Date: 09.11.2020

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

SUBJECT: ANNUAL REPORT FOR THE YEAR 2019-20

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 2019-20. Kindly take a note that the Annual General Meeting of the company will be held on Monday, 28thDecember, 2020 at 03.30 P.M. through Video-Conference (VC)/Other Audio Visual Means(OAVM).

You are requested to take the same on your record.

Thanking You.

Yours Sincerely,

FOR, PRATIKSHA CHEMICALS LIMITED

MR. JAYESH PATEL
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
CIN : L24110GJ1991PLC015507
Factory : 195/2, Near Natraj Industrial Estate, Village Iyawa Vasna, Sanand.
(Dist : Ahmedabad) India. Phone 02717-284350

PRATIKSHA CHEMICALS LIMITED

(CIN: L24110GJ1991PLC015507)

ANNUAL REPORT - 2019-20

REGISTERED OFFICE:

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

♣ BOARD OF DIRECTORS:

NAME OF DIRECTOR	DIN	DESIGNATION
MR. HARISHBHAI BHATT	00400765	WHOLE TIME DIRECTOR
MR. JAYESH PATEL	00401109	DIRECTOR & CHIEF FINANCIAL OFFICER
MR. UPENDRA ADHAVRYU	00483857	INDEPENDENT DIRECTOR
MR. SOMABHAI PATEL	01188702	INDEPENDENT DIRECTOR
MRS. MONIKA CHAUHAN	08329798	INDEPENDENT - WOMAN DIRECTOR

♣ COMPOSITION OF COMMITTEES:

1. AUDIT COMMITTEE:

NAME OF DIRECTOR	DESIGNATION	DESIGNATION
MR. SOMABHAI PATEL	INDEPENDENT DIRECTOR	CHAIRPERSON
MR. UPENDRA ADHAVRYU	INDEPENDENT DIRECTOR	MEMBER
MR. JAYESH PATEL	DIRECTOR	MEMBER

2. NOMINATION AND REMUNERATION COMMITTEE :

NAME OF DIRECTOR	DESIGNATION	DESIGNATION
MR. SOMABHAI PATEL	INDEPENDENT DIRECTOR	CHAIRPERSON
MR. UPENDRA ADHAVRYU	INDEPENDENT DIRECTOR	MEMBER
MRS.MONIKA CHAUHAN	INDEPENDENT DIRECTOR	MEMBER

3. STAKEHOLDERS RELATIONSHIP COMMITTEE :

NAME OF DIRECTOR	DESIGNATION	DESIGNATION
MR. SOMABHAI PATEL	INDEPENDENT DIRECTOR	CHAIRPERSON
MR. UPENDRA ADHAVRYU	INDEPENDENT DIRECTOR	MEMBER
MRS.MONIKA CHAUHAN	INDEPENDENT DIRECTOR	MEMBER

♣ KEY MANAGERIAL PERSONNEL:

CHIEF FINANCIAL OFFICER: MR. JAYESH PATEL

COMPANY SECRETARY& COMPLIANCE OFFICER: MS. JIGISHA A. KADIA

- **AUDITORS:**

SATATUTORY AUDITOR: **M/S. CHANDABHOY & JASSOOBHOY**
CHARTERED ACCOUNTANT (F.R.NO. 101648W)
605-606-607, SILVER OAKS,
NEAR MAHALAXMI CHAR RASTA,
PALDI, AHMEDABAD 380 007

INTERNAL AUDITOR: **M/S. LAVINGIYA & ASSOCIATES**
CHARTERED ACCOUNTANTS,
OFFICE AT 102, SATYA NEAR CHANKYAPURI BRIDGE
GHATLODIA BRIDGE, AHMEDABAD-380061

SERETARIAL AUDITOR: **M/S. A. SHAH & ASSOCIATES**
PRACTICING COMPANY SECRETARIES,
D- 413, SHIROMANI COMPLEX, OPP. OCEAN PARK,
NEHRUNAGAR, SATELLITE, AHMEDABAD- 380015

- **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

- **CONTACT DETAILS:**

CIN: L24110GJ1991PLC015507
REGISTERED OFFICE ADDRESS: H K COMPLEX 3RD FLOOROPP DHARNIDHAR
DERASAR VASNA AHMEDABAD GJ 380007 IN

CONTACT NO.: 079-26632390, 26640071 EMAIL ID.: exports@dharapratiksha.com
WEBSITE: www.pratikshachemicals.in

NOTICE

NOTICE IS HEREBY GIVEN THAT TWENTY-NINTH ANNUAL GENERAL MEETING WILL BE HELD ON MONDAY, 28TH DECEMBER, 2020 AT 03.30 P.M. THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS 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, 2020, including the audited Balance Sheet as at March 31, 2020, 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.

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through video conferencing (VC) / Other audio visual means (OAVM) and dispensed personal present of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said Circulars, the 29TH Annual general meeting (AGM) of the members be held through video conferencing (VC) / Other audio visual means (OAVM). Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith (**Annexure - A**) and is also available at the website of the Company i.e. **www.pratikshachemicals.in.**

2. Members are requested to quote Folio number in all their correspondences.

3. The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is 079-26632390/ 26640071/ 22609530.

4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited. Participation is restricted up to 1000 members only.

6. Members can raise questions in the chat box which is going to be provided during the meeting. However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.

7. Documents referred to in the Notice attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting of the Company and can be obtained by writing to company.

8. Information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with regard to Directors seeking appointment / re-appointment is annexed hereto.

9. Corporate / Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are

also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Company/Registrar and Share Transfer agent at e-mail id: **exports@dharapratikhsa.com/ support@purvashare.com**.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

11. The Company has notified closure of Register of Members and Share Transfer Books from **22ND December, 2020 to 28th December, 2020** (both days inclusive).

12. Members holding shares in electronic form are requested to intimate immediately any change in their address or to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Purva Sharegistry (India) Private Limited.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form can submit their PAN to the Company / Purva Sharegistry (India) Private Limited.

14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Purva Sharegistry (India) Private Limited for consolidation into a single folio.

15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address on the website of the Registrar and Share Transfer Agent of the Company i.e. Purva Sharegistry (India) Private Limited for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically .

16. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members are entitled to make nomination in respect of the shares held by them in physical form. Members desirous of making nominations are requested to send their requests in Form SH-13 to the Registrar & Share Transfer Agent, at the address given above.

17. SEBI As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agent i.e. Purva Sharegistry (India) Private Limited for assistance in this regard.

18. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website **www.pratikshachemicals.in** and on the website of the BSE Limited.

19. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members (Physical / Demat) who have not registered their email addresses with the Company can get the same registered by visiting the website of Purva Sharegistry (India) Private Limited, Registrar and Share Transfer Agent of the Company.

20. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to **exports@dharapratikhsa.com**.

21. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

22. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

GENERAL INFORMATION:

1. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / List of Beneficial Owners as on **Monday, 21st December, 2020**, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 a.m. Hours (IST) on **Friday, 25th December, 2020** and will end at 05.00 p.m. Hours (IST) on **Sunday, 27th December, 2020**.

2. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM (Refer **Annexure-A** for detailed

procedure to vote through e-voting). The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given in **Annexure-A**. Members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e- voting for the resolutions are requested to mail to either **helpdesk.evotingindia@cdsl.com**.

3. Members who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting through chat box by mentioning following details:

   Name of Investor:
   Folio no. / DPID-CLIENT ID:
   No. of Shares:
   Resolution no. 1 - yes/no
   Resolution no. 2 - yes/no

4. The Remote E-Voting Period will commence at 9.00 a.m. Hours (IST) on **Friday, 25th December, 2020** and will end at 05.00 p.m. Hours (IST) on **Sunday, 27th December, 2020**. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on cut-off date i.e. **Monday, 21st December, 2020**, may cast their vote by Remote E-Voting. The Remote E-Voting module will be disabled by CDSL for the voting thereafter.

   The voting rights of Members shall be in proportion of the paid up equity share capital of the Company as on the cut-off date i.e. **Monday, 21st December, 2020.**

   Only those Members whose names are recorded in the Register of Members of the Company as on the cut-off date shall be entitled to vote. If a person was a Member on the date of the Book Closure date as aforesaid but has ceased to be a Member on the cut-off date, he/she shall not be entitled to vote. Such person should treat this notice for information purpose only.

5. M/S. A SHAH & ASSOCIATES, Practicing Company Secretary (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 for overseeing the voting through Remote-E-voting in a fair and transparent manner.

6. The Scrutinizer shall submit his report to the Chairman. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.pratikshachemicals.in and on the website of CDSL i.e.

https://www.evotingindia.com after the declaration of result by the Chairman or a person authorized by him in his behalf on or before **03.30 P.M. on 30th December, 2020**. The Results shall be uploaded on the BSE Listing Portal.

7. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Annual General Meeting i.e. **Monday, 28th December, 2020.**

8. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer by email to **csanishshah@gmail.com** with a copy marked to **exports@dharapratikhsa.com.**

PROCESS FOR MEMBERS OPTING FOR REMOTE E-VOTING

In Compliance with provisions of Amendment Rules, 2015 and Regulation 44(1) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company will be providing Members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote E-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("Remote E-Voting") will be provided by Central Depository Services Limited (CDSL). The detailed procedure to be followed in this regard has been given in **Annexure A** to the notice. The Members are requested to go through them carefully.

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(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:

Particulars	(1)
Name of the Director	MR. JAYESH PATEL
Director Identification Number (DIN)	00401109
Designation	Director
Date of Appointment	24-04-1991
Date of Birth	12-01-1967
QUALIFICATION	He has degree of Bachelor of Science.
Brief Profile/ Nature of expertise in specific functional areas	He is having more than 25 years of experience of in the issues related to technology.
Names of other companies in which the person also holds the directorship	DHARA HOUSING CREDIT LIMITED N. K. PIGMENT INDUSTRIES PRIVATE LIMITED
Names of companies in which the person also holds the membership of Committees of the Board	NA
Number of Equity Shares held in the Company & %	353950 (6.35%)
Relationship between directors inter-se	NA
Details of remuneration	Rs. 1,40,000/-p.m.
Number of meetings of the board attended during the year	4

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

ANNEXURE- A TO THE NOTICE

INSTRUCTIONS FOR SHAREHOLDERS PERTAINING TO VOTING THROUGH ELECTRONIC MEANS

A. INSTRUCTIONS FOR SHAREHOLDERS OPTING FOR VOTING THROUGH REMOTE E-VOTING

(i) The Remote E-Voting period begins on **Friday, 25th December, 2020** and will end at 05.00 p.m. Hours (IST) on **Sunday, 27th December, 2020**. 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 **Monday, 21st December, 2020**, may cast their vote electronically. The Remote 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.

(iv) Click on "Shareholders" module.

(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 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:

	For Members holding shares in DEMAT Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both DEMAT shareholders as well as physical shareholders) Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department

	(Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. • 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).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for Remote E-Voting on the resolutions contained in this Notice.

(xii) Click on the EVSN **"201027009"** for the relevant company 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If a DEMAT account holder has forgotten the same 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 and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- 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 should be mailed to 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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote to the Scrutinizer and to the Company at the email address viz; **exports@dharapratikhsa.com**, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

B. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company (exports@dharapratikhsa.com)/to RTA (support@purvashare.com).**

2. For Demat shareholders please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **(exports@dharapratikhsa.com)**/to RTA **(support@purvashare.com)**

3. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

C. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:`

1. Shareholders will be able to attend the AGM through VC / OAVM through following web link by entering their remote e-voting login credentials and selecting the EVEN for Company's AGM.

   https://purvashare.instavc.com/broadcast/24a55480-182a-11eb-ace4-cf75e5454379

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requesting advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at **exports@dharapratikhsa.com.**

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

D. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:

1. The procedure for E-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through Remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-Voting system available during the AGM through chat box by mentioning following details:

   Name of Investor:
   Folio no. / DPID-CLIENT ID:
   No. of Shares
   Resolution no. 1 - yes/no
   Resolution no. 2 - yes/no

3. If any votes are casted by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote E-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

DIRECTORS' REPORT

To,
The Members,
PRATIKSHA CHEMICALS LIMITED

Your Directors have pleasure in presenting herewith their 29th 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, 2020.

1. STATE OF AFFAIRS OF THE COMPANY:

Pratiksha Chemicals Ltd is an industry representing color pigment companies in Ahmedabad, India. The company is engaged into manufacturing business of Pigment Green 7 & Copper Phthalocyanine Green Crude. It represents small, medium, and large color pigments manufacturers throughout India, accounting for the bulk of the production of color pigments in India.

The company supplies superior quality Pigment Green 7 all over India. The manufacturing unit of the Company is located at Sanand, Dist- Ahmedabad. Color pigments are widely used in product compositions of all kinds, including paints, inks, plastics, glass, synthetic fibers, ceramics, colored cement products, textiles, cosmetics, and artists' colors.

- **SEGMENT-WISE POSITION OF BUSINESS AND ITS OPERATIONS:** The Company is currently engaged in only one business i.e. manufacturing business of Pigment Green 7 & Copper Phthalocyanine Green Crude. Accordingly, there is no segments of business activity of the Company

- **CHANGE IN STATUS OF THE COMPANY:** The status of the company has not been changed during the financial year 2019-20.

- **KEY BUSINESS DEVELOPMENTS;**
  The manufacturing units has a well-equipped laboratory assisted by a team of chemists and researchers for consistent Research and Development and support the Quality Control System which keeps an eye on the production process to yield the best from these production units.

- **CHANGE IN THE FINANCIAL YEAR:** The Company has not changed its financial year during the year.

- **CAPITAL EXPENDITURE PROGRAMMES:** Not Applicable

- **DETAILS AND STATUS OF ACQUISITION, MERGER, EXPANSION MODERNIZATION AND DIVERSIFICATION:** Not Applicable

- **DEVELOPMENTS, ACQUISITION AND ASSIGNMENT OF MATERIAL INTELLECTUAL PROPERTY RIGHTS:** Not Applicable

- **ANY OTHER MATERIAL EVENT HAVING AN IMPACT ON THE AFFAIRS OF THE COMPANY:**. No material events have occurred during the financial year 2019-20 which impact on the affairs of the Company.

