



Date: 04/10/2016

To,  
Gen. Manager (DCS)  
**BSE Limited**  
P J Towers,  
Dalal Street, Fort,  
Mumbai-400001

**SUBJECT: ANNUAL REPORT FOR THE YEAR 2015-16**

Dear Sir,

With regards to captioned subject, and pursuant to Regulation 34(1) of Securities Exchange board of India (Listing Obligations and Disclosures requirements) Regulations, 2015, we hereby enclose herewith Annual Report for the F.Y 2015-16. Kindly take a note that the Annual General Meeting of the company was held on 30<sup>th</sup> September, 2016.

You are requested to take the same on your record.

Thanking You.

Yours Sincerely,

**FOR, PRATIKSHA CHEMICALS LIMITED**

**MR. JAYESH PATEL**  
**TECHNICAL DIRECTOR**  
**(DIN: 00401109)**



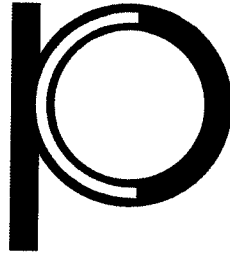
**PRATIKSHA CHEMICALS LIMITED**

**Regd. Off :** 3rd Floor, H. K. Complex , Nr. Dharnidhar Derasar, Paldi, Ahmedabad-380 007 India  
**Ph.** 26632390, 26609530 **Fax No :** +91 79 26612843.

**Website :** <http://www.dharapratiksha.com> **E-mail :** [exports@dharapratiksha.com](mailto:exports@dharapratiksha.com)

**CIN : L24110GJ1991PLC015507**

**Factory :** 195/2, Near Natraj Industrial Estate, Village Iyawa Vasna, Sanand.  
(Dist : Ahmedabad) India. Phone 02717-284350



# PRATIKSHA CHEMICALS LIMITED

(CIN: L24110GJ1991PLC015507)

**REGISTERED OFFICE :**

3RD FLOOR, H K COMPLEX,  
OPP. DHARNIDHAR DERASAR, VASNA,  
AHMEDABAD - 380007.

For, PRATIKSHA CHEMICALS LTD.

**DIRECTOR**

**25<sup>TH</sup>**

**ANNUAL REPORT  
2015-2016**

# PRATIKSHA CHEMICALS LIMITED

## 25th ANNUAL REPORT 2015-2016

### BOARD OF DIRECTORS :

Name of Directors	DIN	Designation
MR. HARISHBHAI BHATT	00400765	WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER
MR. JAYESH PATEL	00401109	TECHNICAL DIRECTOR
MR. UPENDRA ADHAVRYU	00483857	INDEPENDENT DIRECTOR
MR. SOMABHAI PATEL	01188702	INDEPENDENT DIRECTOR
MRS. LALITHAMMA ACHARYA	06983383	INDEPENDENT WOMAN DIRECTOR

**STATUTORY AUDITORS** : M/S. H. K. SHAH & CO.  
CHARTERED ACCOUNTANTS (FRN: 109583W)  
404, SARAP BUILDING, 4TH FLOOR,  
OPP. NAVJIVAN PRESS, ASHRAM ROAD,  
AHMEDABAD - 380014.

**REGISTRAR &  
SHARE TRANSFER AGENT** : M/S. PURVA SHAREGISTRY (INDIA) PVT. LTD.  
9 - SHIV SHAKTI INDUSTRIAL ESTATE, GROUND FLOOR,  
J R BORICHA MARG, OPP, KASTURBA HOSPITAL,  
LOWER PAREL, MUMBAI-400011  
Contact No.: 91-22-2301 6761 / 8261 FAX: 91-22-2301 2517  
Mail ID: busicomp@vsnl.com

**STOCK EXCHANGES WHERE  
THE SHARES OF THE  
COMPANY ARE LISTED** : BSE LIMITED  
25TH FLOOR, P. J. TOWERS,  
DALAL STREET, FORT,  
MUMBAI - 400001.

**NOTICE**

Notice is hereby given that Twenty-Fifth Annual General Meeting will be held at Registered Office situated at 3RD FLOOR, H K COMPLEX, OPP. DHARNIDHAR DERASAR, VASNA, and AHMEDABAD – 380007 on 30th SEPTEMBER, 2016 at 10:00 A.M. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2016, including the audited Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To appoint a Director in place of MR. JAYESH PATEL(DIN: 00401109), who retires by rotation, in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.
3. To ratify appointment of the Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, as amended from time to time, pursuant to recommendation of the Audit Committee of Board of Directors and pursuant to resolution passed by members at the AGM held on 30th September, 2014, the appointment of , M/S. H K SHAH & CO., Chartered Accountants (Firm Registration No. 109583W), as Statutory Auditors of the Company to hold office till consecutive period of three(3) financial years, be and is hereby ratified at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**SPECIAL BUSINESS:**

4. 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 197 and Section II (A) of Part II of Schedule V of the Companies Act, 2013 and other applicable provisions and rules framed there under, approval of the members of the Company be and is hereby accorded to pay the Managerial Remuneration to MR. JAYESH PATEL, Technical Director of the Company (DIN: 00401109) of Rs. 1,05,000/- p.m. or as may be mutually agreed between Board of Directors of the Company and MR. JAYESH PATEL w.e.f. 1st April, 2016."

"RESOLVED FURTHER THAT in the event of any loss or inadequacy of the profits of the Company in any financial year, during the term of office of MR. JAYESH PATEL, the remuneration as mentioned in the above stated resolution shall be paid to MR. JAYESH PATEL as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013."

PLACE: AHMEDABAD  
DATE: 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

**NOTES:**

1. A Member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company. Instrument of proxy in order to be effective must be received by the company not less than 48 hours before the meeting.
2. A Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Information as required under Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and regarding appointment / reappointment of Directors is annexed hereto.
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, the Notice along with Explanatory Statement is being sent to all the members, whose names appear in the Register of Members / List of Beneficial Owners, received from NSDL / CDSL as on close of business hours on 12TH AUGUST, 2016. The Notice along with Explanatory Statement is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding).
5. For Members whose email IDs are not registered, physical copies of the Notice are being sent by permitted mode. The Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
6. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 24th September, 2016 to Wednesday, 30th September, 2016 (both days inclusive) in connection with AGM.
7. As a measure of economy, Annual Report will not be distributed at the Meeting. So, members are requested to bring their copy of Annual Report with them to the Annual General Meeting.
8. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.
9. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is providing E-Voting facility to all the members whose names appear in the Register of Members / beneficial owners as on the Cut-Off Date i.e. 23RD SEPTEMBER, 2016, who may cast their vote by electronic mode on all resolutions in respect of business set forth in the notice through e-voting services provided by CDSL, through their portal <http://www.evotingindia.com> in this regard, members are notified that:
  - (i) the company has completed the dispatch of Notice through permitted mode to all the members of the company individually along with the explanatory statement and
  - (ii) Voting through electronic means shall commence from 9:00 A.M. on 27TH SEPTEMBER, 2016 and end at 5:00 P.M. on 29TH SEPTEMBER, 2016. Please note that e-voting is optional. In case a member has voted through e-voting facility, he/ she is not allowed to vote in the Annual General Meeting.
10. The Member who transfers his / her shares before the Cut-off date i.e. 23RD SEPTEMBER, 2016, is not eligible to vote to the extent of transfer made by him/ her, on the Resolutions mentioned in the Notice.

11. Any person who acquires the Shares of the Company after dispatch of the Notice of the General Meeting and holding the Shares on the Cut-off Date i.e. 23RD SEPTEMBER, 2016, may request to the Company on registered mail ID of the company i.e. exports@dharapratiksha.com to obtain the User ID & Password.
12. The Results of E-voting along with the Scrutinizer's Report shall be declared and placed on the Company's website and on the website of CDSL <https://www.evotingindia.co.in> on or before 5:00 P.M. on 30TH SEPTEMBER, 2016 and communicated to the BSE Limited where the shares of the Company are listed.

**EXPLANATORY STATEMENT**  
**(Pursuant to section 102 of the Companies Act, 2013)**

As required by section 102 of the Companies Act, 2013 (The 'Act'), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice:

**Item No. 4:**

The recommendation was received from Nomination and remuneration Committee to appreciate and to encourage the contributions devoted by the Directors by the way of paying the remuneration to them for the financial year 2016-17. However, due to inadequacy of profit the Management of Company intended to adopt the Schedule V of the Companies Act, 2013 to pay the Remuneration to the Directors of the Company.

The proposal was made to pay the Managerial Remuneration of Rs. 1,05,000/- p.m. or as may be mutually agreed between Board of Directors of the Company and MR. JAYESH PATEL, Technical Director of the Company (DIN: 00401109) w.e.f. 1st April, 2016. Since the profit of the company is insufficient for paying the remuneration, the discussion was made to comply with the provisions of Schedule V of the Companies Act, 2013 for the same.

Your Directors accordingly recommend for payment of Managerial Remuneration of Rs. 1,05,000/- p.m. or as may be mutually agreed between Board of Directors of the Company and MR. JAYESH PATEL w.e.f. 1st April, 2016 as set out in the enabling resolution at Item No. 5 for the approval of the Members.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Jayesh Patel is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

Information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with regard to Directors seeking appointment / re-appointment as the forthcoming Annual General Meeting:

● **MR. JAYESH PATEL (DIN: 00401109) –TECHNICAL DIRECTOR:**

MR. JAYESH PATEL (DIN: 00401109) is a Technical Director of the Company from 25 years and has experience of 20 to 25 years in the issues related to technology and has degree of Bachelor of Science. MR. JAYESH PATEL is not being director in any other company and chairman / member of Board Committees of other companies.

Shareholding in the Company: **60,000 Equity Shares.**

**THE INSTRUCTIONS FOR E-VOTING:**

**SECTION A - E-VOTING PROCESS:**

- (i) The voting period begins on 27TH SEPTEMBER, 2016 FROM 9:00 A.M. TO 29TH SEPTEMBER, 2016 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23RD SEPTEMBER, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID.
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

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



- (xii) Click on the EVSN i.e. "160812037" for the relevant Company Name i.e. PRATIKSHA CHEMICALS LIMITED on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

#### **SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS:**

- i. The E-Voting period commences on 27TH SEPTEMBER, 2016 (09:00 A.M.) and ends on 29TH SEPTEMBER, 2016 (5:00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Cut-off date i.e. 23RD SEPTEMBER, 2016 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- iii. M/s A SHAH & ASSOCIATES, Practicing Company Secretaries (Membership No.: FCS 4713;CP No: 6560) (Address: D- 413, Shiromani Complex, Opp. Ocean Park, S.M. Road, Satellite, Ahmedabad – 380 015, Gujarat, India) has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iv. The Scrutinizer shall on conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any and submit forth with to the Chairman of the Company.

- v. The Results shall be declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL <https://www.evotingindia.co.in> on or before 5:00 P.M. on 30TH SEPTEMBER, 2016 and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- vi. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
- vii. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- viii. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.
- ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. The Members are requested to pay attention to the matter that once he / she has exercised his / her right then he / she shall not be allowed to change his / her vote subsequently in any case.
- xi. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**PRATIKSHA CHEMICALS LIMITED**

H K COMPLEX 3RD FLOOR,  
 OPP. DHARNIDHAR DERASAR,  
 VASNA,  
 AHMEDABAD – 380007  
 (T) 079-26632390, 26640071  
 www.pratikshachemicals.in  
 Email: exports@धारapratiksha.com  
 CIN: L24110GJ1991PLC015507

Name of the Sole / First Named Member : \_\_\_\_\_

Address of Sole / First Named Member : \_\_\_\_\_  
 \_\_\_\_\_

Registered Folio Number : \_\_\_\_\_

DPID /Client ID \_\_\_\_\_

Number of shares held \_\_\_\_\_

Dear Member,

**SUBJECT : PROCESS AND MANNER FOR AVAILING REMOTE E-VOTING FACILITY**

Pursuant to provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management & Administration) Amendment Rules, 2015, and Regulation 44 of SEBI (listing Obligations and disclosure Requirements) regulations, 2015, the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically as an alternative to participation at the 25TH Annual General Meeting of the Company to be held on 30th SEPTEMBER, 2016 at H K COMPLEX 3RD FLOOR, OPP. DHARNIDHAR DERASAR, VASNA, AHMEDABAD – 380007. The Company has engaged the services of Central Depository Services (I) Limited (“CDSL”) to provide remote e-voting facilities. Remote e-voting means the facility to cast votes by a Member using electronic voting system from a place other than the venue of the AGM. The remote e-voting facility is available at the link <https://www.evotingindia.com>.

The electronic voting particulars are set out below :

EVEN (E-Voting Event Number)	User ID	Password / Sequence No.

The remote e-voting facility will be available during the following voting period:

COMMENCEMENT OF REMOTE E-VOTING	END OF REMOTE E-VOTING
27th September, 2016 (9:00 A.M.)	29th September, 2016 (5:00 P.M.)

Please read the instructions printed below before exercising the vote. These details and instructions form integral part of the Notice for the Annual General Meeting to be held on 30TH SEPTEMBER, 2016.

**MEMBERS ARE REQUESTED TO FOLLOW THE INSTRUCTIONS FOR REMOTE E-VOTING AS MENTION IN THE ANNUAL REPORT.**

**DIRECTORS' REPORT**

To,  
The Members,  
PRATIKSHA CHEMICALS LIMITED  
AHMEDABAD

Your Directors have pleasure in presenting herewith their 25th Annual Report on the business and operation of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2016.

**1. PERFORMANCE OF THE COMPANY (STANDALONE):**

The Directors' Report is to be prepared based on the stand alone financial statements of the company:

(Rs. In Lacs)

PARTICULARS	2015-16	2014-15
Income for the year	1105.32	1028.08
Less: Expenditure for the year excluding Depreciation and Amortization Exp.	(1071.71)	(989.01)
Less: Depreciation and Amortization Exp.	(30.75)	(36.79)
Profit or Loss after Depreciation and Amortization Exp. But before Tax	2.85	2.28
Less: Current Tax	Nil	(0.42)
Less: Deferred Tax	(0.88)	Nil
Profit or Loss After Tax	1.97	1.86

The company's approach towards growth has delivered satisfactory results in terms of Turnover of the company during the year 2015-16. Your company achieved the net sales of Rs. 1105.32 lakhs during the year 2015-16 which indicates 7.51% increase in turnover.

