 31st March, 2021	No. of shares as at 31st March, 2020	% Held to total Shares	% Held to total Shares
Mr. Shantilal B. Gandhi	17,12,247	17,10,247	23.45%	23.42%
Mr. Minkubhai S. Gandhi	13,63,427	13,59,427	18.67%	18.62%
Mr. Maunal S. Gandhi	13,59,427	13,55,427	18.62%	18.56%
Mrs. Monaben M. Gandhi	4,83,250	4,81,250	6.62%	6.59%
Mrs. Shefaliben M. Gandhi	4,83,250	4,81,250	6.62%	6.59%
	54,01,601	53,87,601	73.98%	73.79%
The Reconciliation of the number of shares outstanding and the amount of share capital	No. of shares as at 31st March, 2021	No. of shares as at 31st March, 2020	As at 31-03-2021	As at 31-03-2021
Shares at the beginning of the year	73,01,700	73,01,700	7,30,17,000	7,30,17,000
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end of the year	73,01,700	73,01,700	7,30,17,000	7,30,17,000
Terms/right attached to equity shares				
The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
Note 3 : Reserves and Surplus	As at 31-03-2021	As at 31-03-2020		
Securities Premium				
Opening Balance	9,68,26,500	9,68,26,500		
Addition during the year	-	-		
Less: Preliminary Expenses	-	-		
	9,68,26,500	9,68,26,500		
Capital Reserve				
Opening Balance	-	-		
Addition during the year	1,00,000	-		
Closing Balance	1,00,000	-		
Surplus i.e., balance in Statement of Profit and Loss				
Opening Balance	7,88,22,212	5,68,45,369		



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Add : Profit for the year	2,42,68,848	2,37,43,242
Add Any Other Adjustments	-	-
Less: Interim Dividend Paid	-	17,66,399
Closing Balance	10,30,91,060	7,88,22,212
Total	20,00,17,560	17,56,48,712
Note 4 : Long Term Borrowings		
Term Loan Secured from Banks *	1,27,71,394	1,82,21,615
Car Loans **	3,51,896	6,75,687
Loans from Directors & Other Related Parties	1,66,89,295	3,96,90,776
Less: Current Maturities of Long Term Borrowings	55,02,116	54,73,920
Total	2,43,10,470	5,31,14,158

(a) Term loan [closing balance Rs. 2821175 /- (P. Y. Rs. 5571395/-)]-carries interest @ 9.35% to 9.95% p.a. The loan is repayable in 78 monthly installments comprising first 77 installments of Rs. 255500/- each and last 78th installment of Rs. 326500/- excluding interest from 10-10-2016 and last installment due on 10-03-2023. Due to prepayment of Rs. 1500000/- on 26-06-2018, installment changed to Rs. 229185/-.

The loan is secured by way of :

- Hypothecation of plant and machinery, equipment, tools, spares, accessories and all other assets acquired or proposed to be acquired under the Small Industries Development Bank of India("SIDBI") Scheme as primary security
- Fixed deposits and Life insurance policies of directors, company and relatives of directors
- Personal guarantee of Directors and Promoter of the company.

Current Maturity of long-term borrowings is Rs. 2750220 (P.Y. Rs.2750220/-)

(b) Term loan [closing balance Rs. 5100000/- (P. Y. Rs. 7500000)]-carries interest @ 8.04% p.a. The loan is repayable in 57 monthly installments comprising first 24 installments of Rs. 200000/- each, next 25 to 48 installments of Rs. 250000/- and last 49 to 57 installments of Rs. 300000/- excluding interest from 03-10-2018 and last installment due on 03/06/2023.

The loan is secured by way of :

- Hypothecation of plant and machinery, equipment, tools, spares, accessories and all other assets acquired or proposed to be acquired under the Small Industries Development Bank of India("SIDBI") Scheme as primary security
- Fixed deposits and Life insurance policies of directors, company and relatives of directors
- mortgage in favour of SIDBI of the Plot No 42, Phase VI, Sanand, Kalol Road, Village Nasmed, Kalol, Gandhinagar, Gujarat 382155 owned jointly by Smt Shefali Minku Gandhi & Mona Maunal Gandhi.
- Hypothecation of all the borrower's movables acquired under the previous project financed by SIDBI. (v) Personal guarantee of Directors and Promoter of the company.

Current Maturity of long-term borrowings is Rs. 2400000 (P.Y. Rs. 2400000)

Car Loan**

(a) Vehicle loan [closing balance NIL(P. Y.Rs.351896)]-carries interest @ 8.35% p.a. The loan is repayable in 60 monthly installments of Rs. 30668/- each along with interest from 05-04-2017 and last installment due on 05-03-2022. The loan is secured by hypothecation of the vehicle purchased there against. Current Maturity of long-term borrowings is 351896/-(P.Y.Rs.323700)

Loans repayable on demands from Directors and Related Parties :

Unsecured loans from directors and related parties are taken and maintained during the year pursuant to the stipulation mentioned by the banks for loans facilities availed from them and are repayable on demand and carries interest @ 9% p.a (P.Y. 9% p.a.)

Note 5 : Short Term Borrowings		
Loans repayable on demands		
From Banks(Secured)		
Cash credit facilities	87,90,983	7,74,320
Working capital facilities	6,60,09,757	4,83,91,223
Total	7,48,00,740	4,91,65,543

(a) Cash credit facility is secured against trade receivables of the Company. Further, it has been personally guaranteed by Directors and Promoter of the company and Third parties. It carries interest @ 9% p.a. as on 26/06/2020 and 8.5% as on 10/07/2020.

(b) Working capital facility is primarily secured against inventories, trade (export) receivables and collateral security of plant and equipments and factory shed of the Company. Further, it has been personally guaranteed by Directors and Promoter of the company. It is repayable on demand and carries interest @ 9% p.a. as on 26/06/2020 and 8.5% as on 10/07/2020.



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Note 6 : Trade Payables		
Due to MSME	95,31,827	1,38,60,987
Other than MSME	2,28,85,835	1,21,68,122
Total	3,24,17,662	2,60,29,109
Note 7 : Other Current Liabilities		
Creditors for Expenses	1,33,45,590	1,46,07,438
Interest accrued and due on borrowings	27,43,513	32,90,114
Interest accrued but not due on borrowings	63,939	99,387
Current Maturities of Long Term Borrowings	55,02,116	54,73,920
Forward Contract Payable	-	14,67,590
Other Statutory Liabilities	6,52,337	8,46,879
Other Current Liabilities	15,000	34,842
Total	2,23,22,495	2,58,20,170
Note 8 : Short Term Provisions		
Provision for Expenses	22,84,864	14,98,070
Provision for Tax (Net of Advance Tax)	13,19,810	2,50,000
Provision for Tax Earlier Years	2,63,757	-
Total	38,68,431	17,48,070



9.1 : Tangible Assets										
Description of Assets	Gross Block				Depreciation/Amortization				Net Block	
	As at 01-04-2020	Additions	Deletions/ Adjustments	As at 31-03-2021	Upto 31-03-2020	For the year	Deletions/ Adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Factory Land	181800	-	-	181800	0	-	-	-	181800	181800
Leasehold Land – Dahej*	122238654	-	-	122238654	2903423	1226251	-	4129674	118108980	119335231
Factory Building	27315831.59	-	-	27315832	13209738.04	1393784	-	14603522	12712310	14106094
Plant and Equipments	101059024.2	5946063	-	107005087	57610823	8076449	-	65687272	41317815	43448201
Pollution Control Plant	14348341	656498	-	15004839	8376686	1155897	-	9532583	5472256	5971655
Furniture & Fixtures	1790114	87282	-	1877396	1291606	112532	-	1404138	473258	498508
Vehicles	12844085	2632622	859373	14617334	10507446	1022846	785320	10744972	3872362	2336639
Office Equipments	1195840.8	533315	-	1729156	771890	282066	-	1053956	675199	423951
Electric Fittings	4071471	2034	-	4073505	2741226	263853	-	3005079	1068426	1330245
Computers	1407395	58500	-	1465895	1232324	85387	-	1317711	148184	175071
Total	286452557	9916314	859373	295509498	98645162	13619066	785320	111478907	184030590	187807395
Previous Year	218364032	68548380	459856	286452557	83169996	15475166	76956	98568206	187884351	135194037
* For Land at Sakhya C-18, agreement to sale is made on 26/03/2021 with UC Colour Intermediaries Pvt Ltd which is subsidiary company of the holding company i.e. Ushanti Colour Chem Ltd.										
9.2 : Intangible Assets										
Description of Assets	Gross Block				Depreciation/Amortization				Net Block	
	As at 01-04-2020	Additions	Deletions/ Adjustments	As at 31-03-2021	Upto 31-03-2020	For the year	Deletions/ Adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Computer Software	188963	3198	-	192161	140102	-	-	140102	52059	48861
Waste Disposal Rights	8239500	2400000	500000	10139500	4855606	476367	254862	5077111	5062389	3383894
Total	8428463	2403198	500000	10331661	4995708	476367	254862	5217213	5114448	3432755
Previous Year	6778463	-	-	6778463	4429815	565893	-	4995708	1782755	2348648