- **IMPACT OF COVID -19 ON THE COMPANY**: The Company has evaluated the impact of COVID-19 on its financial statements based on the internal and external information up to the date of approval of the financial statements and expect to recover the carrying amount of inventories, receivables and investments. The Company does not foresee any material impact on liquidity and assumption of going concern. Till the time business operations at customers' end get fully functional and supplies chain with vendors totally restored, business operations of the Company will remain at sub-optimal level. The Company will continue to monitor the future market conditions and update its assessment.

2. FINANCIAL SUMMERY:

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

(Rs. In Lakhs)

PARTICULARS	**2019-20**	**2018-19**
Revenue from Operations	1607.23	1158.59
Other income	2.78	1.54
Total Income	**1610.02**	**1160.13**
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	**53.16**	**56.21**
Less: Depreciation	25.77	29.10
Profit/loss before Finance Costs, Exceptional items and Tax Expense	**27.39**	**27.11**
Less: Finance Cost	15.93	19.02
Profit/loss before Exceptional items and Tax Expense	**11.46**	**8.09**
Less: Exceptional Items	-	-
Profit / (Loss) Before Tax	**11.46**	**8.09**
Provision for Tax & Deferred Tax	27.45	7.40
Profit / (Loss) After Tax	**(15.99)**	**0.69**
Other Comprehensive income (net of tax effect)	-	-
Total Comprehensive income	**(15.99)**	**0.69**
Add : Balance as per last Financial Statement	(263.11)	(263.80)
Disposable Surplus	-	-
Less : Transfer to General Reserve	-	-
Dividend Paid (18-19)	-	-

Dividend Paid (17-18)	-	-
Dividend Distribution Tax (18-19)	-	-
Dividend Distribution Tax (17-18)	-	-
Balance carried forward	**(279.10)**	**(263.11)**

3. PERFORMANCE OF THE COMPANY (STANDALONE):

The company's approach towards growth has delivered satisfactory results in terms of Turnover of the company during the year 2019-20. Your company achieved the net sales of Rs. 1607.23 lakhs during the year 2019-20 which indicates 38.72% increase in turnover as compare to the last year.

The Company has incurred net loss (After Tax) of Rs. 15.99 lakhs during the financial year 2019-20. However, the company will strive to improve its performance in long term prospects based on actual pace of global economy.

4. DIVIDEND:

Due to loss making situation of the Company, the Directors did not recommend dividend during the year under review.

5. THE AMOUNTS, IF ANY, WHICH IT PROPOSES TO CARRY TO ANY RESERVES;

The company has not transferred any amount to reserves during the financial year 2019-20.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

The Composition of the Board of Directors and Key Managerial Personnel of the company has been changed during the financial year 2019-20 as follows:

Sr. no.	Name of Director	DIN	Designation	Date	Particulars of Change
1	Mrs. Monika Chauhan	08329798	Independent Woman Director	27th September, 2019	Change in designation from Additional Director to Director
2	Mr. Upendra Adhvaryu	00483857	Independent Director	27th September, 2019	Reappointment as Independent Director
3	Mr. Somabhai Patel	01188702	Independent Director	27th September, 2019	Reappointment as Independent Director
4	Mr. Harishbhai	00400765	CFO	28th May,	Resignation as CFO

	Bhatt			2019	
5	Mr. Jayesh Patel	00401109	CFO	28th May, 2019	Appointment as CFO

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 Obligations and Disclosure Requirements) Regulation 2015 and complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

7. MEETINGS:

During the year, (4) Four Board Meetings and (4) Four Audit Committee Meetings were duly convened and held. The dates on which the said Board Meetings held are shown in the table:

SR. NO.	BOARD MEETING	AUDIT COMMITTEE
1	28-05-2019	28-05-2019
2	13-08-2019	13-08-2019
3	14-11-2019	14-11-2019
4	04-02-2020	04-02-2020

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The necessary quorum was present at the meetings.

8. 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 statues.

The Board has constituted following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder's Relationship Committee
- Internal Complaints 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.

9. 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, 2020 forms part of this Directors' Report as '**Annexure: I'**.

10. STATUTORY AUDITORS & AUDIT REPORT:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, **M/S. CHANDABHOY & JASSOOBHOY**, Chartered Accountants, (F.R.NO. 101648W), have been appointed as statutory auditors of the company at the Twenty Eighth Annual General Meeting held on September 27, 2019 to hold office till the conclusion of Annual General Meeting of the Company for financial year 2023-24.

The Auditors comments on your company's accounts for year ended March 31, 2020 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 are 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 IND AS – 1 on "Presentation of Financial Statement" and IND AS-19 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.***

2. ***IND AS – 2 for "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 financial year.

11. DISCLOSURE OF REPORTING OF FRAUD BY AUDITORS UNDER SECTION 143(12):

During the financial year 2019-20, the Statutory Auditor has not reported to the audit committee any instance of fraud committed against the Company by its employees or officers under section 143(12), the details of which need to be reported in Board's Report.

12. INTERNAL FINANCIAL CONTROLS & INTERNAL AUDITOR:

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 2020-21. 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.

13. COST RECORDS:

Pursuant to Section-148 (1) of the Companies Act, 2013 read with Rule 3 of Companies (Cost Records and Audit) Rules, 2014, Company does not fall under the criteria for maintaining cost record for the financial year 2019-20.

14. 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. 2019-20. The Report of the Secretarial Auditor for the F.Y. 2019-20 is annexed to this report as '**Annexure: II'** to the Directors' Report**.**

15. 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**'.

16. 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 the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Regulation 17 to 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.

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.

17. 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. 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.

18. 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. A. SHAH & ASSOCIATES., Practicing Company Secretaries**, conforming compliance to the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule Vof SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, is annexed to this Report.

19. FOREIGN EXCHANGE EARNINGS / OUTGO:

The Company has earned revenue of Rs. 80.73 lakhs from export sales and Rs. 0.90 lakhs due to fluctuations of foreign currency during the financial year 2019-20. There is no foreign exchange expenses incurred by the Company during the financial year 2019-20.

20. 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 under investors / policy documents / Vigil Mechanism Policy link.

21. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:

(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.

22. 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. 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 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.

23. 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.

24. 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. 8.50 Lac Per month if employed for part of the year and Rs. 1.02 Crore Per Annum if employed for the whole year.

25. 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, the company has setup the Internal complaints committee and the said committee has framed policy for prevention of sexual harassment at work place in accordance with the section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were sixteen employees working in the Organization during the financial year 2019-20. However, during the year no complaints were received by the Internal Complaints committee for sexual harassment from any of the women.

26. 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.

27. 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.

28. CHANGE IN NATURE OF THE BUSINESS:

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

29. 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.

30. 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.