The Profit/Loss after Tax has reasonably increased to Rs. 1.97 lakhs which is satisfactory. However, the Profitability is low based on size of the company but the company will strive to improve its performance in long term prospects based on actual pace of global economy.

**2. DIVIDEND:**

With a view to enlarge the business operations of the Company, the Directors did not recommend dividend during the year under review.

**3. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Pursuant to the provisions Section 152 (6) of the Companies Act, 2013, Mr. Jayesh Patel (DIN: 00401109), Technical Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section 6 of Section 149 of the Companies Act, 2013 and under Regulation 16 (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

The terms of Managerial Remuneration paid of MR. JAYESH PATEL are revised as per as per the Schedule V of Companies Act, 2013.

**4. LISTING AGREEMENT:**

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline

the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective from December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from September 2, 2015. The Company entered into Listing Agreement with BSE Limited during January, 2016.

**5. MEETINGS:**

During the year, Four Board Meetings and Five Audit Committee Meetings were duly convened and held. The following are the dates on which the said Board Meetings held:

May 30, 2015, August 14, 2015, November 06, 2015 & February 08, 2016.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**6. COMMITTEES:**

The company has several committees which have been established as a part of best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Board has constituted following Committees:

- ◆ Audit Committee
- ◆ Nomination and Remuneration Committee
- ◆ Stakeholder's Relationship Committee

The details with respect to the compositions, powers, roles, terms of reference etc. of relevant committees are given in detail in the 'Report on Corporate Governance' of the company which forms part of this Annual Report.

**7. EXTRACTS OF ANNUAL RETURN:**

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2016 forms part of this Directors' Report as 'Annexure-I'.

**8. STATUTORY AUDITORS & AUDIT REPORT:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/S. H K SHAH & CO., Chartered Accountants, (Firm Registration No. 109583W), have been appointed as statutory auditors of the company at the Twenty Third Annual General Meeting held on September 30, 2014 to hold office from the conclusion of twenty third Annual General Meeting (AGM) till the conclusion of the Twenty eighth Annual General Meeting of the Company, subject to ratification by the shareholders annually. Accordingly, ratification of appointment of Statutory Auditors is being sought from the members of the company at the ensuing AGM. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Auditors comments on your company's accounts for year ended March 31, 2016 are self explanatory in nature and do not require any explanation as per provisions of Section 134 (3) (f) of the Companies Act, 2013.

There following qualifications, reservation or adverse remark or disclaimer made by Statutory Auditor in its report:

1. Adhering to significant accounting policy, the Company is accounting for Gratuity & Leave Encashment on cash basis. This is not according with Accounting Standard – 1 on "Disclosure of Accounting Policies" and Accounting Standard – 15 on "Employee Benefits" prescribed by the Institute of Chartered Accounting of India and contrary to provision contained in Section 128 (1) of the Companies Act, 2013. The extent of non-compliance in terms of value is not ascertainable.

2. Accounting Standard – 2 for “Valuation of Inventories” has not been followed. The technical valuation claimed by the Company is not quantifiable hence; we are not in a position to quantify the effect on the Profit and Loss Account and Balance Sheet.

The Board of Directors has undertaken to take the corrective steps for the above mentioned qualifications in current year.

**9. INTERNAL FINANCIAL CONTROLS:**

Pursuant to provisions of 138 of the Companies Act, 2013, and Rule 13 of Companies (Accounts) Rules, 2014, M/S. LAVINGIYA & ASSOCIATES, Chartered Accountants, Ahmedabad, has been appointed as an Internal Auditor of the Company for the Financial Year 2015-16. During the year, the Company continued to implement their suggestions and recommendations to improve and control the environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

**10. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:**

Pursuant to Section 204 of the Companies Act, 2013, your company had appointed M/S. A. SHAH & ASSOCIATES, Practicing Company Secretaries, Ahmedabad, as its Secretarial Auditors to conduct the Secretarial Audit of the company for F.Y. 2015-16. The Report of the Secretarial Auditor for the F.Y. 2015-16 is annexed to this report as 'Annexure: II' to the Directors' Report.

Secretarial Auditors have qualified their report to the Members of the Company & in this connection; the Board of Directors of the Company has discussed the same at arm's length and agreed to take the corrective steps on following Qualifications:

1. Company has not complied with Regulation 6(2) of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for appointment of Company Secretary as compliance officer for the financial year 2015-16.
2. Company is yet to comply with Clause 47(a) of erstwhile Listing Agreement for appointment of Company Secretary as compliance officer for the financial year 2015-16.
3. The company has partially complied with clause 41(III) of erstwhile Listing Agreement i.e. no compliance of the said clause done for the quarter ended June 2015 and September, 2015.
4. Company is not in compliance with Section 203 (1) (ii) of The Companies Act, 2013 for appointment of Company Secretary as Key Managerial Personnel for the financial year 2015-16.
5. The Company is yet to comply with Regulation 31(2) of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for maintaining hundred percent of shareholding of promoter(s) and promoter group in dematerialized form.
6. The Managerial Remuneration paid to Mr. Jayesh K Patel, Technical Director of the company for the year 2015-16 is not in accordance with the approval given by shareholders in the Annual General meeting dated 30-09-2015.

Secretarial Auditor Report (MR-3) is annexed herewith this Directors' Report, and as it is self explanatory and therefore do not call for any further comments.

**11. NOMINATION AND REMUNERATION POLICY:**

The Board has on the recommendation of Nomination and Remuneration / Compensation Committee framed a policy on directors' appointment and remuneration of Directors including criteria for determining qualification, positive attributes, independence of directors and remuneration for Directors, Key Managerial Personnel and other employees. The policy is annexed to this report as 'Annexure: III'.

**12. BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Regulation 27 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

**13. FIXED DEPOSITS:**

Your Company has not accepted any fixed deposits from the public within the provisions of Section 73 to 76 of the Companies Act, 2013. However, the company has accepted unsecured loans of Rs. 7,00,000 from its directors which falls in the exempted category as per section 73 of the Act. Hence, the disclosures required as per Rule 8(5)(v)&(vi) of the Companies (Accounts) Rules, 2014, read with Section 73 to 76 of the Companies Act, 2013 are not applicable to your Company.

**14. CORPORATE GOVERNANCE:**

The Company believes that good Corporate Governance is a continuous process and it is our continuous endeavor to achieve good governance, by way of a conscious and conscientious effort whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with all our stakeholders.

A separate section on Corporate Governance Standards followed by your Company, as stipulated under Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 is enclosed as Annexure to this Report. The Report on Corporate Governance also contains certain disclosures required under Companies Act, 2013.

A Certificate from M/S. H. K. SHAH & CO., Chartered Accountants, (Firm Registration No. 109583W), conforming compliance to the conditions of Corporate Governance as stipulated under Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, is annexed to this Report.

**15. FOREIGN EXCHANGE EARNINGS / OUTGO:**

The Company has earned the Foreign Exchange by the way of Export Sales to the tune of Rs. 3,02,82,150 /- during the Financial Year 2015-16.

**16. VIGIL MECHANISM:**

In pursuant to the provisions of section 177 (9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.pratikshachemicals.in](http://www.pratikshachemicals.in) under investors / policy documents / Vigil Mechanism Policy link.

**17. ENERGY & TECHNOLOGY:****(a) Conservation of energy:**

(i)	the steps taken or impact on conservation of energy	N.A.
(ii)	the steps taken by the company for utilizing alternate sources of energy	N.A.
(iii)	the capital investment on energy conservation equipment's	N.A.

**(b) Technology absorption:**

(i)	the efforts made towards technology absorption	N.A.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	N.A.
	(a) the details of technology imported	N.A.
	(b) the year of import;	N.A.
	(c) whether the technology been fully absorbed	N.A.
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
(iv)	the expenditure incurred on Research and Development	N.A.

The efforts are being made for energy conservation to new and innovative means. Further, the Company did not have any imported technology during the financial year.

**18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All Related Party Transactions those were entered during the financial year were in ordinary course of the business of the company and were on arm's length basis. There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the company.

All such Related Party Transactions are placed before the Audit Committee for approval.

The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is has been uploaded on the website of the Company at [www.pratikshachemicals.in](http://www.pratikshachemicals.in) under investors / policy documents / Related Party Transaction Policy.

The particulars of every contract or arrangements entered into by the Company with related parties referred to the sub-section (1) of section 188 of the Companies Act, 2013, are disclosed in Form No. AOC-2 'Annexure: IV' the same forms part of this report, pursuant to Section 134 (3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014.

**19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

In terms of provisions of Section 134 (3) (g) of the Companies Act 2013, the Particulars of Loans, Guarantees or Investments under Section 186, is annexed hereto as 'Annexure: V' and forms part of this Report.

**20. PARTICULARS OF EMPLOYEES REMUNERATION:**

A. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197, of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as 'Annexure: VI' to the Directors' Report.



B. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided as no employees is paid remuneration of Rs. 5 Lac Per month if employed for part of the year and Rs. 60 Lacs Per Annum if employed for the whole year.

**21. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Disclosure under Section 22 of the Sexual Harassment Of Women At Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

**22. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The company does not fall under the purview of the section 135 of the Companies Act, 2013 which requires formulating a Corporate Social Responsibility Committee and adopting any activities as specified in Schedule VII. However as per Section 135, the disclosure of Report on CSR activity is annexed as Annexure VII

**23. HUMAN RESOURCES DEVELOPMENT:**

Your Company treats its "Human Resources" as one of its most significant assets. The Company continues its focus on retention through employee engagement initiatives and provides a holistic environment where employees get opportunities to realize their potential. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement. The Company's Health and Safety Policy commits to provide a healthy and safe work environment to all employees.

**24. CHANGE IN NATURE OF THE BUSINESS:**

There has been no change in the nature of business of the company during the year under review.

**25. MANAGEMENT DISCUSSION AND ANALYSIS:**

As per the corporate governance norms, a separate section on Management Discussion and Analysis outlining the business of the Company is set out in Annexure forming part of this Report.

**26. SIGNIFICANT OR MATERIAL ORDERS AGAINST COMPANY:**

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

**27. STATEMENT OF DIRECTORS' RESPONSIBILITY:**

Pursuant to requirement under 134 (3) (c) and Section 134 (5) of the Companies Act, 2013 (Act), Directors, confirm that:

- (a) in the preparation of the annual accounts for the year ended on 31st March, 2016, the applicable accounting standards read with requirement set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 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 had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and;
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**28. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their gratitude and sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

Your Directors would like to express a profound sense of appreciation for the commitment shown by the employees in supporting the Company in its continued robust performance on all fronts.

PLACE : AHMEDABAD  
DATE : 12/08/2016

ON BEHALF OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

**Annexure - I****DECLARATION OF INDEPENDENCE**

1st April, 2015

TO,  
PRATIKSHA CHEMICALS LIMITED  
3RD FLOOR, H K COMPLEX,  
OPP. DHARNIDHAR DERASAR, VASNA,  
AHMEDABAD - 380007.

**Subject : Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.**

Dear Sir,

I, MR. UPENDRAADHAVRYU, hereby certify that I am a Non-Executive Independent Director of PRATIKSHA CHEMICALS LIMITED, resident of B/9, SNEHAL FLATS, N.N. NAGAR, PALDI, AHMEDABAD - 380007 and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
  - a) holds or has held the position of a key managerial personnel or is or has been employee/ executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
  - c) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - d) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - e) holds together with my relatives 2% or more of the total voting power of the company; or
  - f) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

**Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

---

**MR. UPENDRA ADHAVRYU**  
B/9, SNEHAL FLATS, N.N. NAGAR,  
PALDI, AHMEDABAD - 380007.  
(DIN : 00483857)

**DECLARATION OF INDEPENDENCE**

1st April, 2015

TO,  
PRATIKSHA CHEMICALS LIMITED  
3RD FLOOR, H K COMPLEX,  
OPP. DHARNIDHAR DERASAR, VASNA,  
AHMEDABAD - 380007.

**Subject : Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.**

Dear Sir,

I, MR. SOMABHAI PATEL, hereby certify that I am a Non-Executive Independent Director of PRATIKSHA CHEMICALS LIMITED, resident of A/4/3, GODAVARINAGAR, VASNA, AHMEDABAD - 380007 and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
  - a) holds or has held the position of a key managerial personnel or is or has been employee/ executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
  - c) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - d) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - e) holds together with my relatives 2% or more of the total voting power of the company; or
  - f) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

**Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

---

**MR. SOMABHAI PATEL**  
A/4/3, GODAVARINAGAR, VASNA,  
AHMEDABAD - 380007  
(DIN : 01188702)

## DECLARATION OF INDEPENDENCE

1st April, 2015

TO,  
PRATI KSHA CHEMICALS LIMITED  
3RD FLOOR, H K COMPLEX,  
OPP. DHARNIDHAR DERASAR, VASNA,  
AHMEDABAD - 380007.