9.3 : Capital Work in Progress										
Description of Assets	Gross Block				Deletions/Adjustments				Net Block	
	As at 01-04-2020	Additions	Deletions/ Adjustments	As at 31-03-2021	Upto 31-03-2020	For the year	Deletions/ Adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Factory Building	2720520	417000	-	3137520	-	-	-	-	3137520	2720520
Furniture & Fixtures	1017986	979246	-	1997232	-	-	-	-	1997232	1017986
Plant and Equipments	2406600	1426738	-	3833338	-	-	-	-	3833338	2406600
New Office Building	-	1101340	-	1101340	-	-	-	-	1101340	-
New Project (Dahej 80-83)	-	1030772	-	1030772	-	-	-	-	1030772	-
Total	6145106	4955096	-	11100202	-	-	-	-	11100202	6145106
Previous Year	68189116	4149363	66193373	6145106	-	-	-	-	6145106	68189116



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	As at 31-03-2021	As at 31-03-2020
Note 10 : Non Current Investments		
Non-trade Long term Investments (Un-quoted, At Cost)		
53511 (31-03-2020 : 53511) Equity shares of Rs. 25/- each fully paid-up in The Kalupur Co. Op. Bank Limited	13,37,775	13,37,775
Investment in Subsidiary		
45000 (31-03-2020 : 45000) Equity shares of Rs. 10/- each fully paid-up in U C Colours and Intermediates Private Limited	4,50,000	4,50,000
Total	17,87,775	17,87,775
Note 11 : Deferred Tax Assets (Net)		
Opening Balance	4,06,000	(2,40,000)
Less: Deferred Tax Liability	-	-
Add: Deferred Tax Assets	(3,84,000)	6,46,000
Total	22,000	4,06,000
Note 12 : Long Term Loans and Advances		
Security Deposits	1,31,77,512	1,29,17,225
Capital Advances	-	16,50,000
Other long Term Loans and Advances	29,08,400	28,68,311
Other Advances - Long Term	3,14,645	3,14,645
Balances with Statutory / Govt. Authorities (long term)	5,15,481	10,77,295
Total	1,69,16,038	1,88,27,476
Note 13 : Other Non-current Assets		
Margin money deposits	-	42,45,759
Total	-	42,45,759
Note 14 : Inventories		
Raw Material Inventory	2,24,17,135	1,39,62,045
Finished Goods Inventory	3,63,99,116	3,20,35,880
Packing Material	3,41,900	1,24,339
Total	5,91,58,151	4,61,22,264
Note 15 : Trade receivables		
Unsecured, Considered good		
Outstanding for more than Six Months	-	3,41,065
Other trade receivable	9,37,98,695	9,12,09,671
Total	9,37,98,695	9,15,50,736
Note 16 : Cash and Cash Equivalents		
Cash and Cash Equivalents		
Balance with banks	1,28,249	1,15,279
Cash on hand	3,59,797	3,43,855
Other bank balances		
Margin money deposits	4,22,54,965	3,08,22,274
Total	4,27,43,011	3,12,81,408
Note 17 : Short term Loans and Advances		
Balances with Statutory / Govt. Authorities	77,42,640	55,59,755
Loans to Employees	1,98,900	2,50,675
Other Advances	-	-
Capital Advances	50,59,580	32,00,000
Forward Contract Receivable	3,27,001	-
Total	1,33,28,121	90,10,430
Note 18 : Other Current Assets		
Prepaid Expenses	9,42,376	7,63,892
Other Current Assets	82,049	28,40,417
Interest Accrued on Fixed Deposits	15,02,267	16,74,996
Interest accrued but not due	2,28,634	3,96,352
Total	27,55,326	56,75,657
Note 19 : Revenue from Operations		



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Sale of products (Finished & Traded, Gross)	34,51,93,627	45,16,67,075
Scrap Sales	12,075	28,708
	34,52,05,702	45,16,95,783
Less: Excise duty	-	-
	34,52,05,702	45,16,95,783
Other Operating Revenue		
Consultancy Income	1,29,000	-
Export incentives	62,49,395	86,31,158
Total	35,15,84,097	46,03,26,941
Note 20 : Other Income		
Interest income		
On Bank Deposits	23,83,828	26,28,846
Others	7,80,764	11,31,942
Dividend income	-	2,00,666
Foreign Exchange Gain (net)	6,65,764	5,71,651
Profit on sale of fixed assets(net)	2,10,947	-
Profit on sale of Investments(net)	16,151	-
Miscellaneous Income	1,77,268	3,54,027
Premium on Forward Contract	2,42,426	2,26,983
Sundry balances written back(net)	77,878	45,214
Waste Disposal Rights Reversal Income	2,54,862	-
Total	48,09,887	51,59,329
Note 21 : Cost of Material Consumed		
Opening Raw Material Inventory	1,39,62,045	88,30,997
Add: Purchase During the year	17,64,83,039	24,69,76,764
Less: Closing stock of raw materials	2,24,17,135	1,39,62,045
Total	16,80,27,949	24,18,45,716
Note 22 : Purchase of Stock-in-Trade		
Direct Dyes	16,00,000	80,43,795
Reactive Dyes	52,67,130	74,89,315
Alpha/Pigment Dyes	33,55,000	27,08,100
Total	1,02,22,130	1,82,41,210
Note 23 : Changes in Inventories		
Inventories at the beginning of the year		
Work in Progress Inventory	-	4,32,000
Finished Goods Inventory	3,20,35,880	2,21,00,015
Inventories at the End of the year		
Work in Progress Inventory	-	-
Finished Goods Inventory	3,63,99,116	3,20,35,880
Total	(43,63,236)	(95,03,865)
Note 24 : Employee Benefits Expenses		
Directors Remuneration	1,30,86,500	1,70,40,000
Salary , Wages and Bonus	1,50,27,620	1,89,35,108
Gratuity Fund Contribution	1,66,313	2,13,593
Staff Welfare Exp	37,39,883	1,31,889
Other Employee Benefits Expense	3,20,436	-
Total	3,23,40,752	3,63,20,590
Note 25 : Finance Cost		
Interest paid to Banks and Financial Institutions	49,76,697	34,71,849
Other Interest Paid	33,214	33,19,481
Bank Charges and Commission	10,10,109	13,19,397
Interest to MSME's	-	1,74,865
Total	60,20,020	82,85,592
Note:		
25.1. The Company has availed interest subvention of Rs. 1554048/- during the period (P.Y.: Rs. 1840342/-) from bank on		



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working capital facility which has been reduced from interest expenses.
 25.2. The Company has availed interest subvention of Rs. 353519/- during the period (P.Y.: Rs. 485354/-) from SIDBI under capital expansion scheme which has been reduced from interest expenses.
 25.3 Interest to MSME is not provided as per the explanation provided by the management after confirmation letters from the parties that the payment made is within due dates.