31. SIGNIFICANT OR MATERIAL EVENT OCCURRED AFTER BALANCE SHEET DATE:

No Event has occurred after the balance sheet date that representing the material changes and commitment that affecting the Financial position of the company.

32. STATEMENT OF DIRECTORS' RESPONSIBILITY STATEMENT:

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, 2020, 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, 2020 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.

33. 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: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

Annexure: I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
As on Financial Year ended on 31/03/2020

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

I. REGISTRATION & 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	3RD FLOOR H K COMPLEX, 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	Manufacturing of PigmentGreen 7	20224	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, 2019 i.e. on the basis of SHP of March 31, 2019)				No. of Shares held at the end of the year(as on March 31, 2020 i.e. on the basis of SHP of March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters/Promoters Group									
(1) **Indian**									
a) Individual/HUF	1820700	193200	2013900	36.15	2289000	0	2289000	41.09	4.94
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	**1820700**	**193200**	**2013900**	**36.15**	**2289000**	**0**	**2289000**	**41.09**	**4.94**
(2) **Foreign**									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total:(A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	**1820700**	**193200**	**2013900**	**36.15**	**2289000**	**0**	**2289000**	**41.09**	**4.94**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h)Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
i-1) Foreign Financial Institution	-	-	-	-	-	-	-	-	-
i-2) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2.**Non-Institutions**									
a) Bodies Corporate									
i) Indian	373489	97500	470989	8.46	841876	97500	939376	16.86	8.41

ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	865564	674860	1540424	27.65	875878	670560	1546438	27.76	0.11
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1214544	123500	1338044	24.02	424461	123500	547961	9.84	-14.18
c) Others (specify) HUF	18020	2500	20520	0.37	20019	2500	22519	0.40	0.04
Clearing Members	3317	0	3317	0.06	50300	0	50300	0.90	0.84
Non Resident Indian	183146	0	183146	3.29	174746	0	174746	3.14	-0.15
Sub-total (B)(2):-	**2658080**	**898360**	**3556440**	**63.85**	**2387280**	**894060**	**3281340**	**58.91**	**-4.94**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**2658080**	**898360**	**3556440**	**63.85**	**2387280**	**894060**	**3281340**	**58.91**	**-4.94**
C. Shares held by Custodian for GDRs & ADRs (C)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**4478780**	**1091560**	**5570340**	**100**	**4676280**	**894060**	**5570340**	**100.00**	**0.00**

B) Shareholding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year **(as on April 1, 2019 i.e. on the basis of SHP of March 31, 2019)**			Shareholding at the end of the year **(as on March 31, 2020 i.e. on the basis of SHP of March 31, 2020)**			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	HARSHADBHAI K PATEL	689232	12.37	-	689232	12.37	-	-
2	HARISHBHAI BHATT	795890	14.29	-	795890	14.29	-	-
3	RATNAKALABEN H PATEL	68610	1.23	-	68610	1.23	-	-
4	JAYESH KANTILAL PATEL	78950	1.42	-	353950	6.35	-	4.94
5	CHANDRAPRABHA K. BHATT	49200	0.88	-	49200	0.88	-	-
6	SURBHI HARISHBHAI BHATT	38298	0.69	-	38298	0.69	-	-
7	PURNIMA UPENDRA ADHAVARYU	19800	0.36	-	19900	0.36	-	0.00
8	KANTILAL PATEL (AS A TRUSTEE OF VRUN FAMILY TRUST- TRUST OF PROMOTER GROUP)	108900	1.95	-	108900	1.95	-	-
9	HARSHADBHAI K	165000	2.65	-	165000	2.65	-	-

	PATEL HUF							
10.	MUKESH C SHAH	20	0.000	-	20	0.000	-	-

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.	JAYESH PATEL	01.04.2019	At the beginning of the year	78950	1.42	78950	1.42
		31.05.2019	Increase due to Acquisition	274776	4.93	353726	6.35
		07.06.2019	Increase due to Acquisition	224	0.00	353950	6.35
		31.03.2020	At the end of the year	-	-	353950	6.35
2	PURNIMA UPENDRA ADHAVARY	01.04.2019	At the beginning of the year	19800	0.36	19800	0.36
		26.04.2019	Increase due to Acquisition	100	0.00	19900	0.36
		31.03.2020	At the end of the year	-	-	19900	0.36

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 Shareholder	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	1/4/2019	At the beginning of the year	403850	7.25	403850	7.25
		31/5/2019	Decrease due to sale	-275000	-4.94	128850	2.31
		20/12/2019	Decrease due to sale	-128850	-2.31	--	--
		31/03/2020	At the end of the year	---	--	---	--
2.	APPURVA B. SHAH	1/4/2019	At the beginning of the year	403850	7.25	403850	7.25
		20/12/2019	Decrease due to sale	-403850	-7.25	---	--
		31/03/2020	At the end of the year	---	--	---	--
3.	RAINBOW HOUSING DEVELOPMENT &FINANCE	1/4/2019	At the beginning of the year	175200	3.15	175200	3.15
		31/03/2020	At the end of the year	---	---	175200	3.15

	CORPORATION LTD.						
4.	LABDHI SHARES AND STOCKS HOLDINGS PVT.LTD.	1/4/2019	At the beginning of the year	112000	2.01	112000	2.01
		31/03/2020	At the end of the year	---	---	112000	2.01
5.	SURENDRA RAOJIBHAI PATEL	1/4/2019	At the beginning of the year	100000	1.80	100000	1.80
		31/03/2020	At the end of the year	---	---	100000	1.80
6.	PADMAVATI STOCKS PVT. LTD.	1/4/2019	At the beginning of the year	90000	1.62	90000	1.62
		31/03/2020	At the end of the year	---	---	90000	1.62
7.	BEENA RAJENDRA MULANI	1/4/2019	At the beginning of the year	68200	1.22	68200	1.22
		31/03/2020	At the end of the year	---	---	68200	1.22
8.	THAKKAR KRISHNA K	1/4/2019	At the beginning of the year	66700	1.20	66700	1.20
		31/03/2020	At the end of the year	---	---	66700	1.20
9.	VANITABEN PATEL	1/4/2019	At the beginning of the year	57548	1.03	57548	1.03
		31/03/2020	At the end of the year	---	---	57548	1.03
10.	JAY AMBEDISTRIBUTORS PRIVATE LIMITED	1/4/2019	At the beginning of the year	---	---	---	---
		20/12/2019	Increase due to Acquisition	532700	9.56	532700	9.56
		31/03/2020	At the end of the year			532700	9.56
11	AKASH BAJAJ	1/4/2019	At the beginning of the year	53522	0.96	53522	0.96
		31/03/2020	At the end of the year	---	---	53522	0.96
12	MADHUVAN SECURITIES PVT. LTD.	1/4/2019	At the beginning of the year	50000	0.90	50000	0.90
		31/03/2020	At the end of the year	---	---	50000	0.90

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of the Director and Key Managerial Personnel	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 (DIRECTOR)	01/04/2019	At the beginning of the year	78950	1.42	78950	1.42
		31/05/2019	Increase due to Acquisition	274776	4.93	353726	6.35