**Subject : Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.**

Dear Sir,

I, MRS. LALITHAMMA ACHARYA, hereby certify that I am a Non-Executive Independent Director of PRATI KSHA CHEMICALS LIMITED, resident of D-101, AMRAPALI APPT., OPP.- G.H.B.COMPLEX, ANKUR RD. NARANPURA, AHMEDABAD - 380013 and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
  - a) holds or has held the position of a key managerial personnel or is or has been employee/ executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
  - c) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - d) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - e) holds together with my relatives 2% or more of the total voting power of the company; or
  - f) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

**Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

---

**MRS. LALITHAMMA ACHARYA**  
D-101, AMRAPALI APPT.,  
OPP.- G.H.B.COMPLEX,  
ANKUR RD. NARANPURA,  
AHMEDABAD - 380013.  
(DIN : 06983383)



## Annexure: I

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31/03/2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of  
the Company (Management & Administration) Rules, 2014]

## I. REGISTRATION &amp; OTHER DETAILS :

1.	CIN	L24110GJ1991PLC015507
2.	Registration Date	24/04/1991
3.	Name of the Company	PRATIKSHA CHEMICALS LIMITED
4.	Category/Sub-category of the Company	Category : Company limited by shares Sub-category : Indian Non-Government Company
5.	Address of the Registered office & contact details	H K COMPLEX 3RD FLOOR, OPP. DHARNIDHAR DERASAR, VASNA, AHMEDABAD – 380007 Contact No. : 079-26632390, 26640071 FAX - 079-26612843 Mail ID: exports@dharaPratiksha.com
6.	Whether listed company	BSE LIMITED
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any. (Appointed w.e.f May, 2016)	M/S. PURVA SHAREGISTRY (INDIA) PVT LTD 9 - SHIV SHAKTI INDUSTRIAL ESTATE, GROUND FLOOR, J R BORICHA MARG, OPP, KASTURBA HOSPITAL, LOWER PAREL, MUMBAI-400011. Contact No.: 91-22-2301 6761 / 8261 FAX: 91-22-2301 2517 Mail ID: busicomp@vsnl.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Pigment Green 7	20114	100%

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

## A) Category-wise Share Holding :

Category of Shareholder	No. of Shares held at the beginning of the year (as on April 1, 2015 i.e. on the basis of SHP of March 31, 2015)				No. of Shares held at the end of the year (as on March 31, 2016 i.e. on the basis of SHP of March 31, 2016)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters/Promoters Group</b>									
(1) Indian									
a) Individual/HUF	1614000	160700	1774700	31.86	1647700	127000	1774700	31.86	-
b) Central Govt.	-	-	-	-	-	-	-	-	-

Category of Shareholder	No. of Shares held at the beginning of the year (as on April 1, 2015 i.e. on the basis of SHP of March 31, 2015)				No. of Shares held at the end of the year (as on March 31, 2015 i.e. on the basis of SHP of March 31, 2016)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	240000	240000	4.31	-	240000	240000	4.31	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):</b>	<b>1614000</b>	<b>400700</b>	<b>2014700</b>	<b>36.17</b>	<b>1647700</b>	<b>367000</b>	<b>2014700</b>	<b>36.17</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other –Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total:(A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>1614000</b>	<b>400700</b>	<b>2014700</b>	<b>36.17</b>	<b>1647700</b>	<b>367000</b>	<b>2014700</b>	<b>36.17</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
i-1) Foreign Financial Institution	-	-	-	-	-	-	-	-	-
i-2) Trust	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.Non Institutions</b>									
a) Bodies Corporate									
i) Indian	359374	97500	456874	8.20	359407	97500	456907	8.21	+0.01
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	57206	615760	672966	12.08	766481	566560	1333041	23.93	+11.85

Category of Shareholder	No. of Shares held at the beginning of the year (as on April 1, 2015 i.e. on the basis of SHP of March 31, 2015)				No. of Shares held at the end of the year (as on March 31, 2016 i.e. on the basis of SHP of March 31, 2016)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1983649	90100	2073749	37.23	1312763	123500	1436263	25.78	-11.45
c) Others (specify)	-	-	-	-	-	-	-	-	-
NRI	-	-	-	-	-	-	-	-	-
Clearing Members	22468	-	22468	0.40	-	-	-	-	-0.40
Non Resident Indian (Repat)	117183	137900	255083	4.58	117183	137400	254583	4.57	-0.01
Non Resident Indian (Non-Repat)	74500	-	74500	1.34	74846	-	74846	1.34	
<b>Sub-total(B)(2):-</b>	<b>2614380</b>	<b>941260</b>	<b>3555640</b>	<b>63.83</b>	<b>2630680</b>	<b>924960</b>	<b>3555640</b>	<b>63.83</b>	
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2614380</b>	<b>941260</b>	<b>3555640</b>	<b>63.83</b>	<b>2630680</b>	<b>924960</b>	<b>3555640</b>	<b>63.83</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs (C)</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total(A+B+C)</b>	<b>4228380</b>	<b>1341960</b>	<b>5570340</b>	<b>100</b>	<b>4278380</b>	<b>1291960</b>	<b>5570340</b>	<b>100</b>	-

**B) Shareholding of Promoter :**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on April 1, 2015 i.e. on the basis of SHP of March 31, 2015)			Shareholding at the end of the year (as on March 31, 2016 i.e. on the basis of SHP of March 31, 2016)			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	HARSHADBHAI K PATEL	714032	12.82	-	747732	13.43	-	+0.61%
2	HARISHBHAI BHATT	692690	12.44	-	692690	12.44	-	-
3	H B BUILDERS PVT LTD	240000	4.31	-	240000	4.31	-	-
4	RATNAKALABEN H PATEL	68610	1.23	-	68610	1.23	-	-
5	JAYESH KANTILAL PATEL	78950	1.42	-	78950	1.42	-	-
6	CHANDRAPRABHA K. BHATT	49200	0.88	-	49200	0.88	-	-
7	SURBHI HARISHBHAI BHATT	38298	0.69	-	38298	0.69	-	-
8	PURNIMA UPENDRA ADHAVARY	48000	0.86	-	48000	0.86	-	-
9	MUKESH C SHAH	37120	0.67	-	37120	0.67	-	-
10	SHAILESH DAVE	11000	0.20	-	-	-	-	-0.20%
11	PARESH M SHAH	22700	0.41	-	-	-	-	-0.41%
12	JAYESH B CHAUHAN	13300	0.24	-	13300	0.24	-	-
13	JAYSHREE A PATEL	500	0.01	-	500	0.01	-	-
14	PRAKASH JAIN	300	0.01	-	300	0.01	-	-

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

Sr. No.	Name of the Promoter	Date	Reason (if any increase/(decrease) during the year)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	HARSHADBHAI K PATEL	1/4/2015	At the beginning of the year	714032	12.82	714032	12.82
		Sept.-March 2015	Increase due to Acquisition	33700	0.61	747732	13.43
		31/3/2016	At the end of the year	—	—	747732	13.43
2.	SHAILESH DAVE	1/4/2015	At the beginning of the year	11000	0.20	11000	0.20
		Sept.-Dec., 2015	Decrease due to transfer	(11000)	0.20	—	—
		31/3/2016	At the end of the year	—	—	—	—
3.	PARESH M SHAH	1/4/2015	At the beginning of the year	22700	0.41	22700	0.41
		Sept.-March. 2015	Decrease due to transfer	(22700)	0.41	—	—
		31/3/2016	At the end of the year	—	—	—	—

NOTE : There is 'No Change' in the shareholding of the Promoters other than mentioned above.

**D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) :**

Sr. No.	Name of the Promoter	Date	Reason (if any increase/(decrease) during the year)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	ATITH B SHAH	1/4/2015	At the beginning of the year	403850	7.25	403850	7.25
		31/3/2016	At the end of the year	—	—	403850	7.25
2.	APPURVA B. SHAH	1/4/2015	At the beginning of the year	403850	7.25	403850	7.25
		31/3/2016	At the end of the year	—	—	403850	7.25
3.	DHANLAXMI LEASE FINANCE LTD.	1/4/2015	At the beginning of the year	175200	3.15	175200	3.15
		31/3/2016	At the end of the year	—	—	175200	3.15
4.	LABDHI SHARES AND STOCKS HOLDINGS PVT.LTD.	1/4/2015	At the beginning of the year	112000	2.01	112000	2.01
		31/3/2016	At the end of the year	—	—	112000	2.01
5.	SURENDRA RAOJIBHAI PATEL	1/4/2015	At the beginning of the year	100000	1.80	100000	1.80
		31/3/2016	At the end of the year	—	—	100000	1.80
6.	PADMAVATI STOCKS PVT.LTD.	1/4/2015	At the beginning of the year	90000	1.62	90000	1.62
		31/3/2016	At the end of the year	—	—	90000	1.62
7.	BEENA RAJENDRA MULANI	1/4/2015	At the beginning of the year	68200	1.22	68200	1.22
		31/3/2016	At the end of the year	—	—	68200	1.22
8.	THAKKAR KRISHNA K	1/4/2015	At the beginning of the year	66700	1.20	66700	1.20
		31/3/2016	At the end of the year	—	—	66700	1.20
9.	VANITABEN PATEL	1/4/2015	At the beginning of the year	57548	1.03	57548	1.03
		31/3/2016	At the end of the year	—	—	57548	1.03
10.	MADHUVAN SECURITIES PVT. LTD.	1/4/2015	At the beginning of the year	50000	0.90	50000	0.90
		31/3/2016	At the end of the year	—	—	50000	0.90

## E) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Name of the Promoter	Date	Reason (if any increase/(decrease) during the year)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	JAYESH KANTILAL PATEL (TECHNICAL DIRECTOR)	1/4/2015	At the beginning of the year	78950	1.42	78950	1.42
		31/3/2016	At the end of the year	18950	0.34	78950	1.42
2.	HARISHBHAI KRISHNKANT BHATT (WTD & CFO)	1/4/2015	At the beginning of the year	692690	12.44	692690	12.44
		31/3/2016	At the end of the year	-	-	692690	12.44
3.	SOMABHAI ZAVERBHAI PATEL (DIRECTOR)	1/4/2015	At the beginning of the year	-	-	-	-
		31/3/2016	At the end of the year	-	-	-	-
4.	UPENDRA LAJJASHANKAR ADHVARYU (DIRECTOR)	1/4/2015	At the beginning of the year	-	-	-	-
		31/3/2016	At the end of the year	-	-	-	-
5.	ACHARYA RAMAKRISHNAN LALITHAMMA (DIRECTOR)	1/4/2015	At the beginning of the year	-	-	-	-
		31/3/2016	At the end of the year	-	-	-	-

**F) INDEBTEDNESS :**

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

Particulars	Secured Loans excluding deposits (Cash Credit)	Unsecured Loans	Deposits	Total Indebted- ness
<b>Indebtedness at the beginning of the financial year:</b>				
i) Principal Amount	1,76,33,153	1,16,51,639	0	2,92,84,792
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>1,76,33,153</b>	<b>1,16,51,639</b>	<b>0</b>	<b>2,92,84,792</b>
<b>Change in Indebtedness during financial year:</b>				
* Addition	115408701	700000	0	116108701
* (Reduction)	(118406940)	(2462000)	0	(120868940)
<b>Net Change</b>	<b>(2998239)</b>	<b>(1762000)</b>	<b>0</b>	<b>(4760239)</b>
<b>Indebtedness at the end of the financial year :</b>				
i) Principal Amount	1,46,34,914	98,89,639	0	2,45,24,553
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>1,46,34,914</b>	<b>98,89,639</b>	<b>0</b>	<b>2,45,24,553</b>

**IX. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :****A. Remuneration to Managing Director, Whole-time Directors and / or Manager:**

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Harishbhai Bhatt (WTD)	Mr. Jayesh Patel (Technical Director)	
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.5,04,000/-	Rs.9,60,000/-	Rs.14,64,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit			
	- others, specify...			
5	Others, please specify	N.A.	N.A.	N.A.
	<b>Total (A)</b>	<b>Rs.5,04,000/-</b>	<b>Rs.9,60,000/-</b>	<b>Rs.14,64,000/-</b>
	<b>Ceig as per the Act</b>			<b>Rs.14,292/-</b>

**B. REMUNERATION TO OTHER DIRECTORS :****1. Independent Directors :**

S. N.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr.Somabhai Patel	Mr.Upendra Adhvaryu	Mrs.Lalithamma Acharya	
1	Fee for attending Board / Committee meetings (in Rs.)	-	-	-	-
2	- Commission	-	-	-	-
3	- Others, please specify	-	-	-	-
4	<b>TOTAL (B1)</b>	-	-	-	-

**2. Other Non-Executive Directors :**

N.	Particulars of Remuneration	Name of Director N.A.	Total Amt
1	- Fee for attending Board / Committee meetings (in Rs.)	-	-
2	- Commission	-	-
3	- Others, please specify	-	-
4	<b>TOTAL (B2)</b>	-	-
5	<b>TOTAL B = B(1) + B(2)</b>	-	-
6	<b>TOTAL MANAGERIAL REMUNERATION</b>	-	-
7	<b>OVERALL CEILING AS PER ACT</b>	-	<b>Rs.2,858/-</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :**

N.	Particulars of Remuneration	Key Managerial Personnel Mr. Harishbhai Bhatt - CFO	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.
2	Stock Option	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.
4	Commission - as % of profit Others, please specify	N.A. N.A. N.A.	N.A. N.A. N.A.
5	Others, please specify	N.A.	N.A.
	<b>Total</b>	<b>N.A.</b>	<b>N.A.</b>



**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

PLACE : AHMEDABAD  
DATE : 12/08/2016

ON BEHALF OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

**Annexure: III****MR-3****SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED AS ON 31ST MARCH, 2016**

To,  
The Members,  
PRATIKSHA CHEMICALS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S PRATIKSHA CHEMICALS LIMITED (Hereinafter called the company) for the financial year ended on 31st March, 2016. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the M/S PRATIKSHA CHEMICALS LIMITED (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 on 31ST MARCH, 2016 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 M/S PRATIKSHA CHEMICALS LIMITED for the financial year ended on 31ST MARCH, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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 (Listing Obligation and Disclosure Requirement) Regulation, 2015
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

VI. As the company is engaged in manufacturing of Chemical 'Pigment Green 7' other specific laws applicable to the Company for the financial year under review are as under:

1. The Factories Act, 1948.
2. Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.
3. Hazardous Waste (Management and Handling) Rules, 1989

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with BSE Limited & Ahmedabad stock Exchange. However, the company is suspended from trading on BSE for Surveillance Measure.

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

1. **Company has not complied with Regulation 6(2) of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for appointment of Company Secretary as compliance officer for the financial year 2015-16.**
2. **Company is yet to comply with Clause 47(a) of erstwhile Listing Agreement for appointment of Company Secretary as compliance officer for the financial year 2015-16.**
3. **The company has partially complied with clause 41(III) of erstwhile Listing Agreement i.e. no compliance of the said clause done for the quarter ended June 2015 and September, 2015.**
4. **Company is not in compliance with Section 203 (1) (ii) of The Companies Act, 2013 for appointment of Company Secretary as Key Managerial Personnel for the financial year 2015-16.**
5. **The Company is yet to comply with Regulation 31(2) of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for maintaining hundred percent of shareholding of promoter(s) and promoter group in dematerialized form.**
6. **The Managerial Remuneration paid to Mr. Jayesh K Patel, Technical Director of the company for the year 2015-16 is not in accordance with the approval given by shareholders in the Annual General meeting dated 30-09-2015.**

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Also, there were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 in the company, there has been no material discrepancy found in the business and no specific change in the nature of the Business.