Note 26 : Other Expenses		
Packing Material Consumed	40,57,256	12,92,212
Power, Fuel and Water	4,90,34,489	6,21,06,815
Laboratory Expenses	4,29,550	6,14,676
Building Repairs	24,76,698	5,17,611
Plant and Equipments Repairs	56,75,266	79,04,529
Pollution Control Expenses	1,36,08,954	2,19,27,939
Labour and processing charges	66,24,160	79,91,504
Safety Expenses	1,38,768	1,76,603
Sales Promotion and Advertisement	1,26,932	16,48,577
Commission Expenses	25,09,177	24,57,778
Other Sales and Distribution Expenses	9,68,078	10,11,215
Insurance	23,56,911	28,17,905
Rates & Taxes	3,42,906	1,97,941
Rent	8,70,000	8,70,000
Office Maintenance	3,18,905	2,63,657
Travelling and Conveyance	6,15,923	6,61,089
Shipping Expenses	37,31,959	45,28,395
Legal and Professional Fees	7,32,090	18,15,472
Vehicle Running and Maintenance	2,02,172	3,45,295
Telephone and Communication	1,89,269	2,81,605
Stationary, Printing and Other Office Expenses	7,10,423	8,81,491
Donation	-	2,51,000
Sundry Balances Written Off	200	(1)
Miscellaneous Expenses	4,62,238	13,51,741
Import Expenses	4,20,316	-
Payment to Auditors		
For Audit purpose	1,50,000	1,50,000
For Other purpose	20,000	90,000
Total	9,67,72,639	12,21,55,048

27. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

28. The deferred tax liability comprises of the following:

(Amount in Rs.)

	2020-21	2019-20
Opening Balance of Deferred Tax Liability	(406000)	240000
Current Period/(Year) DTA/DTL on account of timing difference due to depreciation	384000	(646000)
Closing Balance of Deferred Tax Liability/(Asset)	(22000)	(406000)

29. Earnings Per Shares (EPS)

(Amount in Rs.)

	2020-21	2019-20
(i) Net Profit (Loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	24268848	23743242
(ii) Weighted Average number of equity shares used as denominator for calculating EPS	7301700	7301700
(iii) Basic and Diluted Earnings per Shares (Rs.)	3.32	3.25
(iv) Face Value per equity share (Rs.)	10	10


30. Related Party Disclosures:

As per Accounting Standard 18, the disclosure of transactions with the related parties as defined in accounting Standard are given below:

- (i) List of related parties where control exist and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Party	Relationship
1	Minku S. Gandhi.	Key Managerial Personnel (KMP)
2	Maunal S. Gandhi	
3	Shantibhai B. Gandhi	
4	Archita Jitendra Shah	
5	Pradip B Parikh	
6	Smt. Shefali M. Gandhi	Relative of Key Managerial Personnel
7	Shantibhai B. Gandhi	
8	Smt. Mona M. Gandhi	
9	Deepak G. Gandhi	
10	Arjun M. Gandhi	
11	Aadit M. Gandhi	Enterprise in which KMP/Relative of KMP are interested as director/member/partner
12	Shantibhai B. Gandhi H.U.F.	
13	Minku S. Gandhi H.U.F.	
14	Maunal S. Gandhi H.U.F.	
15	Ushanti Corporation	Subsidiary Company
16	HUF Industries	
17	UC Colours and Intermediates Pvt Ltd.	

- (ii) Transactions during the year ended 31-03-21 with related parties

(Amount in Rs.)

Sr. No.	Nature of Transactions (Excluding reimbursement)	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprise in which KMP/Relative of KMP are interested	Total
1	Loans taken from	86799553.00	0.00	0.00	86799553.00
2	Loans repaid to	111709086.00	1123506.00	0.00	112832592.00
3	Remuneration/Salary	14202991.00	5321890.00	0.00	19524881.00
4	Interest Expenses	1609865.00	1133648.00	0.00	2743513.00
5	Rent Expenses	0.00	0.00	870000	870000.00
Outstanding Balances					
1	Loans payable	5965325.39	13467483.00	0.00	19432808.39
2	Other Liabilities	748000.00	86600.00	0.00	834600.00

Sr. No.	Nature of Transactions (Excluding reimbursement)	Subsidiary Company
1.	Consultancy Income	129000
Outstanding Balance		
1	Balance receivable	82050

- (iii) Transactions during the year 2019-20 with related parties

(Amount in Rs.)

Sr. No.	Nature of Transactions (Excluding reimbursement)	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprise in which KMP/Relative of KMP are interested	Total
1	Loans taken from	81784285.97	60000.00	285434.00	82129719.97
2	Loans repaid to	61769168.00	2516810.00	1890710.77	66176688.77
3	Remuneration/Salary	18149282.00	2688000.00	0.00	20837282.00

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4	Interest Expenses	1956045.00	1255580.00	78489.00	3290114.00
5	Rent Expenses	0.00	0.00	870000.00	870000.00
Outstanding Balances					
1	Loans payable	29438526.39	13542364.00	0.00	42980890.39
2	Other Liabilities	1496048.00	198244.00	0.00	1694292.00
3	Rent Payable	0.00	0.00	783000	783000

31. The Company has received intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprise Development Act, 2006, and hence, disclosures, if any, relating to amount unpaid as at the period end as required under the act has been given. The interest has not been provided as per the explanation provided by the management after confirmation letters from the parties that the payment is made within due dates.

32. Value of imports and value of raw materials consumed
(a) CIF value of import

(Amount in Rs.)

	2020-21	2019-20
Raw Material	3496622	7337358
Capital goods	Nil	Nil

(b) Consumption of raw materials

	2020-21		2019-20	
	Amount (Rs.)	% of consumption	Amount (Rs.)	% of consumption
Raw materials				
Imported	3875835	2.31%	7906000	3.27%
Indigenous	164152114	97.69%	233939716	96.73%

33. Expenditure in foreign Currency

(Amount in Rs.)

	2020-21	2019-20
(a) Travelling	-	249208
(b) Sales Promotion	-	356328
(c) Foreign bank charges	-	178494
(d) Commission	2232487	2381778
(e) Others	-	-

34. Earning in foreign currency

(Amount in Rs.)

	2020-21	2019-20
(a) FOB value of exports	15,56,01,435.07	20,93,00,057.31

35. Disclosure requirement as required by the AS-15 (Revised 2005), Employee Benefits are not given in view of non-availability of the required information with the company.

For, DJNV & Co.**Chartered Accountants**

Firm Reg. No. : 115145W

(CA Nirav R Choksi)

Partner

Membership No. 112249

UDIN: 21112249AAAACH5766

Place: Ahmedabad**Date:** 28-06-2021**For and on behalf of the Board of directors****Ushanti Colour Chem Limited**

(Maunal S. Gandhi)

Joint MD

0118559

Place: Ahmedabad**Date:** 28-06-2021

(Minku S. Gandhi)

Joint MD

00118617

(Pradip Parikh)

CFO

AIZPP5478J

(Archita Shah)

CS

A54472



INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
USHANTI COLOUR CHEM LIMITED
Report on the audit of the Consolidated Financial Statements**

Opinion

We have audited the accompanying consolidated financial statements of **USHANTI COLOUR CHEM LIMITED** (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2021, and the consolidated Statement of Profit and Loss and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Company as at March 31, 2021;
- b) In the case of the consolidated Statement of Profit and Loss, the profit for the year ended on that date.
- c) In the case of the consolidated Statement of Cash Flow for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Consolidated AS Financial Statement and our auditor's report thereon.

Our opinion on the Consolidated AS Financial Statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated AS Financial Statement or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements



The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group. The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated



financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act. 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.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, we report that:

According to the records of the company examined by us and the information and explanation given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

- h) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group.



ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

**For DJNV & CO.
Chartered Accountants**

**Place : Ahmedabad
Date : 28/06/2021**

**CA NIRAV R CHOKSI
(Partner)
Membership No. 112249
UDIN: 21112249AAAACJ6603
Firm Reg. No.0115145W**



ANNEXURE - A TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **USHANTI COLOUR CHEM LIMITED** as of 31 March 2021 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk



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that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

**For DJNV & Co.
Chartered Accountants**

**Place: Ahmedabad
Date: 28/06/2021**

**CA NIRAV R CHOKSI
(Partner)
Membership No. 112249
UDIN: 21112249AAAACJ6603
Firm Reg. No.0115145W**



Ushanti

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Ushanti Colour Chem Limited
Consolidated Balance Sheet as at 31st March, 2021

(Amount in Rs.)

I. EQUITY AND LIABILITIES	Note	As at 31-03-2021	As at 31-03-2020
1) Shareholders' Funds			
a) Share Capital	2	7,30,17,000	7,31,17,000
b) Reserves and Surplus	3	19,98,88,560	17,56,48,712
1) Minority Interest	4	50,000	50,000
2) Share application money pending allotment		-	-
3) Non-Current Liabilities			
a) Long-term Borrowings	5	5,23,69,280	5,42,14,158
b) Deferred Tax Liabilities (Net)		-	-
c) Other Long term Liabilities		-	-
d) Long Term Provisions		-	-
4) Current Liabilities			
a) Short Term Borrowings	6	7,48,00,740	4,91,65,543
b) Trade Payables	7		
Due to MSME		95,31,827	1,38,60,987
Other than MSME		2,28,85,835	1,21,85,521
c) Other Current Liabilities	8	2,27,22,224	2,58,41,420
d) Short-term Provisions	9	38,68,431	17,48,070
	Total	45,91,33,897	40,58,31,411
II. ASSETS			
1) Non-current Assets			
a) Property, Plant and Equipments			
(i) Tangible Assets	10.1	18,40,30,590	18,78,07,395
(ii) Intangible Assets	10.2	51,14,448	17,82,755
(iii) Capital Work-in-progress	10.3	2,80,13,155	66,04,962
(iv) Intangible Assets under Development		-	-
b) Non-current Investments	11	13,37,775	13,37,775
c) Deferred Tax Assets (net)	12	22,000	4,06,000
d) Long-term Loans and Advances	13	2,33,53,744	1,88,27,476
e) Other Non-current Assets	14	-	42,45,759
2) Current Assets			
a) Current Investments		-	-
b) Inventories	15	5,91,58,151	4,61,22,264
c) Trade Receivables	16	9,37,98,695	9,15,50,736
d) Cash and Cash Equivalents	17	4,43,30,486	3,25,89,653
e) Short-term Loans and Advances	18	1,62,66,384	90,51,725
f) Other Current Assets	19	37,08,469	55,04,911
	Total	45,91,33,897	40,58,31,411

Significant Accounting Policies

1

The accompanying notes are integral part of the financial statements

As per our Report of even date attached

For, DJNV & Co.

Chartered Accountants

Firm Reg. No. : 115145W

For and on behalf of the Board of directors

Ushanti Colour Chem Limited

(CA Nirav R Choksi)

Partner

Membership No. 112249

UDIN: 21112249AAAACJ6603

Place: Ahmedabad

Date: 28-06-2021

(Maunal S. Gandhi)

Joint MD

00118559

Place: Ahmedabad

Date: 28-06-2021

(Minku S. Gandhi)

Joint MD

00118617

(Pradip Parikh)

CFO

AIZPP5478J

(Archita Shah)

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Ushanti

Colour Chem Limited

Ushanti Colour Chem Limited			
Consolidated Statement of Profit and Loss for the year ended 31st March, 2021			
(Amount in Rs.)			
	Note	As at 31-03-2021	As at 31-03-2020
Income			
Revenue from Operations	20	35,14,55,097	46,03,26,941
Other Income	21	48,09,887	51,59,329
Total Income		35,62,64,984	46,54,86,270
Expenses			
Cost of Material Consumed	22	16,80,27,949	24,18,45,716
Purchase of Stock-in-Trade		1,02,22,130	1,82,41,210
Changes in Inventories	23	(43,63,236)	(95,03,865)
Employees Benefits Expenses	24	3,23,40,752	3,63,20,590
Finance Cost	25	60,20,020	82,85,592
Depreciation and Amortization	10.1	1,28,69,182	1,48,14,731
Amortization of Leasehold land	10.2	12,26,251	12,26,328
Other Expenses	26	9,67,72,639	12,21,55,048
Total Expenses		32,31,15,686	43,33,85,350
Profit before exceptional and extraordinary items and tax		3,31,49,298	3,21,00,921
Exceptional Items		-	-
Profit before extraordinary items and tax		3,31,49,298	3,21,00,921
Extraordinary items		-	-
Profit before tax		3,31,49,298	3,21,00,921
Tax Expenses			
Current Tax		83,70,000	88,50,000
Deferred Tax		3,84,000	(6,46,000)
Other Tax Exp / Adj. for Earlier year		2,55,450	1,53,679
Profit / (loss) for the Period		2,41,39,848	2,37,43,242
Earning Per Equity Share			
Basic		3.31	3.25
Diluted		3.31	3.25
Significant Accounting Policies	1		
The accompanying notes are integral part of the financial statements			
As per our Report of even date attached			
For, DJNV & Co.		For and on behalf of the Board of directors	
Chartered Accountants		Ushanti Colour Chem Limited	
Firm Reg. No. : 115145W			
(CA Nirav R Choksi)	(Maunal S. Gandhi)	(Minku S. Gandhi)	(Pradip Parikh)
Partner	Joint MD	Joint MD	CFO
Membership No. 112249	00118559	00118617	AIZPP5478J
UDIN: 21112249AAAACJ6603			(Archita Shah)
Place: Ahmedabad	Place: Ahmedabad		CS
Date: 28-06-2021	Date: 28-06-2021		A54472



Ushanti

Colour Chem Limited

Ushanti Colour Chem Limited		
Consolidated Statement of Cash Flows for the year ended 31st March, 2021		
	(Amount in Rs.)	
	As at 31-03-2021	As at 31-03-2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	3,31,49,298	3,21,00,921
Adjustment for :		
Depreciation and amortization	1,28,69,182	1,48,14,731
Amortization of leasehold land	12,26,251	12,26,328
Finance Cost	60,20,020	81,10,727
Dividend Income	-	(2,00,666)
Interest Income	(31,64,592)	(37,60,788)
(Profit) / Loss on Sale Of Investments	(16,151)	-
(Profit) / Loss on Sale of Assets	(2,10,947)	-
Waste Disposal Reversal Income	(2,54,862)	-
(Net Gain) / Loss on Foreign Currency Translation	-	-
Sundry balances written back(net)	-	(45,214)
Other MAT / Tax Adjustment	-	-
Operating Profit Before Working Capital Changes	4,96,18,199	5,22,46,038
Adjustments for Changes in Working Capital		
Trade receivables	(22,47,959)	(34,70,692)
Long-term and short-term loans & advances	(1,17,40,927)	(10,43,437)
Other non-current and current assets, other bank balances	(53,90,490)	(1,80,429)
Trade payables, short-term & long-term provisions, Other current & non-current liabilities	53,72,319	(1,78,77,622)
(Increase) / decrease in inventories	(1,30,35,887)	(1,45,81,145)
Cash Generated from operations	(2,70,42,943)	(3,71,53,325)
Taxes (Paid) / Refund	(86,25,450)	(1,04,53,679)
Net Cash Flow from Operating Activities (A)	1,39,49,806	46,39,034
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Assets / CWIP	(3,53,77,705)	(65,04,367)
Sale of Fixed Assets	7,85,000	-
Sale / Purchase of Investments	16,151	-
Dividend Income	-	2,00,666
Interest Income	31,64,592	37,60,788
Net Cash Flow from Investing Activities (B)	(3,14,11,963)	(25,42,913)
CASH FLOW FROM FINANCING ACTIVITIES		
Finance Costs	(60,20,020)	(81,10,727)
Issue of Equity Shares	-	50,000
Issue of Zero Coupon Debentures	1,45,98,000	-
Interim Dividend Paid	-	(17,66,399)
Proceeds/(Repayment) of Short-term borrowings(Net)	2,56,35,197	1,46,52,721
Proceeds/(Repayment) of Long-term borrowings(Net)	(1,64,42,879)	(54,48,153)
Net Cash Flow from Financing Activities (C)	1,77,70,298	(6,22,558)



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Colour Chem Limited

Net Increase/(Decrease) in Cash and Cash Equivalents (D) (A+B+C)	3,08,141	14,73,563
Cash and Cash Equivalents at the Beginning of the Year	17,67,379	2,93,816
Cash and Cash Equivalents at the End of the Year	20,75,521	17,67,379

As per our Report of even date attached

For, DJNV & Co.