		07/06/2019	Increase due to Acquisition	224	0.00	353950	6.35
		31/03/2020	At the end of the year	-	-	353950	6.35
2.	HARISHBHAI KRISHNKANT BHATT (WTD & CFO)	1/4/2019	At the beginning of the year	795890	14.29	795890	14.29
		31/03/2020	At the end of the year	-	-	795890	14.29
3.	SOMABHAI ZAVERBHAIPATEL(DIRECTOR)	1/4/2019	At the beginning of the year	100	0.00	100	0.00
		31/03/2020	At the end of the year	-	-	100	0.00
4.	UPENDRA LAJJASHANKAR ADHVARYU (DIRECTOR)	1/4/2019	At the beginning of the year	-	-	-	-
		31/03/2020	At the end of the year	-	-	-	-
6.	MONIKA CHAUHAN	1/4/2019	At the beginning of the year	-	-	-	-
		31/03/2020	At the end of the year	-	-	-	-
7.	MS. JIGISHA KADIA (COMPANY SECRETARY)	1/4/2019	At the beginning of the year	-	-	-	-
		31/03/2020	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 Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	**21184000**	**0**	**0**	**21184000**
ii) Interest due but not paid	**0**	**0**	**0**	**0**
iii) Interest accrued but not due	**0**	**0**	**0**	**0**
Total (i+ii+iii)	**21184000**	**0**	**0**	**21184000**
Change in Indebtedness during the financial year:				
* Addition	**0**	**0**	**0**	**0**
* (Reduction)	**17739000**	**0**	**0**	**17739000**
Net Change	**-17739000**	**0**	**0**	**-17739000**
Indebtedness at the end of the financial year:				
i) Principal Amount	**3445000**	**0**	**0**	**3445000**
ii) Interest due but not paid	**0**	**0**	**0**	**0**
iii) Interest accrued but not due	**0**	**0**	**0**	**0**
Total (i+ii+iii)	**3445000**	**0**	**0**	**3445000**

IX. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Harishbhai Bhatt (WTD)	Mr. Jayesh Patel (Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 7,20,000/-	Rs. 16,80,000/-	Rs. 24,00,000/-
	(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- as % of profit - others, specify…	N.A.	N.A.	N.A.
5	Others- Bonus	N.A.	140000/-	140000/-
	Total (A)	**Rs. 7,20,000/-**	**Rs. 18,20,000/-**	**Rs. 25,40,000/-**
	Ceiling as per the Act	As the company has inadequate profit the company has adopted schedule- V for the remuneration to KMP. (The limit as per Schedule- V is Rs. 60,00,000/-)		

B. REMUNERATION TO OTHER DIRECTORS:

1. Independent Directors:

Sr. No.	Particulars of Remuneration	Name of Director			Total Amt
		Mr. Somabhai Patel	Mr. Upendra Adhvaryu	Mrs. Monika Chauhan	
1	-Fee for attending Board / Committee meetings (in Rs.)	-	-	-	-
2	- Commission	-	-	-	-
3	- Others, please specify	-	-	-	-
4	**TOTAL (B1)**	-	-	-	-

2. Other Non-Executive Directors:

Sr. No.	Particulars of Remuneration	Name of Director	Total Amt
		N.A.	
1	-Fee for attending Board / Committee meetings (in Rs.)	-	-
2	- Commission	-	-
3	- Others, please specify	-	-
4	**TOTAL (B2)**	-	-
5	**TOTAL B = B(1) + B(2)**		-
6	**TOTAL MANAGERIAL REMUNERATION**		-
7	**OVERALL CEILING AS PER ACT**		-

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Jayesh Patel – CFO	Ms. Jigisha Kadia - Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 16,80,000/-	Rs. 1,33,000/-	Rs. 18,13,000/-
	(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	N.A.	N.A.	N.A.
5	Others, please specify - Bonus	Rs. 1,40,000/-	N.A.	Rs. 1,40,000/-
	Total	**Rs. 18,20,000/-**	**Rs. 1,33,000/-**	**Rs. 19,53,000/-**

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)
A. COMPANY					
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. DIRECTORS					
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.
C. OTHER OFFICERS IN DEFAULT					
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: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

ANNEXURE- II

A.SHAH &ASSOCIATES
PRACTICING COMPANY SECRETARIES

CS ANISH B. SHAH
B.COM, LLB, FCS

D/413,Shiromani Complex, Opp.
Oceanic Park, Nehru Nagar
Satellite Road, AHMEDABAD-380015
anishshahcs@gmail.com
OFFICE: 079-26740953
MOBILE : +91-997-890-9231

MR-3
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED AS ON 31ST MARCH, 2020

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, 2020. 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, 2020 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, 2020 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;
II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (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, 2015;
(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as well as The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
(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.

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

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, The changes in the composition of the Board of Directors of the Company that took place during the period under review carried out in compliance with the provisions of the Act.

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: 19. 08. 2020

For, A. Shah & Associates
Practicing Company Secretaries

_____sd/-_____
MR. ANISH SHAH
PROPRIETOR
FCS No: 4713
C P No.: 6560
(UDIN: F004713B000593752)

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part if this report.

A.SHAH &ASSOCIATES
PRACTICING COMPANY SECRETARIES

CS ANISH B. SHAH
B.COM, LLB, FCS

D/413,Shiromani Complex, Opp.
Oceanic Park, Nehru Nagar
Satellite Road, AHMEDABAD-380015
anishshahcs@gmail.com
OFFICE: 079-26740953
MOBILE : +91-997-890-9231

Annexure A

To,
The Members
PRATIKSHA CHEMICALS LIMITED

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: 19. 08. 2020

For, A. Shah & Associates
Practicing Company Secretaries

_____sd/-_____
MR. ANISH SHAH
PROPRIETOR
FCS No: 4713
C P No.: 6560
(UDIN: F004713B000593752)

Annexure: III

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 non- executive) 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 theCompany 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: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

Annexure: IV

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:

Sr. No.	Particulars		Details
1	Name(s) of the related party Nature of relationship	: : :	1. M/s. Harishbhai Bhatt (HUF), 2. Mrs. Surbhiben H. Bhatt, 3. Mrs. Ratnakalaben H. Patel& 4. M/s. H. K PATEL (HUF) M/s. Harishbhai Bhatt (HUF) and Mrs. Surbhiben H. Bhatt are Relatives of MR. HARISHBHAI BHATT, Whole Time Director of the company and M/s. H. K PATEL (HUF) & Mrs. Ratnakalaben H. Patel are relatives of Mr. Jayesh Patel, director & CFO 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. 5000/- per month to each person
5	Date of approval by the Board	:	28/05/2019
6	Amount paid as advances, if any	:	N.A.

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

Sr. No.	Particulars		Details
1	Name(s) of the related party Nature of relationship	: :	Mr. Harshadbhai K. Patel Relatives of Mr. Jayesh Patel, Director & CFO of the Company
2	Nature of contracts/arrangements/transaction	:	Payment of Remuneration as a Chief Strategy Officer
3	Duration of the contracts/arrangements/transaction	:	W.E.F. 1st OCTOBER, 2019
4	Salient terms of the contracts or	:	Rs. 60000/- per month including perquisites

	arrangements or transaction including the value, if any		and allowances
5	Date of approval by the Board	:	14/11/2019
6	Amount paid as advances, if any	:	N.A.