Place : Ahmedabad  
Date : 10/08/2016

For, A. Shah & Associates  
Practicing Company Secretaries

MR. ANISH SHAH  
FCS No: 4713  
C P No.: 6560

**Annexure: A**

To,  
The Members,  
**PRATIKSHA CHEMICALS LIMITED**  
H K COMPLEX 3RD FLOOR,  
OPP. DHARNIDHAR DERASAR, VASNA,  
AHMEDABAD - 380007.

Our Report of even date is to be read with this letter :

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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 management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**PLACE : AHMEDABAD**  
**DATE : 10/08/2016**

**FOR, A. SHAH & ASSOCIATES**  
**PRACTISING COMPANY SECRETARIES**

**MR. ANISH SHAH**  
**PROPRIETOR**  
**FCS No: 4713**  
**C P No.: 6560**

**Annexure: IV****NOMINATION AND REMUNERATION POLICY****INTRODUCTION:**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, key managerial personnel and employees of the company, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the stock exchanges (As amended from time to time), this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company.

**CONSTITUTION OF COMMITTEE:**

The Board of Directors of the Company (the Board) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or nonexecutive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

**OBJECTIVE:**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement and Guidelines of Reserve Bank of India. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- 1.3. Formulation of criteria for evaluation of Independent Director and the Board.
- 1.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.5. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.6. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.8. To develop a succession plan for the Board and to regularly review the plan.
- 1.9. To assist the Board in fulfilling responsibilities. 1.10 To Implement and monitor policies and processes regarding principles of corporate governance.

**APPLICABILITY:**

- a) Directors (Executive and Non Executive)
- b) Key Managerial Personnel
- c) Senior Management Personnel

**DEFINITION:**

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"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 Management”** means Senior Management means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:**

**Appointment Criteria and Qualifications:**

- a) 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 to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) 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 based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**1. Term / Tenure:**

- a) **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive 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.
- b) **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.  
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.

**1. Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

- a) **Removal** Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
- b) **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/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**  
The Remuneration / Compensation / Commission etc. to be paid to Director / Managing Director 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.
2. **Remuneration to Non- Executive / Independent Director:**  
No remuneration / compensation / commission are given to the Non-Executive Independent Director of the company.

**DUTIES IN RELATION TO NOMINATION MATTERS:**

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation
- Determining the appropriate size, diversity and composition of the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

**DUTIES IN RELATION TO REMUNERATION MATTERS:**

The duties of the Committee in relation to remuneration matters include:

- Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. Delegating any of its powers to one or more of its members or the Secretary of the Committee. Considering any other matters as may be requested by the Board.

**REVIEW AND AMENDMENTS:**

- i. The NRC or the Board may review the Policy as and when it deems necessary.
- ii. The NRC may issue the guideline, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the NRC or by the Board and as when required and also by the Compliance Officer where there is any statutory change necessitating the change in the policy.

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

## Annexure: V

## 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 arms length transaction under third proviso thereto.

## 1. Details of contracts or arrangements or transactions at Arm's length basis :

No.	Particulars	Details
1	Name(s) of the related party	1. M/s. Harishbhai Bhatt (HUF) 2. M/s. H. K PATEL (HUF) 3. Mrs. Ratnakalaben H. Patel & 4. Ms. Surbhiben H. Bhatt
	Nature of relationship	All above named parties are Relatives of MR. HARISHBHAI BHATT, Whole Time Director of the company.
2	Nature of contracts/ arrangements/ transaction	Payment of Office Rent
3	Duration of the contracts/ arrangements/transaction	11 Months & 29 Days
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 2,500/- per month
5	Date of approval by the Board	30/05/2015
6	Amount paid as advances, if any	N.A.

## 2. Details of contracts or arrangements or transactions :

No.	Particulars	Details
1	Name(s) of the related party	MRS. NEEMABEN PATEL
	Nature of relationship	MR. JAYESH PATEL, Technical Director of the company.
2	Nature of contracts/ arrangements/ transaction	Payment of Remuneration as an Administrative Executive
3	Duration of the contracts/arrangements/transaction	w.e.f. 1st April, 2014 till 31st January, 2016
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 16,000/- per month
5	Date of approval by the Board	30/05/2014
6	Amount paid as advances, if any	N.A.

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)



## Annexure: VI

(Pursuant to sub-section (2) of section 186 of the Act and Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014)

## Details of Loans :

Sr. No.	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if required)	Rate of Interest	Security
1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

## Details of Investments :

Sr. No.	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expected rate of return
1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

## Details of Guarantee / Security Provided :

Sr. No	Date of providing security/ guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commis-sion
1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

**Annexure: VII****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

- (i) The percentage increase in remuneration of each Director & Chief Financial Officer during the Financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for Financial year 2015-16 (Amt. in Rs.)	% Increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Harishbhai Bhatt (Whole Time Director)	Rs. 5,04,000/-	-	3.38:1	As per notes below
2	Mr. Jayesh Patel (Technical Director)	Rs. 9,60,000/-	23.08%	6.57:1	-
3	Mr. Upendra Adhavryu (Non executive Independent Director)	N.A.	N.A.	N.A.	-
4	Mr. Somabhai Patel (Non Executive Independent Director)	N.A.	N.A.	N.A.	-
5	Mrs. Lalithamma Ramakrishnan Acharya (Non Executive Director)	N.A.	N.A.	N.A.	-
6	Mr. Harishbhai Bhatt (Chief Financial Officer)	N.A.	N.A.	N.A.	-

- (ii) The median remuneration of employees of the Company during the financial year 2015-16 was Rs. 1,49,100/-.
- (iii) In the Financial year 2015-16, there was an increase of 4.59% in the median remuneration of employees;
- (iv) There were 12 permanent employees on the rolls of Company as on March 31, 2016;
- (v) Relationship between average increase in remuneration and company performance: The Profit before Tax for the financial year ended March 31, 2016 increased by 5.91% whereas the increase in median remuneration was 4.59%.
- (vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
- Variations in the market capitalization of the Company: The market capitalization as on March 31, 2016 was Rs. 1,54,85,545 /- (Rs. Rs. 1,39,25,850/- as on March 31, 2015).
  - Price Earnings ratio of the Company was 69.5 as at March 31, 2016 and was 73.53 as at March 31, 2015.
  - Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year.

The Company had come out with Initial Public Offer (IPO) in 1995 at Rs. 10/- each. The closing price of the Company's equity shares on the BSE as on March 31, 2016 was Rs. 2.78/, representing a 72.2% decrease over the IPO price on the BSE, adjusted for bonuses to date excluding the dividend accrued thereon.

- (vii) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2015-16 was 4.59% whereas the increase in the managerial remuneration for the same financial year was 8%.
- (viii) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- (x) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

**Annexure VII****Annual report on Corporate Social Responsibility (CSR) activities for the financial year 2015-16**

1	A Brief outline of the company's CSR policy including overview of the projects of programmes proposed to be under taken and a reference to the web link to the CSR policy projects of programmes and the composition of CSR committee	NA
2	Average net profit of the company for the last three financial years	NA
3	Prescribed CSR expenditure (2% of the amount mentioned in 2 above)	NA
4	Details of CSR spent during the financial year : <ul style="list-style-type: none"> <li>• Total amount to be spent for the financial year</li> <li>• Amount unspent, if any</li> <li>• Manner in which the amount spent during the financial year</li> </ul>	NA

**Details of amount spent on CSR activities during the financial year 2015-16 :**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project of activity identified	Sector in which the project is covered (clause no of schedule VII to the companies Act 2013 as amended)	Project or Programs (1)Local area of other (2)Specify the state and district where projects or programs was undertaken	Amount outlay (budget) Projects or Programs wise (Rs. in Lakhs)	Amount spent on the projects or programs Sub Heads: (1)Direct expenditure on projects or programs (2)Sub-heads (Rs. in Lakhs)	Cumulative expenditure up to the reporting period (Rs. In Lakhs)	Amount spent: Direct or through implementing agency:
1	NA	NA	NA	NA	NA	NA	NA

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

## REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate governance is about maximizing shareholder value legally, ethically and on a sustainable basis. Corporate Governance helps to enhance stakeholders' value by focusing on long-term value creation without compromising on integrity, social obligations and regulatory compliances. The Corporate Governance philosophy is scripted as:

"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success."

The company believes in sustainable corporate growth that emanates from the top leadership down through the organization to the various stakeholders which is reflected in its sound financial system, enhanced market reputation and improved efficiency.

The Company believes that good Corporate Governance is a continuous process and it is our continuous endeavor to achieve good governance, by way of a conscious and conscientious effort whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with our stakeholders, consumers, employees and the community at large.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards.

#### I. BOARD OF DIRECTORS:

##### A. BOARD OF DIRECTORS:

The names and category of Directors on the Board, their attendance at the Board meetings held during the year and also at the last Annual General Meeting, the number of Directorships held by them in other companies as on 31st March, 2016 are given below:

Name of Director	Category	No. of Board Meeting	Attendance	Last AGM Attendance
Mr. Harishbhai Bhatt	Whole Time Director	4	4	YES
Mr. Jayesh Patel	Technical Director	4	4	YES
Mr. Upendra Adhavryu	Non executive Independent Director	4	4	YES
Mr. Somabhai Patel	Non Executive Independent Director	4	4	YES
Mrs. Lalithamma Ramakrishnan Acharya	Non Executive Independent Director	4	4	YES

Four Board Meetings were held during the year and the gap between two meetings did not exceed One Hundred Twenty Days. The dates on which the said meetings were held:

May 30, 2015, August 13, 2015, November 6, 2015 and February 8, 2016.

The necessary quorum was present for all the meetings.

None of the Directors of Board is a member of more than 10 Committees and no Director is the Chairman of more than 5 committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors. The number of Directorships held by them in other companies as on 31st March, 2016 is given below:

Name of Director	Other Directorship (No. of Company)
Mr. Harishbhai Bhatt	2
Mr. Jayesh Patel	NIL
Mr. Upendra Adhavryu	NIL
Mr. Somabhai Patel	NIL
Mrs. Lalithamma Acharya	NIL

**B. INDEPENDENT DIRECTOR :**

None of the Director of the Company is on the Board of more than 7 listed companies as an Independent Director. Further, none of the Director of the Company is acting as a Whole Time Director of any listed company as well as Independent Director in more than 3 listed companies.

None of the Directors of Board is a member of more than 10 Committees and no Director is the Chairman of more than 5 committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made there under, all the independent directors of the Company met once during a year, without the attendance of non-independent directors and members of the Management.

**C. PERFORMANCE EVALUATION :**

On the bases of performance evaluation criteria laid down by the Nomination and Remuneration Committee & Pursuant to the provisions of the Companies Act, 2013, overall performance and contribution of independent directors and board as whole is evaluated by the board of directors of the company at its meeting held on 26th February, 2016 and framed the opinion that all the independent directors as well executive and nonexecutive director have performed their duty satisfactorily and making their best efforts for the advancement of the company.

**D. CODE OF CONDUCT :**

The Board has laid down code of conduct for all Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at [www.pratikshachemicals.in](http://www.pratikshachemicals.in).

All Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Chief Financial Officer (CFO) has been obtained.

A Declaration signed by Mr. Harishbhai Bhatt, Whole Time Director of the company is attached herewith forming part of his Annual Report.

**II. AUDIT COMMITTEE :**

The Audit Committee comprises of 3 members out of which 2 are Non-Executive are independent directors. Accordingly, the Company has complied with the requirements of Regulation 18 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 relating to composition of Audit Committee.

The terms of reference of the Audit Committee includes following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - Approval or any subsequent modification of transactions of the company with related parties;
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the company, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;
  - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - Discussion with internal auditors of any significant findings and follow up there on;
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - To review the functioning of the Whistle Blower mechanism;
  - Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as provided in Companies Act, 2013.

Additionally, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Committee met 6 times during the year 2015-16 and the attendance of members at the meetings was as follows:

Name of Member	Category	Status	No. of Meetings attended/held
Mr. Somabhai Patel	Non Executive-Independent	Chairman	6 / 6
Mr. Upendra Adhvaryu	Non Executive-Independent	Member	6 / 6
Mr. Jayesh Patel	Technical Director	Member	6 / 6

The Audit Committee has reviewed financial condition and results of operations forming part of the management discussion and analysis, statement of significant related party transactions as submitted by the management, and other information as mentioned in part C Schedule II of SEBI (Listing Obligations and disclosure Requirement) Regulations, 2015.

The Chairman of the Audit Committee of the Company was present at the last Annual General Meeting of the Company held on September 30, 2016.

### III. NOMINATION AND REMUNERATION COMMITTEE :

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing obligation and Disclosure Requirement) Regulations 2015, the Board has constituted the "Nomination and Remuneration Committee."

The Nomination and Remuneration Committee comprises of 3 Non-Executive Directors out of which 2 are independent directors. The Chairman of the Committee is an Independent Director. Accordingly, the Company has complied with the requirements of Regulation 19 of SEBI (Listing obligation and Disclosure Requirement) Regulations 2015 relating to composition of Nomination and Remuneration Committee.

The terms of reference of the Committee inter alia, include the following:

- a) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- b) To carry out evaluation of every director's performance.
- c) To formulate criteria for determining qualification, positive attributes & Independence of director.
- d) To recommend to board policy relating to remuneration for the directors, KMP and employees.
- e) NRC shall while formulating policy ensure that,
  - a. The level & composition of remuneration is reasonable & sufficient to attract, retain & motivate directors of the quality required to run the co. successfully
  - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
  - c. Remuneration to directors, KMP and senior management involve balance between fixed & incentive pay reflecting short and long-term performance objective appropriate to the working of the co. & its goals.



- f) To devise a policy on Board diversity;
- g) To perform any other functions as may be assigned to Committee by the Board from time to time.