Chartered Accountants

Firm Reg. No. : 115145W

(CA Nirav R Choksi)

Partner

Membership No. 112249

UDIN: 21112249AAAACJ6603

Place: Ahmedabad

Date: 28-06-2021

For and on behalf of the Board of directors

Ushanti Colour Chem Limited

(Maunal S. Gandhi)

Joint MD

00118559

Place: Ahmedabad

Date: 28-06-2021

(Minku S. Gandhi)

Joint MD

00118617

(Pradip Parikh)

CFO

AIZPP5478J

(Archita Shah)

CS

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Ushanti Colour Chem Limited

Notes to the consolidated financial statements for the year ended 31st March 2021

1. Significant Accounting Policies:

1.1 Basis of preparation of Financial Statements

The consolidated financial statements have been prepared under the historical cost convention, on accrual basis in accordance with Generally Accepted Accounting Principle (GAAP), and comply with the Companies Accounting Standard specified under section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014.

Principles of consolidation

The Consolidated Financial Statements consist of Ushanti Colour Chem Ltd ("the Company") and its subsidiary company U C Colours and Intermediates Private Limited (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:—

- The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

1.2 Use of Estimates

The preparation of consolidated financial statements requires estimates and assumptions which affect the reporting amount of assets, liabilities, revenues and expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

1.3 Property, Plant and Equipment

(a) Measurement

(i) Land

Land is initially recognized at cost.

(ii) Factory Building and other property, plant and equipment

Factory building and all other items of property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(iii) Components of costs

The cost of an item of property, plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation and Amortization

(i) Leasehold Land

Premium paid on leasehold land is amortized over the period of lease.

(ii) Other Tangible Assets

Depreciation on property, plant and equipment is calculated using the written down method to allocate their depreciable amounts over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013.



The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognized in profit or loss when the changes arise.

- (iii) **Intangible Assets**
Computer Software is amortized over the period of 5 years as estimated by the Company.
Waste Disposal Rights are amortized over the useful life of 10 years as estimated by the Company.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognized in the Statement of Profit or Loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in the Statement of Profit or Loss.

1.4 Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis.

1.5 Revenue Recognition

- (i) Revenue from sales is recognized at the point of dispatch to the customers when risk and reward stand transfer to the customers. Sales are booked net of sales return and exclusive of sales/VAT tax.
(ii) Export incentives and interest income are accounted for on accrual basis.
(iii) Dividend income is recognized when the right to receive the dividend is established.

1.6 Purchase and Expenses

- (i) Purchases are shown exclusive of taxes /duties wherever input tax credit is taken and net of Trade Discounts availed from suppliers and purchase return.
(ii) Major items of the expenses are accounted on time / pro-rata basis and necessary provisions for the same are made.

1.7 Employee Benefits

Short-term employee benefits are recognized as expenses in the Statement of Profit and Loss of the period/year in which the related service is rendered at the undiscounted amount as and when it accrues.

Long term employee benefits and post employment benefits both funded and non funded are recognized as expenses in the Statement of Profit and Loss of the period/year in which the related service is rendered based on actuarial valuation done by LIC.

1.8 Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.



1.9 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. Disclosure for Contingent Liabilities is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. No provision is recognized or disclosure for Contingent Liability is made when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the consolidated financial statements.

1.10 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period/year in which an asset is identified as impaired. The impairment loss recognized in prior period is reversed if there has been a change in the estimate of recoverable amount.

1.11 Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- (ii) Monetary items denominated in foreign currencies at the period/year-end are restated at period/year-end rates.
- (iii) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.
- (iv) Premium or discount on forward contracts for hedging foreign currency transactions are amortized and recognized in the statement of profit and loss over the period of the contract.

1.12 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long- term investments. Current Investments are carried at lower of cost and quoted/fair value determined on category/item wise. Long Term Investments are stated at cost. However, Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

1.13 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

1.14 Government Grants

Grants and subsidy from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is netted off from the respective expenses necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grants or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

1.15 Leases

The company's significant leasing arrangements are in respect of operating leases for factory. The leasing arrangements are usually renewable by mutual consent at agreed terms. The aggregate lease rent payable is charged as rent in Statement of Profit & Loss.



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Notes to Consolidated Financial Statements for the year ended 31st March, 2021

	As at 31-03-2021	As at 31-03-2020		
Note 2 : Share Capital				
Authorised Share Capital				
1,00,00,000 shares of Rs. 10 each	10,00,00,000	10,00,00,000		
Issued, Subscribed and Paid-Up				
73,01,700 Shares of Rs. 10 Each Fully Paid Up	7,30,17,000	7,30,17,000		
Forfeited Shares (Amount originally paid-up)				
10,000 Shares of Rs. 10 Each Fully Paid Up	-	1,00,000		
The company has only 1 class of shares referred to as Equity shares having face value of Rs. 10 /- Each holder of Equity share is entitled to 1 vote per share.				
In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.				
Details of shareholders holding more than 5% share in the company	No. of shares as at 31st March, 2021	No. of shares as at 31st March, 2020	% Held to total Shares	% Held to total Shares
Mr. Shantilal B. Gandhi	17,12,247	17,10,247	23.45%	23.42%
Mr. Minkubhai S. Gandhi	13,63,427	13,59,427	18.67%	18.62%
Mr. Maunal S. Gandhi	13,59,427	13,55,427	18.62%	18.56%
Mrs. Monaben M. Gandhi	4,83,250	4,81,250	6.62%	6.59%
Mrs. Shefaliben M. Gandhi	4,83,250	4,81,250	6.62%	6.59%
	54,01,601	53,87,601	73.98%	73.79%
The Reconciliation of the number of shares outstanding and the amount of share capital	No. of shares as at 31st March, 2021	No. of shares as at 31st March, 2020	As at 31-03-2021	As at 31-03-2021
Shares at the beginning of the year	73,01,700	73,01,700	7,30,17,000	7,30,17,000
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end of the year	73,01,700	73,01,700	7,30,17,000	7,30,17,000
Terms/right attached to equity shares				
The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
Note 3 : Reserves and Surplus	As at 31-03-2021	As at 31-03-2020		
Securities Premium				
Opening Balance	9,68,26,500	9,68,26,500		
Addition during the year	-	-		
Less: Preliminary Expenses	-	-		
	9,68,26,500	9,68,26,500		
Capital Reserve				
Opening Balance	-	-		
Addition during the year	1,00,000	-		
Closing Balance	1,00,000	-		
Surplus i.e., balance in Statement of Profit and Loss				
Opening Balance	7,88,22,212	5,68,45,369		



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Add : Profit for the year	2,41,39,848	2,37,43,242
Add Any Other Adjustments	-	-
Less: Interim Dividend Paid	-	17,66,399
Closing Balance	10,29,62,060	7,88,22,212
Total	19,98,88,560	17,56,48,712
Note 4 : Minority Interest		
Champaklal Amratlal Shah	50,000	50,000
Total	50,000	50,000
Note 5 : Long Term Borrowings		
Term Loan Secured from Banks *	1,27,71,394	1,82,21,615
Debentures***	1,45,98,000	-
Car Loans **	3,51,896	6,75,687
Loans from Directors & Other Related Parties	2,68,88,240	4,07,90,776
Other Loans and advances (Loans from inter corporate companies)	32,61,865	-
	5,78,71,396	5,96,88,078
Less: Current Maturities of Long Term Borrowings	55,02,116	54,73,920
Total	5,23,69,280	5,42,14,158

(a) Term loan [closing balance Rs. 2821175 /- (P. Y. Rs. 5571395/-)]-carries interest @ 9.35% to 9.95% p.a. The loan is repayable in 78 monthly installments comprising first 77 installments of Rs. 255500/- each and last 78th installment of Rs. 326500/- excluding interest from 10-10-2016 and last installment due on 10-03-2023. Due to prepayment of Rs. 1500000/- on 26-06-2018, installment changed to Rs. 229185/-.