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(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)

- **Detailsof 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)	Commission
1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(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 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2019-20 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 2019-20 (Amount in Rs.)	% Increase in Remuneration in the Financial Year 2019-20	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. 7,20,000/-	N.A.	3.95:1	As per notes below
2	Mr. Jayesh Patel (Director)	Rs. 18,20,000/-	16.67%	9.98:1	As per notes below
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. Monika Chauhan (Non Executive - Independent Director)	N.A.	N.A.	N.A.	-
7	Mr. Jayesh Patel (Chief Financial Officer)	N.A.	N.A.	N.A.	-
8	Ms. Jigisha Kadia (Company Secretary)	Rs. 1,33,000/-	10.83%	N.A.	As per notes below

(ii) The median remuneration of employees of the Company during the financial year 2019-20 was **Rs. 182280/-**

(iii) In the Financial year 2019-20, there was a increase of 6.86% in the median remuneration of employees.

(iv) There were **16** permanent employees on the rolls of Company as on March 31, 2020;

(v) **Relationship between average increase in remuneration and company performance**: The Profit before Tax for the financial year ended March 31, 2020 increased by **41.66%** whereas the median remuneration has been increased by 6.86%.

(vi) **Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:**

a) Variations in the market capitalization of the Company: The market capitalization as on March 9, 2020 was **Rs. 11140680**/- (**Rs. 27517479**/- as on March 28, 2019).
b) Price Earnings ratio of the Company cannot be calculated as the company has incurred loss for the financial year 2019-20. However, Price Earnings ratio of the Company was **7.15** as at March 28, 2019.
c) 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 09, 2020 was **Rs. 2/-**, representing a **80% decrease** over the IPO priceon 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. 2019-20 was 16.62**%** whereas there was increase of 13.75% in the managerial remuneration for the same financial year .

(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 Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

I. 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.

The Company has adopted a Code of Conduct for Code of Conduct of Board of Directors and Senior Management. The Company's corporate governance philosophy has been further strengthened through Code Of Practices And Procedures For Fair Disclosure Of Unpublished Price Sensitive Information ("UPSI") and Code of Conduct under Insider Trading to govern the conduct of insiders, connected persons and persons who are deemed to be connected persons on matters relating to Insider Trading.

As a Good Corporate Governance Practice the Company is voluntarily complying with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

II. 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 inter se relationship between the directors as on 31st March, 2020 are given below:

Name of Director	Category	No. of Board Meeting	Attended	Last AGM Attendance	No. of shares held	No of directorship in Other Cos	Disclosure of Relationship of Directors inter se
Mr. Harishbhai Bhatt	Whole Time Director	4	3	NO	795890	2	-
Mr. Jayesh Patel	Director	4	4	YES	353950	1	-
Mr. Upendra Adhvaryu	Non executive Independent Director	4	4	YES	-	-	-
Mr. Somabhai Patel	Non Executive Independent Director	4	4	YES	100	-	-
Mrs. Monika Chauhan	Non Executive Independent Director	4	4	YES	-	-	-

None of the Directors of the company is holding directorship in any other listed Company as on 31st March, 2020.

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

SR. NO.	BOARD MEETING
1	28-05-2019
2	13-08-2019
3	14-11-2019
4	04-02-2020

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.

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. The meeting of Independent

Directors of the Company was held on 28th February, 2020.

Web link where the policy of familiarization programmes imparted to independent directors is disclosed: www.pratikshachemicals.in

The Board Of Directors of the Company has confirmed that in the opinion of the board, the independent directors of the Company fulfill the conditions as per the requirement of Companies Act, 2013 as well as SEBI(Listing Obligation and Disclosure Requirement) Regulations, 2015 and they are independent of the management.

B. 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 04th February, 2020 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.

The skills/expertise/competence of the board of directors fundamental for the effective functioning of the Company which are currently available with the Board:

Core skills/expertise/competence	Status
Global Business	The Competency with respect to mentioned criteria is available with the Company.
Strategy ,Planning and Marketing	
Governance	
Technology, Research & Development	
Management & Leadership	

C. 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.

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.

III. 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 4 times during the year 2019-20 and the attendance of members at the meetings was as follows:

Name of Member	Category	Status	No. of Meetings attended / held	Date of Meeting
Mr. Somabhai Patel	Non Executive-Independent	Chairman	4/4	1.) 28.05.2019 2.) 13.08.2019 3.) 14.11.2019 4.) 04.02.2020
Mr. Upendra Adhvaryu	Non Executive - Independent	Member	4/4	
Mr. Jayesh Patel	Director	Member	4/4	

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 27, 2019.

IV. 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 all 3 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 two times during the year 2019-20 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. Monika Chauhan	Non Executive-Independent	Member	2/2

No sitting fees are paid to any Director. The Nomination and Remuneration committee had met on 28/05/2019 & 13/08/2019.

PERFORMANCE EVALUATION MECHANISM FOR INDEPENDENT DIRECTOR:

(1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
Performance evaluation of Independent Directors would done by the board on the basis of following criteria:

- Attendance in meeting
- Contribution in Board / Committee Meeting
- Improvement in Performance & Profitability
- Compliance of code of conduct
- 360 Degree performance Report
- Image building & Branding etc.

(2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

V. REMUNERATION OF DIRECTORS:

1. all pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity : No pecuniary Relationship or transactions with non executive directors.

2. criteria of making payments to non-executive directors.: NA

3. Disclosures with respect to remuneration:

DIRECTOR	Salary	perquisite	Bonus	Sitting fees	Total
MR. HARISHBHAIBHATT(WTD)	7,20,000	0	0	0	7,20,000
MR. JAYESH PATEL(Director & CFO)	16,80,000	0	1,40,000	0	18,20,000
MR. UPENDRA ADHVARYU (ID)	0	0	0	0	0
MR. SOMABHAI PATEL(ID)	0	0	0	0	0
MRS. MONIKA CHAUHAN (ID)	0	0	0	0	0

VI. 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
3. Mrs. Monika Chauhan – 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

compliant. 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 2019-20 and the attendance of members at the meetings was as follows:

Name of Member	Capacity	Status	No. of Meetings attended / held	Date of meeting
Mr. Somabhai Patel	Non Executive-Independent	Chairman	4/4	1.) 30.06.2019 2) 30.09.2019 3) 31.12.2019 4) 31.03.2020
Mr. Upendra Adhvaryu	Non Executive-Independent	Member	4/4	
Mrs. Monika Chauhan	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.

There were no pending complaints from the shareholders at the beginning as well as at the end of the Financial Year 2019-20 and no complaint has been received by the Company from the shareholders during the Financial Year 2019-20.