The Committee met 2 times during the year 2015-16 and the attendances of members at the meetings were as follows:

Name of Member	Category	Status	No. of Meetings attended/held
Mr. Somabhai Patel	Non Executive-Independent	Chairman	2/2
Mr. Upendra Adhvaryu	Non Executive-Independent	Member	2/2
Mrs. Acharya Lalithamma	Non Executive-Independent	Member	1/2

No sitting fees are paid to any Director.

The committee had met on 11th April, 2015 to increase the remuneration to be paid to Mr. Jayesh Patel, Technical Director of the Company.

Remuneration paid during the year by the Company was –

Name of the Director	Designation	Remuneration Amount (Rs.)
MR. JAYESH PATEL	Technical Director	Rs. 65,000/- Per Month

#### IV. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

In compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing obligation and Disclosure Requirement) Regulations 2015, has constituted Stakeholders Relationship Committee.

The Stakeholders' Relationship Committee comprises of following members:

1. Mr. Somabhai Patel - Chairman
2. Mr. Upendra Adhvaryu - Member

The role of the Committee is as under:

- To hear the complaint and grievances of various securities holders so as ensure that timely relief is extended to securities holders including shareholders in respect of their complaint. Additionally the Committee also looks into the shareholders' complaints, if any, related to non-receipt of balance sheet, non-receipt of declared dividend, revalidation of dividend warrants etc. and redress the same expeditiously.
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc

The Committee met Four times during the year 2015-16 and the attendance of members at the meetings was as follows:

Name of Member	Category	Status	No. of Meetings attended/held
Mr. Somabhai Patel	Non Executive-Independent	Chairman	4 / 4
Mr. Upendra Adhvaryu	Non Executive-Independent	Member	4 / 4

All investors complains directly received by the company are recorded on the same date of receipt and resolved immediately.

#### V. GENERAL BODY MEETING :

- a. The details of last 3 Annual General Meetings (AGMs) of the Company are as under:

Financial Year	Date	Time	Venue
2014-2015	30/09/2015	10:00 A.M.	3RD FLOOR, H K COMPLEX, OPP. DHARNIDHAR DERASAR, VASNA, AHMEDABAD – 380007.
2013-2014	30/09/2014	10:00 A.M.	
2012-2013	28/09/2013	10:00 P.M.	

**Special Resolution in Last 3 AGMs :**

In AGM held on September 30, 2015, three Special Resolutions were passed as under:

- (i) To appoint Mrs. Lalithamma Acharya as Independent Director of the company with effect from her initial appointment for a consecutive period of Five (5) Financial Years and not liable to retire by rotation.
- (ii) To pay Rs. 65,000/- p.m managerial Remuneration to Mr. Jayesh Patel, Technical Director of the company as per provisions of Section 197 and Section II (A) of Part II of Schedule V of the Companies Act, 2013 and other applicable provisions and rules framed there under.
- (iii) To pay Rs. 42,000/- p.m managerial Remuneration to Mr. Harishbhai Bhatt, Whole Time Director of the company as per provisions of Section 197 and Section II (A) of Part II of Schedule V of the Companies Act, 2013 and other applicable provisions and rules framed there under.

In AGM held on September 30, 2014, Two Special Resolutions were passed as under:

- (i) To borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's Bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the Paid-up Share Capital of the Company and its Free Reserves, i.e. reserves not set apart for any specific purpose; provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 100 crores (Rupees Hundred crores)."
- (ii) To give any loan to any Body Corporate(s)/Person(s), to give any guarantee or to provide any security in connection with a loan to any Body Corporate(s)/Person(s) and to acquire by way of subscription, purchase or otherwise, securities of any Body Corporate(s) and to decide limit up to which such investments in securities/loans/guarantees, that may be given or made, notwithstanding that any loan given to any Body Corporate(s)/Person(s), any guarantee given or any security provided in connection with a loan to any Body Corporate(s)/Person(s) and to acquire by way of subscription, purchase or otherwise, securities of any Body Corporate(s) may exceed 60% of the aggregate of the paid-up Share Capital and Free Reserves and Securities Premium Account; or 100% of its Free Reserves, whichever is higher at any point of time however it shall not exceed beyond Rs. 50 crores at any point of time; on such terms and conditions, as the Board may think fit.

In AGM held on September 30, 2013, no Special Resolution was passed.

**VI. DISCLOSURES :****a) Management Discussion and Analysis :**

Annual Report has a detailed chapter on Management Discussions and Analysis.

**b) Related Party Transaction :**

There were no transactions with related parties, which are not in the ordinary course of business and not on arm's length basis.

There were no materially significant related party transactions that may have potential conflict with the interests of company at large, during the year.

The Company has received representation from Senior Management personnel that there was no material significant financial and commercial transaction entered into by them along with their relative where they have personal interest that may have a potential conflict with the interest of the Company at large.

The company has formulated a policy on dealing with Related Party Transactions; such policy has been disclosed of the company's website [www.pratikshachemicals.in](http://www.pratikshachemicals.in).

- c) **Accounting treatment :**  
The company has followed accounting treatment as prescribed in Accounting Standard applicable to the company.
- d) Neither any non-compliance nor any penalty, strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- e) **Whistle Blower Policy (Vigil Mechanism) :**  
The Company established the Whistle Blower Policy (Vigil Mechanism). In line with the best Corporate Governance Practices; the Company has put in place a system through which the Directors or employees may report concerns about unethical and improper practices or Alleged Wrongful Conduct, without fear of reprisal. The functioning of the vigil mechanism is being monitored by the Audit Committee from time to time.  
  
The details of Whistle Blower Policy have been disclosed on the company's website [www.pratikshachemicals.in](http://www.pratikshachemicals.in).
- f) **Various policies Adopted by the company:**  
Due to promulgation of Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, the company has adopted various other policies in line with the best Corporate Governance Practices.

Following other policies have been adopted by the company:

- Risk management policy
- Nomination and Remuneration policy
- Board Diversity policy
- Material Subsidiary policy
- Preservation of documents policy
- The details of Policies have been disclosed on the company's website [www.pratikshachemicals.in](http://www.pratikshachemicals.in)

#### VII. MEANS OF COMMUNICATION :

- a. **Financial Results :**  
The Results of the Company were displayed on web site [www.pratikshachemicals.in](http://www.pratikshachemicals.in) and the same were also submitted to the Stock Exchanges after the conclusion of the Board Meeting. The official news releases are being placed on Company's website and simultaneously sent to Stock Exchanges where the shares of the Company are listed.
- b. **News, Release, Presentations etc.:**  
Official news, releases, and presentation made to analysts, institutional investors etc. are displayed on the website of the Company [www.pratikshachemicals.in](http://www.pratikshachemicals.in).
- c. **Website :**  
Company's website [www.pratikshachemicals.in](http://www.pratikshachemicals.in) contains a separate dedicated section namely "Investors" where all information relevant to shareholders' is available. The Annual Report of the Company is also available on the website of the Company [www.pratikshachemicals.in](http://www.pratikshachemicals.in) in a downloadable form.

#### VIII. GENERAL SHAREHOLDER INFORMATION :

##### **Annual General Meeting, Book Closure & Dividend Payment :**

The information of forthcoming Annual General Meeting, Book Closure and Dividend payment details have been provided in the Notice of Annual General Meeting enclosed along with this Annual Report.

**Financial Calendar :**

Financial Year: 1st April, 2015 to 31st March, 2016.

**Financial Results :**

Annual Results : by 30th May, 2015  
 First Quarter Results : by 14th August, 2015  
 Half Year Results : by 6th November, 2015  
 Third Quarter Results : by 08th February, 2016

**Listing :**

At present, the equity shares of the Company are listed on the BSE Limited (BSE).

**Name of Stock Exchange :** BSE Limited

**Stock Code :** 531257

The Company has already paid the listing fees for the year 2015-16 to the Stock Exchange.

**Book Closure :**

From Saturday, 24th September, 2016 to Friday, 30th September, 2016 (both days inclusive)

**Dividend :**

The Directors did not recommend dividend for the Current Year.

**MARKET PRICE DATA AT BOMBAY STOCK EXCHANGE LIMITED :**

MONTH	HIGH (RS.)	LOW (RS.)
April, 2015	2.38	2.20
May, 2015	2.09	1.99
June, 2015	1.90	1.80
July, 2015	1.71	1.44
August, 2015	1.51	1.51
September, 2015	1.58	1.39
October, 2015	1.66	1.45
November, 2015	1.90	1.58
December, 2015	2.22	1.99
January, 2016	2.21	1.91
February, 2016	2.63	2.00
March, 2016	2.78	2.76

**REGISTRAR AND SHARE TRANSFER AGENT :**

M/S. PURVA SHAREGISTRY (INDIA) PVT LTD  
 UNIT NO.: 9, SHIV SHAKTI IND. ESTT.,  
 J. R. BORICHA MARG, OPP. KASTURBA HOSPITAL LANE,  
 LOWER PAREL (E), MUMBAI - 400 011  
 Contact No.: 91-22-2301 6761 / 8261  
 FAX: 91-22-2301 2517  
 Mail ID: busicomp@vsnl.com

**SHARE TRANSFER SYSTEM :**

The share transfer work is handled by registrar and transfer agent for the company. Share Transfers are registered and dispatched within a period of fifteen days from the date of the lodgments if the transfer documents are correct and valid in all respects. The Company has obtained the half yearly

certificates from a Company Secretary in Practice for due compliance of share transfer formalities as per the requirement of Clause 47 (c) of the Listing Agreement and Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. These certificates have been submitted to the Stock Exchanges.

**DISTRIBUTION PATTERN AS ON THE 31ST MARCH, 2015 :**

Particulars	No of Shares	Percentage
Promoters and Relatives	2014700	36.17
Banks/ FII/ FI	0	0
Public	2769304	49.71
Body Corporate	456907	8.20
NRI	329429	5.92
<b>Total</b>	<b>5570340</b>	<b>100.00</b>

**DEMATERIALIZATION OF SHARES AND LIQUIDITY :**

42,78,380 (76.81 %) Equity Shares are in demat form as on March 31, 2016.

ISIN No.: (For Dematerialized Shares) : **INE530D01012**

The Company has no GDRs/ADRs/Warrants/Convertible Instruments outstanding as on March 31, 2016.

**Address for Correspondence :**

3RD FLOOR, H K COMPLEX,  
OPP. DHARNIDHAR DERASAR,  
VASNA, AHMEDABAD - 380007.

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

**MANAGEMENT DISCUSSION AND ANALYSIS**

- 1. Overall Review:**  
The overall performance during the financial year 2015-16 has been satisfactory.
- 2. Financial Review:**  
Total turnover for the year ended 31st March, 2016 was Rs. 1105.32 lakhs. This increase was mainly on account of improvement in manufacturing techniques and sales promotion drive. Better working capital management was also one of the emphasis on which proper weight age was laid upon.
- 3. Internal Control System and their adequacy:**  
Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or deposition.
- 4. Business Environment:**  
The Performance of the company for the year under review was satisfactory.
- 5. Risk and Concern:**  
The building, plant and machinery, vehicle and stocks of the company are adequately insured.
- 6. Cautionary Statement:**  
Statements in this report on management Discussion and analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Important factors that could make a different to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.  
  
The Company assumes no responsibilities in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information of event.

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY THE ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL  
TECHNICAL DIRECTOR  
(DIN: 00401109)

**CEO / CFO CERTIFICATION**

To,  
The Board of Directors,  
PRATIKSHA CHEMICALS LIMITED  
AHMEDABAD

I, MR. HARISH BHATT, Whole Time Director & CFO of the PRATIKSHA CHEMICALS LIMITED certify that:

1. I have reviewed the financial statements for the year and that to the best of my knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b. These statements give a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. These are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. I accept overall responsibility for the company's internal control system and financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all the levels of management and statutory auditors and reports significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. I indicate to the auditors and to the audit committee:
  - a. Significant changes in internal control over financial reporting during the year.
  - b. Significant changes in accounting policies during the year;
  - c. Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

However, during the year there were no such changes or instances.

PLACE : AHMEDABAD  
DATE : 12/08/2016

MR. HARISH BHATT  
(WTD & CFO)  
(DIN: 00400765)

**DECLARATION BY THE WHOLE TIME DIRECTOR ABOUT  
CORPORATE GOVERNANCE**

I, MR. HARISH BHATT, Whole Time Director of PRATIKSHA CHEMICALS LIMITED hereby confirm pursuant to Regulation 26(3) and PART D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 that:

1. The Board of Directors of PRATIKSHA CHEMICALS LIMITED has laid down a code of conduct has been placed on the company's website.
2. All the members of the board as well as senior management personal have complied with the said code of conduct for the year ended 31st March 2016.

PLACE : AHMEDABAD  
DATE : 12/08/2016

BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, PRATIKSHA CHEMICALS LIMITED

MR. HARISH BHATT  
(WTD & CFO)  
(DIN: 00400765)

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**PRATIKSHA CHEMICALS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by PRATIKSHA CHEMICALS LIMITED ('the Company') for the year ended March 31, 2016 as stipulated in:

- Clause 49 (excluding clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges) for the period April 1, 2015 to November 30, 2015.
- Clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges for the period April 1, 2015 to September 1, 2015.
- Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period September 2, 2015 to March 31, 2016 and
- Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, 2015.

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

**PLACE : AHMEDABAD**  
**DATE : 12/08/2016**

**FOR, M/S. H K SHAH & CO.,**  
**CHARTERED ACCOUNTANTS**  
**(FRN: 109583W)**

**MR. H.K. SHAH**  
**PARTNER**  
**(M. No.: 042758)**



**INDEPENDENT AUDITORS' REPORT**

TO,  
THE MEMBERS OF  
PRATI KSHA CHEMICALS LIMITED

**Report on the Financial Statements :**

We have audited the accompanying financial statements of **PRATI KSHA CHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements :**

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

**Auditor's Responsibility :**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Basis for Qualified Opinion :**

- i. **Adhering to significant accounting policy, the company is accounting for Gratuity & Leave encashment on cash basis. This is not in according with Accounting Standard – 1 on "Disclosure of Accounting Policies" and Accounting Standard – 15 on "Employee Benefits" prescribed by the Institute of Chartered Accounting of India and contrary to provision contained in Section 133 of The Companies Act, 2013. The extent of non-compliance in terms of value is not ascertainable.**
- ii. **Accounting Standard - 2 for "Valuation of Inventories" has not been followed. The technical valuation claimed by company is not quantifiable hence; we are not in a position to quantify the effect on the profit and loss account and balance sheet.**

**Qualified Opinion :**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid

financial statements give the information required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date:

**Other Matter :**

Balances of Unsecured Loans, Other Liabilities, Creditors, Debtors, Loans and Advances are subject to confirmation by the parties concerned and reconciliation thereof in subsequent years.