The loan is secured by way of :

- (i) Hypothecation of plant and machinery, equipment, tools, spares, accessories and all other assets acquired or proposed to be acquired under the Small Industries Development Bank of India("SIDBI") Scheme as primary security
- (ii) Fixed deposits and Life insurance policies of directors, company and relatives of directors
- (iii) Personal guarantee of Directors and Promoter of the company.

Current Maturity of long-term borrowings is Rs. 2750220 (P.Y. Rs.2750220/-)

(b) Term loan [closing balance Rs. 5100000/- (P. Y. Rs. 7500000)]-carries interest @ 8.04% p.a. The loan is repayable in 57 monthly installments comprising first 24 installments of Rs. 200000/- each, next 25 to 48 installments of Rs. 250000/- and last 49 to 57 installments of Rs. 300000/- excluding interest from 03-10-2018 and last installment due on 03/06/2023.

The loan is secured by way of :

- (i) Hypothecation of plant and machinery, equipment, tools, spares, accessories and all other assets acquired or proposed to be acquired under the Small Industries Development Bank of India("SIDBI") Scheme as primary security
- (ii) Fixed deposits and Life insurance policies of directors, company and relatives of directors
- (iii) mortgage in favour of SIDBI of the Plot No 42, Phase VI, Sanand, Kalol Road, Village Nasmed, Kalol, Gandhinagar, Gujarat 382155 owned jointly by Smt Shefali Minku Gandhi & Mona Maunal Gandhi.
- (iv) Hypothecation of all the borrower's movables acquired under the previous project financed by SIDBI. (v) Personal guarantee of Directors and Promoter of the company.

Current Maturity of long-term borrowings is Rs. 2400000 (P.Y. Rs. 2400000)

Car Loan**

(a) Vehicle loan [closing balance NIL(P. Y.Rs.351896)]-carries interest @ 8.35% p.a. The loan is repayable in 60 monthly installments of Rs. 30668/- each along with interest from 05-04-2017 and last installment due on 05-03-2022. The loan is secured by hypothecation of the vehicle purchased there against. Current Maturity of long-term borrowings is 351896/(P.Y.Rs.323700)

***Zero coupon Compulsory Convertible Debetures issued 595840 allotted on 02/03/2021 and 863960 allotted on 08/03/2021 @ Rs. 10/- convertible at the end of 5 months from the date of allotment.

Loans repayable on demands from Directors and Related Parties :

Unsecured loans from directors and related parties are taken and maintained during the year pursuant to the stipulation mentioned by the banks for loans facilities availed from them and are repayable on demand and carries interest @ 9% p.a (P.Y. 9% p.a.)

For subsidiary company:

Loan from Directors & other related Parties are repayable on demand and does not carry interest.



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Loans from inter corporate companies are taken @ 7% interest p.a.		
Note 6 : Short Term Borrowings		
Loans repayable on demands		
From Banks(Secured)		
Cash credit facilities	87,90,983	7,74,320
Working capital facilities	6,60,09,757	4,83,91,223
Total	7,48,00,740	4,91,65,543
(a) Cash credit facility is secured against trade receivables of the Company. Further, it has been personally guaranteed by Directors and Promoter of the company and Third parties. It carries interest @ 9% p.a. as on 26/06/2020 and 8.5% as on 10/07/2020.		
(b) Working capital facility is primarily secured against inventories, trade (export) receivables and collateral security of plant and equipments and factory shed of the Company. Further, it has been personally guaranteed by Directors and Promoter of the company. It is repayable on demand and carries interest @ 9% p.a. as on 26/06/2020 and 8.5% as on 10/07/2020.		
Note 7 : Trade Payables		
Due to MSME	95,31,827	1,38,60,987
Other than MSME	2,28,85,835	1,21,85,522
Total	3,24,17,662	2,60,46,509
Note 8 : Other Current Liabilities		
Creditors for Expenses	1,36,33,722	1,46,07,438
Interest accrued and due on borrowings	27,43,513	32,90,114
Interest accrued but not due on borrowings	63,939	99,387
Current Maturities of Long Term Borrowings	55,02,116	54,73,920
Forward Contract Payable	-	14,67,590
Other Statutory Liabilities	7,63,935	8,68,129
Other Current Liabilities	15,000	34,842
Total	2,27,22,224	2,58,41,420
Note 9 : Short Term Provisions		
Provision for Expenses	22,84,864	14,98,070
Provision for Tax (Net of Advance Tax)	13,19,810	2,50,000
Provision for Tax Earlier Years	2,63,757	-
Total	38,68,431	17,48,070



10.1 : Tangible Assets										
Description of Assets	Gross Block				Depreciation/Amortization				Net Block	
	As at 01-04-2020	Additions	Deletions/ Adjustments	As at 31-03-2021	Upto 31-03-2020	For the year	Deletions/ Adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Factory Land	181800	-	-	181800	0	-	-	-	181800	181800
Leasehold Land – Dahej*	122238654	-	-	122238654	2903423	1226251	-	4129674	118108980	119335231
Factory Building	27315831.59	-	-	27315832	13209738.04	1393784	-	14603522	12712310	14106094
Plant and Equipments	101059024.2	5946063	-	107005087	57610823	8076449	-	65687272	41317815	43448201
Pollution Control Plant	14348341	656498	-	15004839	8376686	1155897	-	9532583	5472256	5971655
Furniture & Fixtures	1790114	87282	-	1877396	1291606	112532	-	1404138	473258	498508
Vehicles	12844085	2632622	859373	14617334	10507446	1022846	785320	10744972	3872362	2336639
Office Equipments	1195840.8	533315	-	1729156	771890	282066	-	1053956	675199	423951
Electric Fittings	4071471	2034	-	4073505	2741226	263853	-	3005079	1068426	1330245
Computers	1407395	58500	-	1465895	1232324	85387	-	1317711	148184	175071
Total	286452557	9916314	859373	295509498	98645162	13619066	785320	111478907	184030590	187807395
Previous Year	218364032	68548380	459856	286452557	83169996	15475166	76956	98568206	187884351	135194037
* For Land at Sakhya C-18, agreement to sale is made on 26/03/2021 with U C Colour Intermediaries Pvt Ltd which is subsidiary company of the holding company i.e. Ushanti Colour Chem Ltd.										
10.2 : Intangible Assets										
Description of Assets	Gross Block				Depreciation/Amortization				Net Block	
	As at 01-04-2020	Additions	Deletions/ Adjustments	As at 31-03-2021	Upto 31-03-2020	For the year	Deletions/ Adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Computer Software	188963	3198	-	192161	140102	-	-	140102	52059	48861
Waste Disposal Rights	8239500	2400000	500000	10139500	4855606	476367	254862	5077111	5062389	3383894
Total	8428463	2403198	500000	10331661	4995708	476367	254862	5217213	5114448	3432755
Previous Year	6778463	-	-	6778463	4429815	565893	-	4995708	1782755	2348648



10.3 : Capital Work in Progress

Description of Assets	Gross Block				Deletions/Adjustments				Net Block	
	As at 01-04-2020	Additions	Deletions/ Adjustments	As at 31-03-2021	Upto 31-03-2020	For the year	Deletions/ Adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Factory Building	2720520	417000	-	3137520	-	-	-	-	3137520	2720520
Furniture & Fixtures	1017986	995869	-	2013855	-	-	-	-	2013855	1017986
Plant and Equipments	2406600	1426738	-	3833338	-	-	-	-	3833338	2406600
New Office Building	-	1101340	-	1101340	-	-	-	-	1101340	-
New Project (Dahej 80-83)	-	1030772	-	1030772	-	-	-	-	1030772	-
GIDC C-18 Sakhya**	459856	16338520	-	16798376					16798376	459856
Computer		69250		69250					69250	-
Air Condition	-	28704	-	28704					28704	-
Total	6604962	21408193	-	28013155	-	-	-	-	28013155	6604962
Previous Year	68189116	4149363	66193373	6145106	-	-	-	-	6145106	68189116

** For Land at Saykha GIDC C-18, agreement to sale is made on 26/03/2021 by Holding Company i.e. Ushanti Colour Chem Ltd with our company i.e. UC Colours and Intermediaries Private Limited. As per the agreement, expense incurred after 19/12/2019 will be charged in our company so the same is accounted under Capital Work in Progress- GIDC C-18 Saykha.