COMPLIANCE OFFICER – MS. JIGISHA KADIA (COMPANY SECRETARY)

VII. GENERAL BODY MEETING:

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

Financial Year	Date	Time	Venue
2018-2019	27/09/2019	03.30 P.M.	3RD FLOOR, H K COMPLEX, OPP. DHARNIDHAR DERASAR, VASNA, AHMEDABAD – 380007.
2017-2018	27/09/2018	03.00 P.M.	
2016-2017	27/09/2017	09.30 A.M.	

b. Special Resolution in Last 3 AGMs:

In AGM held on September 27, 2019, two Special Resolutions was passed as under:

(i) To Reappoint Mr. Upendra Adhvaryu (DIN: 00483857) as an Independent Director of the Company for the term of five consecutive year w.e.f. 27th September, 2019.

(ii) To Reappoint Mr. Somabhai Patel (DIN: 01188702) as an Independent Director of the Company for the term of five consecutive year w.e.f. 27th September, 2019.

In AGM held on September 27, 2018, No Special Resolutions has been passed.

In AGM held on September 27, 2017, one Special Resolutions was passed as under:

(i) To Reappoint Mr. Harishbhai Bhatt, Whole time Director of the Company for the term of 5(five) years w.e.f. 18th August, 2017 at a remuneration as may be mutually agreed between both the parties.

c. PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE; Not Applicable

d. WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT; None of the businesses proposed to be transacted requires passing of a special resolution through postal ballot.

VIII. MEANS OF COMMUNICATION:

- **quarterly results;**

The Results of the Company were displayed on web site 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.

- **newspapers wherein results normally published;**

The financial results of the Company normally published in "Chanakya" in English as well as in "The News line" the regional language newspaper. Official news, releases, and presentation made to analysts, institutional investors etc. are displayed on the website of the Company www.pratikshachemicals.in.

- **any website, where displayed;**

Company's website 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 in a downloadable form. It also displays official news releases and presentations made to institutional investors or to the analysts , whenever it is made by the company.

IX. GENERAL SHAREHOLDER INFORMATION:

- **Annual General Meeting -**

  Date: 28TH December, 2020
  Time: 03.30 P.M.
  Venue: Through Video Conference (VC) /Other Audio Visual Means (OAVM)

- **Financial Year**: 2019-20

- **Book Closure & Record Date**: As mentioned in the Notice of AGM

- **Dividend Payment Date**: Not Applicable

- **Listing Details & Stock Code along with Confirmation of payment of listing fees:**

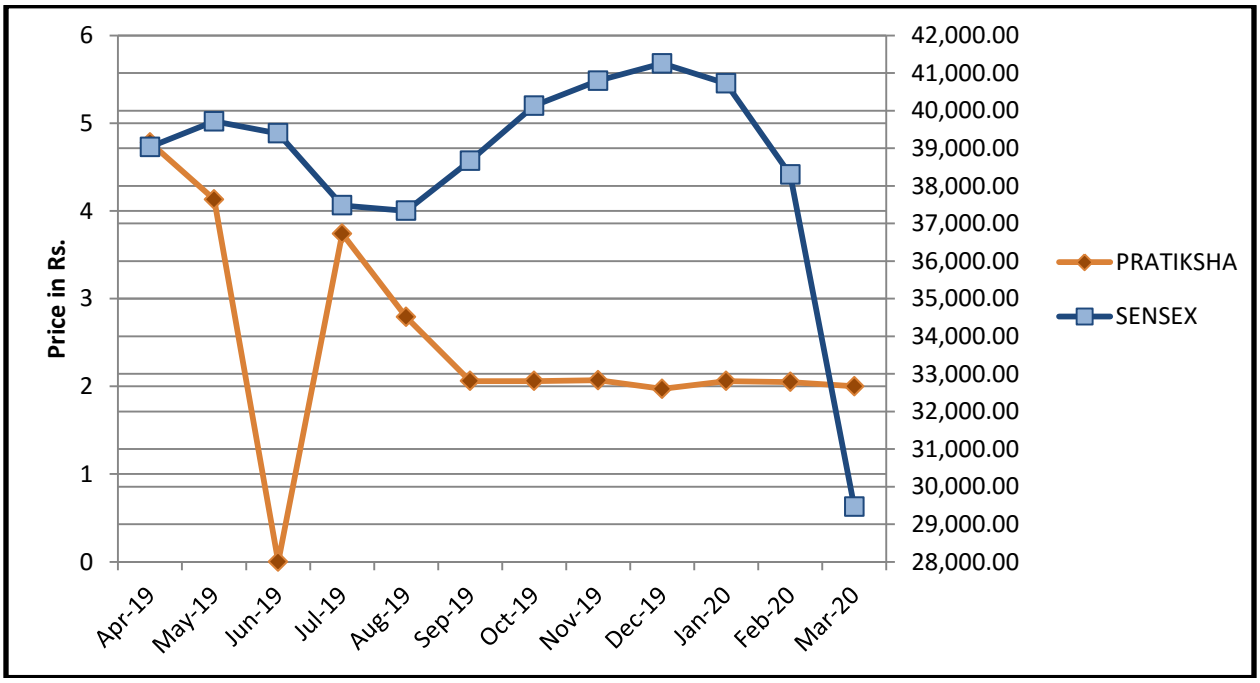
At present, the equity shares of the Company are listed on the BSE Limited (BSE). The Company has paid the listing fees for the year 2019-20 to the Stock Exchange.

Name of Stock Exchange	Stock Code
BSE Limited P J Towers, Dalal Street, Fort, Mumbai-400001	531257

- **Market price data- high, low during each month in last financial year;**

Month	Open	High	Low	Close
Apr 19	4.93	4.93	4.70	4.78
May 19	4.55	4.55	4.13	4.13
June 19	-	-	-	-
Jul 19	4.13	4.13	3.74	3.74
Aug 19	3.74	3.74	2.79	2.79
Sep 19	2.66	2.66	1.96	2.06
Oct 19	2.06	2.14	2.06	2.06
Nov 19	2.10	2.14	2.06	2.07
Dec 19	1.97	1.97	1.97	1.97
Jan 20	1.97	2.06	1.97	2.06
Feb 20	1.96	2.05	1.96	2.05
Mar 20	1.95	2.00	1.95	2.00

- **performance in comparison to broad-based indices such as BSE Sensex ;**



- **In case the securities are suspended from trading, the directors report shall explain the reason thereof**;: Not Applicable

- **Registrar to an issue and Share Transfer Agents:**

  PURVA SHAREGISTRY (INDIA) PVT. LTD,
  9 Shiv Shakti Industrial Estate,
  J R Boricha Marg, Opp Kasturba Hosp.,
  Lower Parel (E) ,Mumbai,Maharashtra,400011
  P : 022 - 23018261 / 23016761
  Website: www.purvashare.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 Regulation 40(9) & (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. These certificates have been submitted to the Stock Exchanges.