Our opinion is not modified in respect of these matters.

**Report on Other Legal and Regulatory Requirements :**

1. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, 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. Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the Balance Sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, 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. The effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company
  - f. On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of section 164(2) of the Act.
  - g. The qualification relating to the maintenance of account and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
  - h. With respect to the adequacy of Internal Financial Controls over financial reporting of the Company and the adequacy of the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. As informed to us, the Company does not have any pending litigations which could impact its financial position;
    - ii. The Company did not have any long - term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we enclosed in the "Annexure B", a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.

For, H. K. Shah & Co.,  
Chartered Accountants  
FRN: 109583W

CA H. K. Shah  
Partner  
M. No.: 042758  
Place : Ahmedabad  
Date : 30/05/2016

**"ANNEXURE – A" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON  
THE FINANCIAL STATEMENTS OF PRATIKSHA CHEMICALS LIMITED**

(Referred to in paragraph 1(h) under 'Report on other Legal and Regulatory Requirement'  
of our report of even date)

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

We have audited the internal financial controls over financial reporting of PRATIKSHA CHEMICALS LIMITED, ("the company") as of 31st March, 2016 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 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.

**Qualified Opinion :**

According to the information and explanation given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2016

- a) The Company did not have appropriate internal financial control system for Valuation of Inventories (As disclosed in basis for qualified opinion in our independent audit report).

A 'material weakness' is deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statement will not be prevented or detected on timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objective of the control criteria, the Company has maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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.

We have considered the material weaknesses identified and reported in determining the nature, timing, and extend of the audit tests applied in our audit of the March 31, 2016 financial statements of the company, and these material weaknesses does not affect our opinion on the financial statements of the company.

**For, H. K. Shah & Co.**  
**Chartered Accountants**  
**FRN: 109583/W**

**CA H. K. Shah**  
**(Partner)**  
**M. No.: 042758**  
**Place : Ahmedabad**  
**Date : 30/05/2016**

**“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON  
THE FINANACIAL STATEMENTS OF PRATIKSHA CHEMICALS LIMITED**

(Referred to in paragraph 2 under 'Report on other Legal and Regulatory Requirement'  
section of our report of even date)

- i. In respect of fixed assets:**
- The Fixed Asset Register showing particulars including quantitative details and situation of fixed assets is under compilation and updation.
  - According to the information and explanation furnished to us, the company has not physically verified all of its fixed assets. Since the fixed assets records are still under compilation no comparison with the book records have been made. In the absence of such comparison, opinion as to discrepancies, if any, cannot be given.
  - As per the explanation and information given to us and on the basis of our examination of the records, we report that immovable properties (land and Building) in the name of the company.
- ii. In respect of inventories:**  
According to the information and explanation furnished to us, the inventory have not been physically verified during the year by the management.
- iii. In respect of loans granted:**  
As per the explanation and information given to us and on the basis of our examination of the records, the Company has not granted any 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.
- iv. In respect of loans, investments, guarantees and security:**  
As per the explanation and information given to us and on the basis of our examination of the records, during the year, Company has not given any loans, guarantees and security or not made any investment as stipulated in section 185 and 186 of the Companies Act, 2013.
- v. In respect of acceptance of deposits:**  
The Company has not accepted any deposits with non-compliance of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. In respect of cost records:**  
In our opinion and as per the explanation and information given to us, the Company does not fall within the criteria prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013.
- vii. In respect of statutory dues:**
- As per the explanation and information given to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sale-tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
  - Details of dues of income-tax, sales-tax, service-tax, customs duty, Value added tax, duty of excise which have not been deposited as on 31st March, 2016 on account of disputes are given below

Name of Statue	Forum where Dispute is pending	Period to which the amount relates	Amount (In Rs.)
Income Tax	Income Tax Authorities	AY 1998-99	4,216.00
		AY 2003-04	4,89,510.00
		AY 2009-10	410.00
		AY 2013-14	6,10,110.00
		AY 2015-16	140.00

- viii. **In respect of default of repayment of loans or borrowing:**  
As per the explanation and information given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank or Government or debenture holders.
- ix. **In respect of application of money raised:**  
As per the explanation and information given to us and on the basis of our examination of the records, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and not taken any term loan. Hence, reporting under this clause is not applicable to the company.
- x. **In respect of fraud:**  
To the best of our knowledge and belief and as per the explanation and information given to us, no material fraud by or on the Company has been noticed or reported during the year.
- xi. **In respect of managerial remuneration:**  
To the best of our knowledge and belief and as per the explanation and information given to us, the company has provided/ paid managerial remuneration in accordance with the provisions of section 197 read with schedule V to companies Act, 2013.
- xii. **In respect of Nidhi Company:**  
The company is not a Nidhi Company. Hence, reporting under this clause is not applicable to the company.
- xiii. **In respect of transactions with related parties:**  
According to the information and explanations given to us and on the basis of our examination of the records, all the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. **In respect of allotment or placement of shares:**  
According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. **In respect of non-cash transaction:**  
According to the information and explanations given to us and on the basis of our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with them in non-compliance of provision of section 192 of the Companies Act, 2013.
- xvi. **In respect of registration with RBI:**  
According to the information and explanations given to us and on the basis of our examination of the records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and so, registration has not been obtained.

**For, H. K. Shah & Co.**  
**Chartered Accountants**  
**FRN: 109583/W**

**CA H.K.Shah**  
**(Partner)**  
**M. No.:042758**  
**Place : Ahmedabad**  
**Date : 30/05/2016**

## PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)

## BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Note	As at 31-03-2016		As at 31-03-2015	
		Rupees	Rupees	Rupees	Rupees
<b>I. EQUITY AND LIABILITIES :</b>					
<b>(1) Shareholders' Funds :</b>					
(a) Share Capital	2	55,703,400		55,703,400	
(b) Reserves & Surplus	3	(29,231,710)	26,471,690	(29,429,223)	26,274,177
<b>(2) Share application money pending allotment</b>					
		-	-	-	-
<b>(3) Non-current liabilities :</b>					
(a) Long-term borrowings	4	9,889,639		11,651,638	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long term liabilities					
(d) Long-term provisions		-	9,889,639	-	11,651,638
<b>(4) Current liabilities :</b>					
(a) Short-term borrowings	5	14,634,912		17,633,152	
(b) Trade payables	6	25,395,300		23,311,114	
(c) Other current liabilities	7	462,633		142,432	
(d) Short-term provisions	8	164,220	40,657,065	74,720	41,161,418
			<b>77,018,394</b>		<b>79,087,233</b>
<b>II. ASSETS :</b>					
<b>(1) Non-current assets :</b>					
(a) Fixed Assets	9				
(i) Tangible Assets		17,938,167		20,218,166	
(ii) Intangible Assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible Assets under Development		-		-	
(b) Non-current Investments	10	231,100		231,100	
(c) Deferred Tax Assets	11	961,142		1,049,466	
(d) Long-term loans and advances		-		-	
(e) Other non-current assets		-	19,130,409	-	21,498,732
<b>(2) Current Assets :</b>					
(a) Current investments		-		-	
(b) Inventories	12	36,350,956		39,046,508	
(c) Trade receivables	13	16,573,672		12,135,117	
(d) Cash and cash equivalents	14	180,613		314,971	
(e) Short-term loans and advances	15	4,782,746		6,091,905	
(f) Other current assets		-	57,887,987	-	57,588,501
			<b>77,018,396</b>		<b>79,087,233</b>

Summary of Significant Accounting Policies 1

Notes to Balancesheet and Statement of Profit and Loss 02 to 23

As per our attached report of even date For and on behalf of the Board

H. K Shah &amp; Co

Chartered Accountants

FRN : 109583/W

CA H. K. Shah

Partner

Membership No.: 042758

Place : Ahmedabad

Date : 30/05/2016

Harish Bhatt

Director

DIN:-00400765

Place : Ahmedabad

Date : 30/05/2016

Jayesh Patel

Director

DIN:-00401109

Place : Ahmedabad

Date : 30/05/2016

**PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

Particulars	Note	For the Period April 1, 2015 to March, 31 2016		For the Period April 1, 2014 to March 31, 2015	
		Rupees	Rupees	Rupees	Rupees
<b>(I) REVENUE :</b>					
Revenue from Operations	16	110,361,835		101,612,846	
Other Income	17	170,432	110,532,267	1,175,204	102,788,050
<b>Total Revenue</b>			<b>110,532,267</b>		<b>102,788,050</b>
<b>(II) EXPENSES :</b>					
(a) Cost of Raw Material Consumed	18	82,936,342		71,755,596	
(b) Changes in inventories of Finished goods, Work-in-progress & Stock in trade	19	2,257,405		8,538,046	
(c) Employees Benefit Expenses	20	6,062,726		5,360,491	
(d) Financial Charges	21	2,072,044		2,205,455	
(e) Depreciation and Amortisation Expense	9	3,075,397		3,678,867	
(f) Other Expenses	22	13,842,516	110,246,430	11,020,307	102,558,762
<b>Total Expenses</b>			<b>110,246,430</b>		<b>102,558,762</b>
<b>(III) Profit / (Loss) Before Exceptional items and Tax (I-II)</b>			285,837		229,287
Exceptional items			--		--
Prior Period Adjustments			--		--
<b>(IV) Profit/(Loss) before Taxes - PBT</b>			<b>285,837</b>		<b>229,287</b>
Tax expense :					
Current tax		--		42,465	
Deferred tax	11	88,324	88,324	-	42,465
<b>(V) Profit/(Loss) for the period after tax</b>			<b>197,513</b>		<b>186,822</b>
Earnings per share					
- Basic / Diluted			0.04		0.03
- Nominal value of shares			10.00		10.00

Summary of Significant Accounting Policies 1

Notes to Balancesheet and Statement of Profit and Loss 02 to 23

As per our attached report of even date For and on behalf of the Board

H. K Shah & Co  
Chartered Accountants  
FRN : 109583/W

CA H. K. Shah  
Partner  
Membership No.: 042758  
Place : Ahmedabad  
Date : 30/05/2016

Harish Bhatt  
Director  
DIN:-00400765  
Place : Ahmedabad  
Date : 30/05/2016

Jayesh Patel  
Director  
DIN:-00401109  
Place : Ahmedabad  
Date : 30/05/2016



**PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

Particulars	For the year ended 31-03-2016 Amount (Rs.)	For the year ended 31-03-2015 Amount (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit / Loss for the year	197,513	186,822
Adjustments for :		
Add : Tax	88,324	42,465
Add : Depreciation	3,075,397	3,678,867
Less : Interest Income on Investment	(61,241)	(62,953)
<b>Operating profit before working cap. charges</b>	<b>3,299,993</b>	<b>3,845,202</b>
Add/(Less) : Canges in Working Capital		
Trade Receivables	(3,129,396)	6,446,973
Inventories	2,695,552	8,095,051
Trade and Other Payable	(504,355)	(15,585,121)
<b>Total</b>	<b>(938,199)</b>	<b>(1,043,097)</b>
<b>Cash generated from operating activities</b>	<b>2,361,794</b>	<b>2,802,105</b>
Less : Tax Paid	-	-
<b>Net cash from operating activities (A)</b>	<b>2,361,794</b>	<b>2,802,105</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(795,395)	(1,111,649)
Interest on Investment	61,241	62,953
<b>Net cash used in investing activities (B)</b>	<b>(734,154)</b>	<b>(1,048,696)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Procurement/(Repayment) of long term borrowings Unsecured Loan	(1,761,999)	(1,586,538)
<b>Net cash flow from financial activities (C)</b>	<b>(1,761,999)</b>	<b>(1,586,538)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)</b>	<b>(134,359)</b>	<b>166,871</b>
Add : Cash and cash equivalents at the begining of the year	314,972	148,101
<b>Cash and cash equivalents at the end of the year</b>	<b>180,613</b>	<b>314,972</b>

**Explanatory Notes to Cash Flow Statement :**

- The Cash Flow Statement is prepared in accordance with the format prescribed by Securites and Exchange Board of India & as Accounting Standard 3 as Prescribed by the Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash flow.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our attached report of even date

For and on behalf of the Board

H. K Shah & Co  
Chartered Accountants  
FRN : 109583/W

CA H. K. Shah  
Partner  
Membership No.: 042758  
Place : Ahmedabad  
Date : 30/05/2016

Harish Bhatt  
Director  
DIN:-00400765  
Place : Ahmedabad  
Date : 30/05/2016

Jayesh Patel  
Director  
DIN:-00401109  
Place : Ahmedabad  
Date : 30/05/2016

**PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)****NOTES TO FINANCIAL STATEMENTS FROM THE YEAR YENDED MARCH 31, 2016****NOTE A : CORPORATE INFORMATION :**

Pratiksha Chemicals Limited was incorporated in the year 1991 as Pratiksha Chemicals Pvt. Ltd. and started the commercial production of Phthalocyanine Pigment Green 7. In the year 1994, Pratiksha Chemicals Pvt. Ltd (CIN L24110GJ1991PLC015507) was changed to a limited company and was christened as Pratiksha Chemicals Limited. Currently company is engaged in the manufacturing business of Pigment Green 7 and Copper Phthalocyanine Green Crude.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :****(a) Basis of preparation of financial statements:**

These financial statements have been prepared on the accrual basis of accounting, under the historical cost convention, and in accordance with the Companies Act, 2013 and the applicable accounting standards issued by The Institute of Chartered Accountants of India.

**(b) Use of estimates:**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/ determined.

**(c) Fixed Assets:**

- (i) Fixed Assets are stated at their original cost including incidental expenses related to acquisition and installation, less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.
- (ii) Capital Work in Progress is stated at cost.