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	As at 31-03-2021	As at 31-03-2020
Note 11 : Non Current Investments		
Non-trade Long term Investments (Un-quoted, At Cost)		
53511 (31-03-2020 : 53511) Equity shares of Rs. 25/- each fully paid-up in The Kalupur Co. Op. Bank Limited	13,37,775	13,37,775
Total	13,37,775	13,37,775
Note 12 : Deferred Tax Assets (Net)		
Opening Balance	4,06,000	(2,40,000)
Less: Deferred Tax Liability	-	-
Add: Deferred Tax Assets	(3,84,000)	6,46,000
Total	22,000	4,06,000
Note 13 : Long Term Loans and Advances		
Security Deposits	1,96,15,218	1,29,17,225
Capital Advances	-	16,50,000
Other long Term Loans and Advances	29,08,400	28,68,311
Other Advances - Long Term	3,14,645	3,14,645
Balances with Statutory / Govt. Authorities (long term)	5,15,481	10,77,295
Total	2,33,53,744	1,88,27,476
Note 14 : Other Non-current Assets		
Margin money deposits	-	42,45,759
Total	-	42,45,759
Note 15 : Inventories		
Raw Material Inventory	2,24,17,135	1,39,62,045
Finished Goods Inventory	3,63,99,116	3,20,35,880
Packing Material	3,41,900	1,24,339
Total	5,91,58,151	4,61,22,264
Note 16 : Trade receivables		
Unsecured, Considered good		
Outstanding for more than Six Months	-	3,41,065
Other trade receivable	9,37,98,695	9,12,09,671
Total	9,37,98,695	9,15,50,736
Note 17 : Cash and Cash Equivalents		
Cash and Cash Equivalents		
Balance with banks	16,55,296	14,20,624
Cash on hand	4,20,225	3,46,755
Other bank balances		
Margin money deposits	4,22,54,965	3,08,22,274
Total	4,43,30,486	3,25,89,653
Note 18 : Short term Loans and Advances		
Balances with Statutory / Govt. Authorities	1,06,80,903	56,01,050
Loans to Employees	1,98,900	2,50,675
Other Advances	-	-
Capital Advances	50,59,580	32,00,000
Forward Contract Receivable	3,27,001	-
Total	1,62,66,384	90,51,725
Note 19 : Other Current Assets		
Prepaid Expenses	9,42,376	7,63,892
Pre-operative Expense	10,22,693	-
Preliminary Expense	12,500	-
Deposits	-	10,000
Other Current Assets	-	26,59,671
Interest Accrued on Fixed Deposits	15,02,267	16,74,996
Interest accrued but not due	2,28,634	3,96,352
Total	37,08,469	55,04,911



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Note 20 : Revenue from Operations		
Sale of products (Finished & Traded, Gross)	34,51,93,627	45,16,67,075
Scrap Sales	12,075	28,708
	34,52,05,702	45,16,95,783
Less: Excise duty	-	-
	34,52,05,702	45,16,95,783
Other Operating Revenue		
Export incentives	62,49,395	86,31,158
Total	35,14,55,097	46,03,26,941
Note 21 : Other Income		
Interest income		
On Bank Deposits	23,83,828	26,28,846
Others	7,80,764	11,31,942
Dividend income	-	2,00,666
Foreign Exchange Gain (net)	6,65,764	5,71,651
Profit on sale of fixed assets(net)	2,10,947	-
Profit on sale of Investments(net)	16,151	-
Miscellaneous Income	1,77,268	3,54,027
Premium on Forward Contract	2,42,426	2,26,983
Sundry balances written back(net)	77,878	45,214
Waste Disposal Rights Reversal Income	2,54,862	-
Total	48,09,887	51,59,329
Note 22 : Cost of Material Consumed		
Opening Raw Material Inventory	1,39,62,045	88,30,997
Add: Purchase During the year	17,64,83,039	24,69,76,764
Less: Closing stock of raw materials	2,24,17,135	1,39,62,045
Total	16,80,27,949	24,18,45,716
Note 23 : Purchase of Stock-in-Trade		
Direct Dyes	16,00,000	80,43,795
Reactive Dyes	52,67,130	74,89,315
Alpha/Pigment Dyes	33,55,000	27,08,100
Total	1,02,22,130	1,82,41,210
Note 24 : Changes in Inventories		
Inventories at the beginning of the year		
Work in Progress Inventory	-	4,32,000
Finished Goods Inventory	3,20,35,880	2,21,00,015
Inventories at the End of the year		
Work in Progress Inventory	-	-
Finished Goods Inventory	3,63,99,116	3,20,35,880
Total	(43,63,236)	(95,03,865)
Note 24 : Employee Benefits Expenses		
Directors Remuneration	1,30,86,500	1,70,40,000
Salary , Wages and Bonus	1,50,27,620	1,89,35,108
Gratuity Fund Contribution	1,66,313	2,13,593
Staff Welfare Exp	37,39,883	1,31,889
Other Employee Benefits Expense	3,20,436	-
Total	3,23,40,752	3,63,20,590
Note 25 : Finance Cost		
Interest paid to Banks and Financial Institutions	49,76,697	34,71,849
Other Interest Paid	33,214	33,19,481
Bank Charges and Commission	10,10,109	13,19,397
Interest to MSME's	-	1,74,865
Total	60,20,020	82,85,592
Note:		
25.1. The Company has availed interest subvention of Rs. 1554048/- during the period (P.Y.: Rs. 1840342/-) from bank on		



working capital facility which has been reduced from interest expenses.		
25.2. The Company has availed interest subvention of Rs. 353519/- during the period (P.Y.: Rs. 485354/-) from SIDBI under capital expansion scheme which has been reduced from interest expenses.		
25.3 Interest to MSME is not provided as per the explanation provided by the management after confirmation letters from the parties that the payment made is within due dates.		
Note 26 : Other Expenses		
Packing Material Consumed	40,57,256	12,92,212
Power, Fuel and Water	4,90,34,489	6,21,06,815
Laboratory Expenses	4,29,550	6,14,676
Building Repairs	24,76,698	5,17,611
Plant and Equipments Repairs	56,75,266	79,04,529
Pollution Control Expenses	1,36,08,954	2,19,27,939
Labour and processing charges	66,24,160	79,91,504
Safety Expenses	1,38,768	1,76,603
Sales Promotion and Advertisement	1,26,932	16,48,577
Commission Expenses	25,09,177	24,57,778
Other Sales and Distribution Expenses	9,68,078	10,11,215
Insurance	23,56,911	28,17,905
Rates & Taxes	3,42,906	1,97,941
Rent	8,70,000	8,70,000
Office Maintenance	3,18,905	2,63,657
Travelling and Conveyance	6,15,923	6,61,089
Shipping Expenses	37,31,959	45,28,395
Legal and Professional Fees	7,32,090	18,15,472
Vehicle Running and Maintenance	2,02,172	3,45,295
Telephone and Communication	1,89,269	2,81,605
Stationary, Printing and Other Office Expenses	7,10,423	8,81,491
Donation	-	2,51,000
Sundry Balances Written Off	200	(1)
Miscellaneous Expenses	4,62,238	13,51,741
Import Expenses	4,20,316	-
Payment to Auditors		
For Audit purpose	1,50,000	1,50,000
For Other purpose	20,000	90,000
Total	9,67,72,639	12,21,55,048

27. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

28. The deferred tax liability comprises of the following:

(Amount in Rs.)