**(d) Impairment of Assets**

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

**(e) Borrowing Costs:**

Borrowing Costs that are directly attributable to acquisition of qualifying assets are capitalized for the period until the asset is ready for intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred. No borrowing costs are eligible for capitalization during the year.

**(f) Depreciation:**

Depreciation on assets is provided on Straight line method based on the useful life of asset specified in the schedule II to the Companies Act 2013.

**(g) Investments:**

Investments are valued at cost. Provision for diminution in the value of Long Term investment is made only if, such decline is not temporary in nature in the opinion of the management.

**(h) Inventories:**

- (i) Stock in trade comprising of raw materials (including goods in transit), packing material, stock in process and finished goods are valued at the lower of cost and net realizable value after making such provisions as required on account of damage, unserviceable and obsolete stocks
- (ii) Stocks of stores, spares and consumable are valued at cost.
- (iii) Value of raw material and packing material does not include excise duty, paid to the extent of which CENVAT credit is available.
- (iv) Excise duty on goods manufactured by the company and remaining in inventory is included as a part of valuation of finished goods.

**(i) Retirement Benefits:**

- (i) Contributions to provident fund are made at predetermined rates to Government Authority and charged to profit and loss account.
- (ii) The Company is accounting for gratuity and leave encashment on cash basis.

**(j) Revenue Recognition:**

- (i) Sales are recognized when the seller has transferred to the buyer, the property in the goods, for a price, or all significant risks and rewards of ownership have been transferred to the buyer without the seller retaining any effective control over the goods. Sales are stated at contractual realizable values, net of excise duty, sales tax and trade discounts.
- (ii) Commission income is recognized as per contracts/receipt of credit note.
- (iii) Job work Income is recognized when the goods are transferred to buyer and where no uncertainty exists regarding realization of revenue.
- (iv) Interest income is accounted on accrual basis.

**(k) Foreign Currency Transactions:**

- (i) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- (ii) In respect of monetary items denominated in foreign currencies, exchange differences arising out of settlement or on conversion at the closing rate are recognized in the Profit and Loss Account, other than exchange differences on acquisition of fixed assets, which are adjusted in the carrying amount of fixed assets.

**(m) Research and Development Expenditure:**

Revenue Expenditure in respect of Research and Development is charged to the Profit and Loss Account and Capital Expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

**(n) Taxation:**

Tax expenses comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to tax authorities using the provisions of the Income Tax Act, 1961.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets are recognized only to that extent that there is a reasonable certainty that sufficient future taxable income will be available to realize these assets. Deferred tax asset and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

**(o) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

As per our attached report of even date

For and on behalf of the Board

H. K Shah & Co  
Chartered Accountants  
FRN : 109583/W

CA H. K. Shah  
Partner  
Membership No.: 042758  
Place : Ahmedabad  
Date : 30/05/2016

Harish Bhatt  
Director  
DIN:-00400765  
Place : Ahmedabad  
Date : 30/05/2016

Jayesh Patel  
Director  
DIN:-00401109  
Place : Ahmedabad  
Date : 30/05/2016

<b>PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)</b>				
<b>NOTES TO FINANCIAL STATEMENTS FROM THE YEAR YENDED MARCH 31, 2016</b>				
Particulars	As at 31-03-2016		As at 31-03-2015	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE NO. 02 - SHARE CAPITAL :</b>				
<b>Authorised Shares :</b>				
75,00,000 Equity Shares of Rs.10/- each		75,000,000		75,000,000
<b>Issued, Subscribed and Paid up shares :</b>				
55,70,340 Equity Shares of Rs.10/- each fully paid up		55,703,400		55,703,400
		<b>55,703,400</b>		<b>55,703,400</b>
<b>a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period :</b>				
Particulars	As at 31-03-2016		As at 31-03-2015	
	No of Shares	Rupees	No of Shares	Rupees
<b>Equity Shares :</b>				
At the beginning of the period	5,570,340	55,703,400	5,570,340	55,703,400
Issued during the year as fully paid	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>5,570,340</b>	<b>55,703,400</b>	<b>5,570,340</b>	<b>55,703,400</b>
<b>b. Terms / Rights attached to Equity Shares :</b>				
The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.				
During the year ended 31st March 2016, no dividend is declared by Board of Directors. (Previous year - Nil)				
<b>c. Details of Shareholders holding more than 5% shares in the company :</b>				
Particulars	As at 31-03-2016		As at 31-03-2015	
	No of Shares	%	No of Shares	%
<b>Equity Shares of Rs.10/- each fully paid</b>				
Shri Harshad K Patel	747,732	13.42%	714,032	12.82%
Shri Harish K bhatt	692,690	12.44%	692,690	12.44%
Atith B Shah	403,850	7.25%	403,850	7.25%
Apurva B Shah	403,850	7.25%	403,850	7.25%
<b>d. Shares reserved for issue under options: NIL</b>				
<b>e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date: NIL</b>				
<b>f. Securities convertible into equity / preference shares issued along with the earliest date of conversion: NIL</b>				
<b>g. Forfeited Shares : NIL</b>				

<b>PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)</b>				
<b>NOTES TO FINANCIAL STATEMENTS FROM THE YEAR YENDED MARCH 31, 2016</b>				
Particulars	As at 31-03-2016 Rupees		As at 31-30-2015 Rupees	
<b>NOTE NO. 03 - RESERVES &amp; SURPLUS :</b>				
<b>Surplus / (deficit) in the Statement of Profit and Loss</b>				
Balance as per the last financial statement	(33,743,667)		(33,930,489)	
Add : Profit for the period	197,513		186,822	
<b>Closing Balance</b>	<b>(33,546,154)</b>		<b>(33,743,667)</b>	
<b>Share Premium</b>	<b>4,314,444</b>		<b>4,314,444</b>	
<b>Total of Reserves and Surplus</b>	<b>(29,231,710)</b>		<b>(29,429,223)</b>	
Particulars	As at 31-03-2016		As at 31-03-2015	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE NO. 04 - LONG TERM BORROWINGS :</b>				
<b>Unsecured Loan :</b>				
From Directors	9,889,639	9,889,639	11,651,638	11,651,638
		<b>9,889,639</b>		<b>11,651,638</b>
Particulars	As at 31-03-2016		As at 31-03-2015	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE NO. 05 - SHORT TERM BORROWINGS :</b>				
<b>a) Secured Loans :</b>				
From Banks				
1. Cash Credit Account	14,634,912	14,634,912	17,633,152	17,633,152
(Secured by hypothecation of Raw Materials, Stock in process, Finished Goods, Book debts and further secured by personal guarantee of the directors of the company and corporate guarantee of Associate/ Group company)				
		<b>14,634,912</b>		<b>17,633,152</b>
Particulars	As at 31-03-2016		As at 31-03-2015	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE NO. 06 - TRADE PAYABLES :</b>				
- Creditors for Goods	25,395,300	25,395,300	23,311,114	23,311,114
		<b>25,395,300</b>		<b>23,311,114</b>

PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)											
NOTES TO FINANCIAL STATEMENTS FROM THE YEAR YENDED MARCH 31, 2016											
Particulars		As at 31-03-2016				As at 31-03-2015					
		Rupees		Rupees		Rupees		Rupees			
<b>NOTE NO. 07 - OTHER CURRENT LIABILITIES :</b>											
Expenses Payable		455,100				80,000					
Statutory liabilities		7,533		462,633		62,432		142,432			
				<b>462,633</b>				<b>142,432</b>			
Particulars		As at 31-03-2016				As at 31-03-2015					
		Rupees		Rupees		Rupees		Rupees			
<b>NOTE NO. 08 - SHORT TERM PROVISIONS :</b>											
Provision for Tax		-				-					
Provision for Expenses		164,220		164,220		74,720		74,720			
				<b>164,220</b>				<b>74,720</b>			
<b>NOTE NO. 09 TANGIBLE ASSETS :</b>											
Sr. No.	Name of Assets	Gross Block				Depreciation				Net Block	
		As at 01-04-2015	Addi-tion	Dele-tion	As at 31-3-16	As at 01-04-15	Addi-tion	Dele-tion	As at 31-3-16	As at 31-3-16	As at 31-3-15
1	Building	13,779,474	-	-	13,779,474	8,310,913	407,176	-	8,718,089	5,061,385	5,468,561
2	Furniture & Fixtures	80,334	-	-	80,334	80,333	-	-	80,333	1	1
3	Plant & Machinery	66,140,350	795,395	-	66,935,745	52,993,458	2,650,238	-	55,643,696	11,292,049	13,146,892
4	Land	1,530,268	-	-	1,530,268	-	-	-	-	1,530,268	1,530,268
5	Electrification	62,100	-	-	62,100	12,821	6,627	-	19,448	42,652	49,279
6	Office Equipment	474,020	-	-	474,020	474,019	-	-	474,019	1	1
7	Computer	34,050	-	-	34,050	10,884	11,356	-	22,240	11,810	23,166
<b>TOTAL</b>		<b>82,100,596</b>	<b>795,395</b>	<b>-</b>	<b>82,895,991</b>	<b>61,882,428</b>	<b>3,075,397</b>	<b>-</b>	<b>64,957,825</b>	<b>17,938,167</b>	<b>20,218,166</b>
Previous Year		80,988,947	1,111,649	-	82,100,596	58,203,563	3,678,867	-	61,882,430	20,218,166	22,785,384
<b>Particulars</b>									<b>As at 31-03-2016 Rupees</b>	<b>As at 31-03-2015 Rupees</b>	
<b>NOTE NO. 10 NON CURRENT INVESTMENT :</b>											
Investment in shares :											
Co-operative Bank									100	100	
Union Co-operative Bank									3,000	3,000	
<b>TOTAL (A)</b>									<b>3,100</b>	<b>3,100</b>	
Investment in Fixed Deposit :											
Fixed Deposit with GPCB									228,000	228,000	
<b>TOTAL (B)</b>									<b>228,000</b>	<b>228,000</b>	
<b>TOTAL (A+B)</b>									<b>231,100</b>	<b>231,100</b>	

<b>PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)</b>		
<b>NOTES TO FINANCIAL STATEMENTS FROM THE YEAR YENDED MARCH 31, 2016</b>		
<b>Particulars</b>	<b>As at 31-03-2016 Rupees</b>	<b>As at 31-30-2015 Rupees</b>
<b>NOTE NO. 11 DEFERRED TAX ASSETS :</b>		
Deferred Tax Asset at the Begning of the year	1,049,466	1,049,466
Change during the year	(88,324)	-
<b>Deferred Tax Asset at the End of the year</b>	<b>961,142</b>	<b>1,049,466</b>
<b>NOTE NO. 12 INVENTORIES :</b>		
<b>Consumables</b>		
- Fuel	259,740	251,270
- Packing Material	142,554	191,618
- Raw material	1,797,123	2,194,676
<b>Work in Progress :</b>		
- Work in Progress	34,151,539	35,318,944
<b>Finished goods :</b>		
- Finished goods	-	1,090,000
	<b>36,350,956</b>	<b>39,046,508</b>
<b>NOTE NO. 13 TRADE RECEIVABLES :</b>		
<b>Sundry Debtors (Considered Goods)</b>		
- Exceeding Six Months	9,596,708	3,212,534
- Others Receivables	6,976,964	8,922,583
	<b>16,573,672</b>	<b>12,135,117</b>
<b>NOTE NO. 14 CASH AND BANK BALANCES :</b>		
<b>Cash and cash equivalent</b>		
Cash on hand	96,183	314,971
Cash with Bank	84,430	-
	<b>180,613</b>	<b>314,971</b>
<b>NOTE NO. 15 SHORT TERM LOANS AND ADVANCES :</b>		
<b>Capital advances :</b>		
<b>Security Deposit :</b>		
- With Government Companies	451,499	451,499
<b>Other Loans and Advances :</b>		
- Balances with Revenue Authority	3,955,703	5,367,327
- Other Short Term Advances	375,544	273,079
	<b>4,782,746</b>	<b>6,091,905</b>

<b>PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)</b>		
<b>NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015</b>		
<b>Particulars</b>	<b>2015-16 Rupees</b>	<b>2014-15 Rupees</b>
<b>NOTE NO. 16 REVENUE FROM OPERATION :</b>		
Gross Sales	114,737,166	108,632,301
Less : Excise Duty	(4,375,331)	(7,019,455)
	<b>110,361,835</b>	<b>101,612,846</b>
<b>NOTE NO. 17 OTHER INCOME :</b>		
<b>Interest Income</b>		
- FD interest	61,241	62,953
<b>Other Income</b>		
- Other income	93,252	152,546
- Refund Received from Govt. authorities	15,939	959,705
	<b>170,432</b>	<b>1,175,204</b>
<b>NOTE NO. 18 COST OF RAW MATERIAL CONSUMPTION :</b>		
<b>Opening Stock</b>	2,637,564	2,194,569
<b>Add : Purchase</b>		
Purchase of Raw Material	82,498,195	72,198,591
	85,135,759	74,393,160
<b>Less : Closing Stock</b>	2,199,417	2,637,564
	<b>82,936,342</b>	<b>71,755,596</b>
<b>NOTE NO. 19 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS &amp; STOCK-IN-TRADE :</b>		
<b>Opening Stock</b>		
- Finished Goods	1,090,000	1,676,500
- WIP	35,318,944	43,270,490
<b>Less : Closing stocks</b>		
- Finished Goods	-	1,090,000
- WIP	34,151,539	35,318,944
<b>Increase / (Decrease) in stock</b>	<b>2,257,405</b>	<b>8,538,046</b>
<b>NOTE NO. 20 EMPLOYEES BENEFIT EXPENSES :</b>		
Labour Expenses	2,038,075	2,873,901
Salary Office	3,512,643	1,979,021
Bonus expenses	373,460	324,370
Staff welfare	138,548	183,199
	<b>6,062,726</b>	<b>5,360,491</b>



**PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

Particulars	2015-16 Rupees	2014-15 Rupees
<b>NOTE NO. 21 FINANCIAL CHARGES :</b>		
Bank Interest	2,072,044	2,124,845
Processing Fees	-	80,610
	<b>2,072,044</b>	<b>2,205,455</b>
<b>NOTE NO. 22 OTHER EXPENSES :</b>		
<b>(A) MANUFACTURING EXPENSES :</b>		
Factory Overtime Exps.	142,983	141,533
Power & Fuel	462,611	239,149
Factory Expense	370,000	505,419
Insurance	66,873	56,658
Annual custody Fees	25,763	15,000
Production Expense	15,445	18,400
<b>TOTAL (A)</b>	<b>1,083,675</b>	<b>976,159</b>
<b>(B) ADMINISTRATIVE EXPENSES :</b>		
Advertisement exp.	36,750	30,750
Auditor's Remuneration	65,000	65,000
Provident fund Expenses (Staff)	12,215	107,407
Director's Remuneration	1,464,000	1,284,000
Electricity Exp.	4,250,766	3,193,844
Freight Exps.	12,165	19,338
Gujarat Pollution Control Board Charges	90,640	21,800
Legal and Professional fees	376,420	309,904
Office Rent Exps	120,000	120,000
Pollution control Exp	559,176	541,704
Repair and Maintenance Exps.	2,014,881	1,788,083
Listing Fees	222,500	143,090
Transportation Charges	2,298,029	1,763,860
Other Expenses	1,236,299	655,368
<b>TOTAL (B)</b>	<b>12,758,841</b>	<b>10,044,148</b>
<b>TOTAL (A+B)</b>	<b>13,842,516.00</b>	<b>11,020,307.00</b>

**PRATIKSHA CHEMICALS LIMITED (CIN : L24110GJ1991PLC015507)**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**NOTE : 23 ADDITIONAL NOTES :****1. Contingent Liabilities :**

Name of Statute	Forum where Dispute is pending	Period to which the amount relates	Amount (In Rs.)
Income Tax	Income Tax Authorities	AY 1998-99	4,216.00
		AY 2003-04	4,89,510.00
		AY 2009-10	410.00
		AY 2013-14	6,10,110.00
		AY 2015-16	140.00

2. The company operates within a solitary business segment i.e. manufacturing of pigments, the disclosure requirements of Accounting Standard – 17 “Segment Reporting”, issued by the Institute of Chartered Accountants of India is not applicable.

3. The company has not disclosed outstanding dues to Small Scale Industrial undertakings and details regarding the same, as company are not having any outstanding to SSI unit.

**4. Related Party Disclosures :****(a) List of related party disclosures with whom transactions have taken place during the year:**

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

No.	Name of related party	Relationship
1	Jayesh K. Patel	Key Management Personnel
2	Harish K. Bhatt	
3	Harshad K. Patel	
4	Astu H. Patel	Relatives of key Management personnel
5	Dwijen H. Bhatt	
6	Ratnakalaben H Patel	
7	Surbhiben H Bhatt	
8	Harshad K Patel (HUF)	
9	Harish K Bhatt ( HUF)	
10	Dhara Organisers Pvt. Ltd.	Concerns in which Directors are interested
11	H. K. Builders	
12	J. K. Patel & Co.	

**(b) Transactions with related parties :***(In Rs.)*

No.	Nature of transaction	2015-16	2014-15
(i)	Unsecured Loans :		
	- Key Management Personnel and Relatives		
	- Repayment	24,62,000	27,50,000
	- Received	7,00,000	62,50,000
	- Concern in which Directors are interested		
	- Repayment	-	67,86,537
	- Received	-	17,00,000

**(b) Transactions with related parties : Contd.....** (In Rs.)

No.	Nature of transaction	2015-16	2014-15
(ii)	Expenditure on other service : - Concerns in which Directors are interested - Key Management Personal and Relatives	NIL NIL	NIL NIL
(iii)	Managerial Remuneration	14,64,000	12,84,000
(iv)	<b>Outstanding Balances :</b> <b>Unsecured Loan</b> Payable by company : - Concerns in which Directors are interested - Key Management Personnel and Relatives	- 98,89,693	- 1,16,51,639

## 5. Particulars of Earning per Share :

Particulars	2015-16 Amount (Rs.)	2014-15 Amount (Rs.)
Net Profit/(Loss) for the year (In Rs)	1,97,513	186,822
Number of equity shares	5,570,340	5,570,340
Nominal value of the share	10	10
Earning per Share	0.04	0.03
Diluted EPS	0.04	0.03

6. Auditors' Remuneration is made up of : (Excluding Service Tax) (In Rs)

Auditor Remuneration	2015-16	2014-15
For Statutory Audit	35,000	35,000
For Taxation Matters	10,000	10,000
For Other Services	20,000	20,000
<b>Total</b>	<b>65,000</b>	<b>65,000</b>

7. Director's Remuneration : (In Rs)

Particulars	2015-16 Amount (Rs.)	2014-15 Amount (Rs.)
Director Remuneration (*paid in accordance with Section 197 read with the Schedule V.)	14,64,000*	12,84,000
<b>Total</b>	<b>14,84,000</b>	<b>12,84,000</b>

## 8. Additional Information pursuant to the provision of paragraph 5 Point no. (viii) Of "General Instruction for Preparation of Statement of Profit And Loss" of "Schedule III" to Companies Act 2013.

Particulars	2015-16	2014-15
A. Value of Imported Raw Materials, Spares parts and Components	NIL	NIL
B. Expenditure incurred in foreign currency		
i) Travelling expenses	NIL	NIL
ii) Other expenses	NIL	NIL

Particulars	2015-16	2014-15
C. Amount Remitted in foreign currency during the year		
i) Dividend	NIL	NIL
ii) No. of non-resident share holders	NIL	NIL
iii) No. of shares held by non-resident	NIL	NIL
D. Earning in Foreign Exchange		
i) Export of Goods calculated on CIF basis	3,02,82,150	3,81,06,450
ii) Royalty, Know How, Professional and Consultation fee	NIL	NIL
iii) Interest and dividend	NIL	NIL
iv) Other income-Commission	NIL	NIL

9. Previous year's figures have been recast/restated where necessary.

As per our attached report of even date

H. K Shah & Co  
Chartered Accountants  
FRN : 109583/W

CA H. K. Shah  
Partner  
Membership No.: 042758  
Place : Ahmedabad  
Date : 30/05/2016

For and on behalf of the Board

Harish Bhatt  
Director  
DIN:-00400765  
Place : Ahmedabad  
Date : 30/05/2016

Jayesh Patel  
Director  
DIN:-00401109  
Place : Ahmedabad  
Date : 30/05/2016

THIS PAGE KEPT INTENTIONALLY BLANK

**PRATIKSHA CHEMICALS LIMITED**  
3RD FLOOR, H K COMPLEX, OPP DHARNIDHAR DERASAR, AHMEDABAD-380007.

**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Name of the attending Member (In Block Letters) : \_\_\_\_\_

Folio No/ DPID / Client ID : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_

(To be filled in if the Proxy attends instead of the Member)

No. of Shares held : \_\_\_\_\_ (In words) \_\_\_\_\_

I hereby record my presence at Annual General Meeting of the Company at 3RD FLOOR, H K COMPLEX, OPP DHARNIDHAR DERASAR, AHMEDABAD-380007 on Friday, 30th day of September, 2016 and at any adjournment thereof.

\_\_\_\_\_  
Signature of Shareholder / Proxy

**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]**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

CIN : L24110GJ1991PLC015507

Name of the company : PRATIKSHA CHEMICALS LIMITED

Registered office : 3RD FLOOR, H K COMPLEX, OPP DHARNIDHAR DERASAR, AHMEDABAD-380007

Name of the member(s) : \_\_\_\_\_

Registered address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Folio No/Client Id : \_\_\_\_\_ DP ID : \_\_\_\_\_

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

1. Name : _____ Address : _____ E-mail Id : _____ Signature : _____	2. 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 Annual General Meeting of the company, to be held on 30th day of September, 2016 At 10:00 a.m. at 3RD FLOOR, H K COMPLEX, OPP DHARNIDHAR DERASAR, AHMEDABAD-380007 and at any adjournment thereof in respect of such resolutions as are indicated below:

NO.	RESOLUTION	FOR	AGAINST
<b>Ordinary Business</b>			
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2016		
2.	Appointment of a director in place of MR. Jayesh Patel who retires by rotation and being eligible, seeks re-appointment.		
3.	Ratification of Appointment of M/S. H K SHAH & CO., Chartered Accountants (Firm Registration No. 109583W) as the Statutory Auditors of the Company.		
<b>Special Business</b>			
4.	Payment of Managerial Remuneration to MR. JAYESH PATEL, Technical Director of the Company (DIN: 00401109) of Rs. 1,05,000/- p.m. or as may be mutually agreed between Board of Directors of the Company and MR. JAYESH PATEL w.e.f. 1st April, 2016.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Signature of Shareholder

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

Affix  
Revenue  
Stamp

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

**Form No. MGT-12****POLLING PAPER**

[Pursuant to section 109 (5) of the Companies Act, 2013 and rule 21 (1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	: PRATIKSHA CHEMICALS LIMITED
Registered office	: 3RD FLOOR, H K COMPLEX, OPP. DHARNIDHAR DERASAR, VASNA, AHMEDABAD-380007.

**BALLOT PAPER**

No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/ Special Resolutions enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sr. No.	Particulars of Item	No. of shares held by me	I assent to the resolution	I dissent from the resolution
	<b>Ordinary Business</b>			
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2016.			
2.	Appointment of a director in place of MR. JAYESH PATEL (DIN: 00401109), who retires by rotation and being eligible, seeks re-appointment.			
3.	Ratification of Appointment of M/S. H K SHAH & CO., Chartered Accountants (Firm Registration No. 109583W) as the Statutory Auditors of the Company.			
	<b>Special Business</b>			
4.	Payment of Managerial Remuneration to MR. JAYESH PATEL, Technical Director of the Company (DIN: 00401109) of Rs. 1,05,000/- p.m. or as may be mutually agreed between Board of Directors of the Company and MR. JAYESH PATEL w.e.f. 1st April, 2016			

PLACE : AHMEDABAD

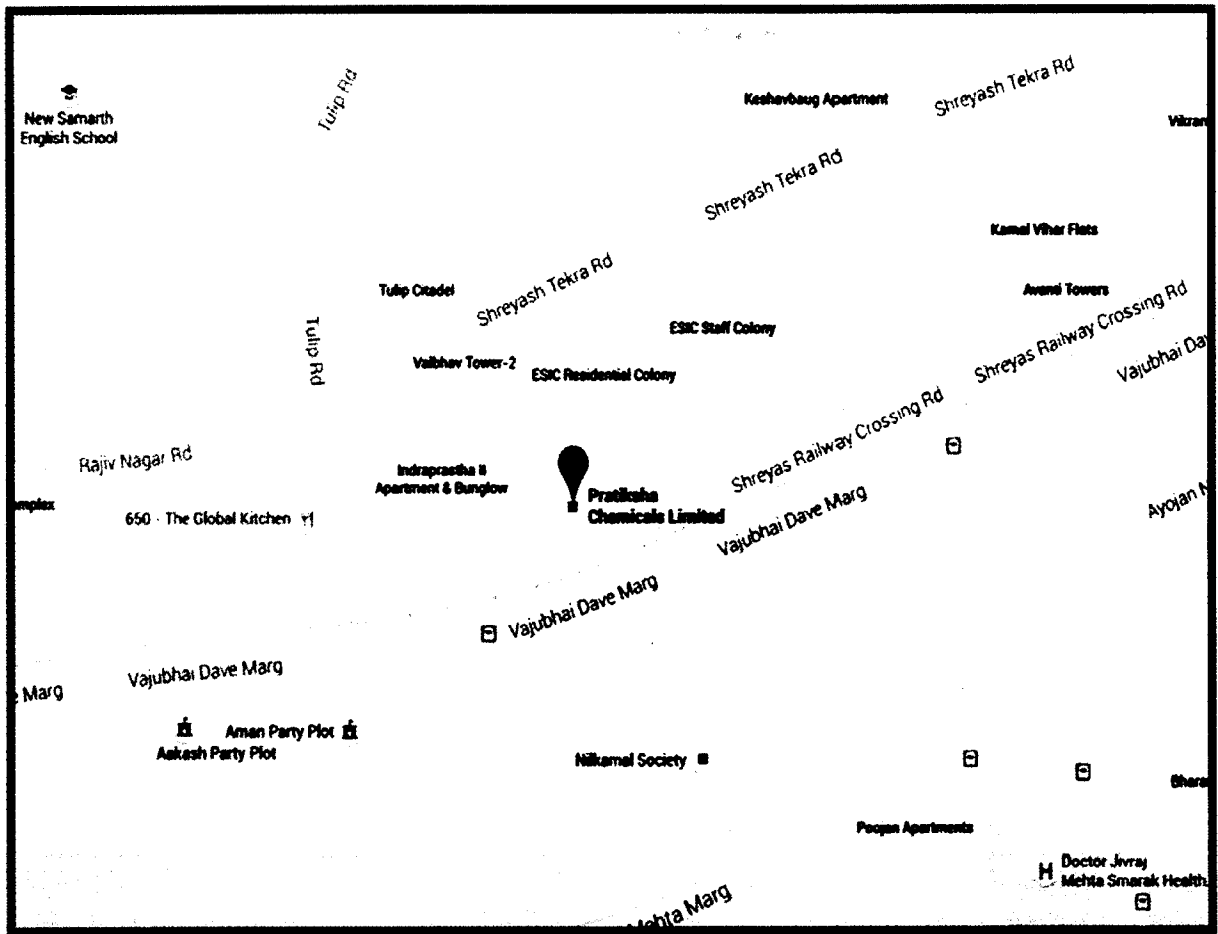
DATE :

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

**ROUTE MAP TO THE VENUE OF AGM :**

**PRATIKSHA CHEMICALS LIMITED**

3RD FLOOR, H K COMPLEX,  
OPP. DHARNIDHAR DERASAR,  
VASNA, AHMEDABAD - 380007.





**Book Post**

If undelivered Please return to :

**PRATIKSHA CHEMICALS LIMITED**

3rd Floor, H.K.Complex,

Opp. Dharnidhar Derasar,

Vasna, Ahmedabad - 380007