	2020-21	2019-20
Opening Balance of Deferred Tax Liability	(406000)	240000
Current Period/(Year) DTA/DTL on account of timing difference due to depreciation	384000	(646000)
Closing Balance of Deferred Tax Liability/(Asset)	22000	(406000)

29. Earnings Per Shares (EPS)

(Amount in Rs.)

		2020-21	2019-20
(i)	Net Profit (Loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	24268848	23743242
(ii)	Weighted Average number of equity shares used as denominator for calculating EPS	7301700	7301700
(iii)	Basic and Diluted Earnings per Shares (Rs.)	3.32	3.25



(iv)	Face Value per equity share (Rs.)	10	10
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30. Related Party Disclosures:

As per Accounting Standard 18, the disclosure of transactions with the related parties as defined in accounting Standard are given below:

- (i) List of related parties where control exist and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Party	Relationship
1.	Minku S. Gandhi.	Key Managerial Personnel (KMP)
2.	Maunal S. Gandhi	
3.	Shantibhai B. Gandhi	
4.	Archita Jitendra Shah	
5.	Pradip B Parikh	
6.	Akash Dipakbhai Patel	
7.	Champakbhai A Shah	
8.	Smt. Shefali M. Gandhi	
9.	Smt. Mona M. Gandhi	
10.	Shantibhai B. Gandhi	
11.	Deepak G. Gandhi	
12.	Arjun M. Gandhi	
13.	Aadit M. Gandhi	
14.	Dipak Babulal Patel	
15.	Kalpna Dipakbhai Patel	Enterprise in which KMP/Relative of KMP are interested as director/member/partner
16.	Shantibhai B. Gandhi H.U.F.	
17.	Minku S. Gandhi H.U.F.	
18.	Maunal S. Gandhi H.U.F.	
19.	Ushanti Corporation	
20.	HUF Industries	
21.	Dipak Babulal Patel HUF	
22.	Champak Chemicals Pvt Ltd	

- (ii) Transactions during the year ended 31-03-21 with related parties

(Amount in Rs.)

Sr. No.	Nature of Transactions (Excluding reimbursement)	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprise in which KMP/Relative of KMP are interested	Total
1	Loans taken from	96999553	6000000	6000000	108999553
2	Loans repaid to	111709086	7123506	4000000	122832592
3	Remuneration/Salary	14202991	5321890	0	19524881
4	Interest Expenses	1609865	1133648	173849	2917362
5	Rent Expenses	0	0	870000	870000
Outstanding Balances					
1	Loans payable	16165325	13467483	3260810	32893618
2	Other Liabilities	748000	86600	0	834600

- (iii) Transactions during the year ended 31-03-20 with related parties

(Amount in Rs.)

Sr. No.	Nature of Transactions (Excluding reimbursement)	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprise in which KMP/Relative of KMP are interested	Total
1	Loans taken from	81784285	60000	285434	82129719
2	Loans repaid to	61769168	2516810	1890711	66176689

**Colour Chem Limited**

3	Remuneration/Salary	18149282	2688000	-	20837282
4	Interest Expenses	1956045	1255580	78489	3290114
5	Rent Expenses	-	-	870000	870000
Outstanding Balances					
1	Loans payable	29438526	13542364	-	42980890
2	Other Liabilities	1496048	198244	783000	2477292

31. The Company has received intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprise Development Act, 2006, and hence, disclosures, if any, relating to amount unpaid as at the period end as required under the act has been given. The interest has not been provided as per the explanation provided by the management after confirmation letters from the parties that the payment is made within due dates.

32. Value of imports and value of raw materials consumed
(a) CIF value of import

(Amount in Rs.)

	2020-21	2019-20
Raw Material	3496622	7337358
Capital goods	Nil	Nil

(b) Consumption of raw materials

	2020-21		2019-20	
	Amount (Rs.)	% of consumption	Amount (Rs.)	% of consumption
Raw materials				
Imported	3875835	2.31%	7906000	3.27%
Indigenous	164152114	97.69%	233939716	96.73%

33. Expenditure in foreign Currency

(Amount in Rs.)

	2020-21	2019-20
(a) Travelling	-	249208
(b) Sales Promotion	-	356328
(c) Foreign bank charges	-	178494
(d) Commission	2232487	2381778
(e) Others	-	-

34. Earning in foreign currency

(Amount in Rs.)

	2020-21	2019-20
(a) FOB value of exports	15,56,01,435.07	20,93,00,057.31

35. Disclosure requirement as required by the AS-15 (Revised 2005), Employee Benefits are not given in view of non-availability of the required information with the company.

For, DJNV & Co.**Chartered Accountants**

Firm Reg. No. : 115145W

(CA Nirav R Choksi)

Partner

Membership No. 112249

UDIN: 21112249AAAACJ6603

Place: Ahmedabad**Date:** 28-06-2021**For and on behalf of the Board of directors****Ushanti Colour Chem Limited**

(Maunal S. Gandhi)

Joint MD

00118559

Place: Ahmedabad**Date:** 28-06-2021

(Minku S. Gandhi)

Joint MD

00118617

(Pradip Parikh)

CFO

AIZPP5478J

(Archita Shah)

CS

A54472



Ushanti

Colour Chem Limited

Route Map of the venue for 28th Annual General Meeting of M/s. Ushanti Colour Chem Limited

Date & Time: Saturday, 25th September, 2021 at 03:30 p.m.

Venue: 88/8, GIDC Phase I, Vatva, Ahmedabad-382445, Gujarat, India





28th Annual General Meeting of M/s. Ushanti Colour Chem Limited

Attendance Slip

Registered Folio No. / DP ID No./ Client ID No.	
Name and address of the Member(s)	
Name of the Proxy (To be filled only when a proxy attends the meeting)	
Number of Shares held	

I certify that I am a member / proxy for the member of the Company

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company held on Saturday, the 25th day of September, 2021 at 03.30 p.m. at 88/8, G I D C Phase I, Vatva, Ahmedabad-382445, Gujarat, India.

Name of the member/ proxy

Signature of member/proxy

Notes:

1. Members/Proxy attending the meeting must complete this attendance slip and hand it over at entrance.
2. Members are requested to bring their copies of the Annual Report to the Meeting.



Form No. MGT-11

Proxy form

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

CIN: L24231GJ1993PLC019444

Name of the Company: Ushanti Colour Chem Limited

Registered office: 88/8, G I D C Phase I, Vatva, Ahmedabad-382445, Gujarat, India

Name of the Member(s):
Registered address:
E-mail Id:
Folio No/ Clint Id:
DP ID:

I/ We being the member of _____, holding _____ shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature: _____, or failing him

2. Name:

Address:

E-mail Id:

Signature: _____, or failing him

3. Name:

Address:

E-mail Id:

Signature: _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of members of the Company, to be held on Saturday at the 25th day of September, 2021 at 03.30 p.m. registered office of the Company at 88/8, G I D C Phase I, Vatva, Ahmedabad-382445, Gujarat, India, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	Optional	
		For	Against
Ordinary Business			
1	To receive, consider and adopt: a) the Audited Standalone Financial Statements of the Company for the financial year ended on 31 st March, 2021 and Reports of Board of Directors and Report of Auditors thereon. b) the Audited Consolidated Financial Statements of the Company for the financial year ended on 31 st March, 2021 and Report of Auditors thereon.		
2	To appoint a Director in place of Mr. Maunal Shantilal Gandhi (DIN 00118559), who retires by Rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment.		
Special Business			



Ushanti

Colour Chem Limited

3	Regularization of Additional Director, Mr. Arjun Maunal Gandhi (DIN: 09254434), by appointing him as a Director of the Company.		
4	Ratification/ Approval of Related Party Transaction.		

Signed this day of 2021

Signature of Shareholder:

Signature of Proxy holder(s):

Affix Rs. 1
Revenue
Stamp

Note:

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. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 28th Annual General Meeting.

3. It is optional to put an "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Please complete all details of member(s) in above box before submission.