- **Distribution of shareholding;**

  Distribution of shareholding as on 31st March, 2020:

SHAREHOLDING OF NOMINAL VALUE	NUMBER	% OF TOTAL	IN RS	% OF TOTAL
UPTO 5,000	3980	86.80	5293260.00	9.50
5,001 - 10,000	258	5.63	2256040.00	4.05
10,001 - 20,000	183	3.99	3180620.00	5.71
20,001 - 30,000	49	1.07	1260170.00	2.26
30,001 - 40,000	26	0.57	941330.00	1.69
40,001 - 50,000	22	0.48	1052190.00	1.89
50,001 - 1,00,000	30	0.65	2084380.00	3.74
1,00,001 & ABOVE	37	0.81	39635410.00	71.15
TOTAL =>	4585	100.00	55703400.00	100.00

- **Category wise details of Shareholders**

Particulars	No of Shares	Percentage
Promoters and Relatives	2289000	41.09
Public	2094399	37.60
Body Corporate	939376	16.86
HUF	22519	0.40

NRI	174746	3.14
Clearing Member	50300	0.90
Total	**5570340**	**100.00**

- **Dematerialization of shares and liquidity:**

  4476280 (83.95 %) Equity Shares are in demat form as on March 31, 2020.

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

- **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:**

  The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2020, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

- **Commodity price risk or foreign exchange risk and hedging activities:**

  The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

- **plant locations:**

  Our factory is strategically located in Village Iyava-vasna, Tal: Sanand, Dist Ahmedabad. where all the raw materials are easily available. Proximity to two of the largest shipping ports in the country and government approved pigment testing laboratories are some of the added advantage. Our pigment testing and R&D laboratories are also located in the factory premises.

- **Address for Correspondence** : H K Complex, 3rd Floor, Near Dharnidhar Derasar, Paldi, Ahmedabad, Gujarat, 380007
  Tel. no.: 079-26632390,26640071,

- list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.: **Not Applicable**

X. DISCLOSURES:

- **Management Discussion and Analysis:**

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

- **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. The details of Related Party transaction entered into by the Company during the year has been mentioned in Annexure- IV Form no. AOC-2 of Board Report.

- 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.

- **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 and no person has denied access to the Audit Committee for reporting any such misconduct.

  The details of Whistle Blower Policy have been disclosed on the company's website www.pratikshachemicals.in

- **Accounting treatment:**

  The company has followed accounting treatment as prescribed in Indian Accounting Standard applicable to the company.

- **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
  - Corporate Social Responsibility policy

The details of the policies adopted have been disclosed on the company's website www.pratikshachemicals.in.

- **Disclosure Of Commodity Price Risks And Commodity Hedging Activities**: Not Applicable
- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not Applicable
- The certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been taken by the Company.
- There is no such matter or transactions for which the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year 2019-20.
- **Total fees for all services paid by the listed entity on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Auditors fees bifurcation	Amount (In Rs.)
Audit fees	65000
Total	**65000**

- **disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
  1. number of complaints filed during the financial year : Nil
  2. number of complaints disposed of during the financial year : Nil
  3. number of complaints pending as on end of the financial year : Nil
- **Disclosures with respect to demat suspense account/ unclaimed suspense account :** Not Applicable as the Company has not declared any dividend to the shareholders.

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

MANAGEMENT DISCUSSION AND ANALYSIS

1. OVERALL REVIEW ON INDUSTRY STRUCTURE & DEVELOPMENTS:

The Company represents small, medium, and large color pigments manufacturers throughout India, accounting for the bulk of the production of color pigments in India. The Company supplies superior quality pigment green 7 all over India.

- **INFRASTRUCTURE:**

  Our factory is strategically located in Village Iyava-vasna, Tal: Sanand, Dist Ahmedabad. Where all the raw materials are easily available.. Our pigment testing and R&D laboratories are also located in the factory premises.

- **RESEARCH & DEVELOPMENTS:**

  The manufacturing units has a well equipped laboratory assisted by a team of chemists and researchers for consistent Research and Development and support the Quality Control System which keeps an eye on the production process to yield the best from these production units.

The overall performance during the financial year 2019-20 has been satisfactory. However, the business operation of the Company has been slightly affected due to worldwide COVID-19 pandemic in the last quarter. However, there is no major impact on the financials of the Company due to COVID -19.

2. OPPORTUNITY & THREATS:

Color pigments are widely used in product compositions of all kinds, including paints, inks, plastics, glass, synthetic fibers, ceramics, colored cement products, textiles, cosmetics, and artists' colors which is itself a strength for the company.

Proximity to two of the largest shipping ports in the country and government approved pigment testing laboratories are some of the added advantage

Competition in the chemical industry can be treated as a threat to the company. The Company needs to lower the cost of manufacturing to cope up with the increasing competition and to earn optimum profit and growth of the Company.

The Company does not foresee any material impact of COVID -19 on liquidity and assumption of going concern. Till the time business operations at customers' end get fully functional and supplies chain with vendors totally restored, business operations of the Company will remain at sub-optimal level.

COVID -19 Pandemic is also an another threat to entire economy during the current scenario . However, The Company does not foresee any material impact on liquidity and assumption of going concern. Till the time business operations at customers' end get fully functional and supplies chain with vendors totally restored, business operations of the Company will remain at sub-optimal level.

3. SEGMENT–WISE OR PRODUCT-WISE PERFORMANCE:

On the basis of the principles for determination of segments given in Indian Accounting Standard 108 "Operating Segments" and in the opinion of management, the Company is primarily engaged in the business of manufacturing of Pigment Green -7. Accordingly segment wise disclosure of performance is not applicable to the Company.

4. BUSINESS OUTLOOK:

Colour Index Name	Pigment Green 7
Colour Index	74260
CAS Number	1328-53-6
Chemical Family	Polychlorinated Phthalocyanine
Synonyms	Phthalocyanine Green,Phtalo Green,Copper Phthalocyanine Green
Chemical Formula	C32 H2 N8 Cu CI14 The number of chlorine atoms per molecule may vary form 14 to 16
Molecular Weight	1058 - 1127

The Company has achieved higher turnover as compare to the previous financial year and it further expects growth of the company in future. The constant efforts of the Company and Research and Developments will lead the Company to the higher level. However, The Company will continue to monitor the future market conditions and update its assessment due to prevailing COVID -19 impact on entire economy.

5. RISK & CONCERN:

The building, plant and machinery, vehicle and stocks of the company are adequately insured.

6. 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.

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Total turnover for the year ended 31st March, 2020 was Rs. 1607.23 lakhs. This performance of the Company 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 weightage was laid upon.

8. HUMAN RESOURCE 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.

9. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING:

Ratio	2019-20	2018-19
Debtors Turnover	5.60 times	5.28 times
Inventory Turnover	2.27 times	2.76 times
Interest Coverage Ratio	3.61 times	3.28 times
Current Ratio	1.39	1.77
Debt Equity Ratio	0.12	0.71
Operating Profit Margin (%)	1.70%	2.34%
Net Profit Margin (%)	-0.99%	0.06%

10. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

Net worth of company as on 31.03.2020 was Rs 277.94 whereas on 31.03.2019 figure was Rs. 293.93. Marginal reduction in net worth is mainly due to loss recorded in profit and loss account.

11. BUSINESS ENVIRONMENT:

We are also fully committed towards care of Environment. We strongly believe in Greener Environment and understand that it is our social responsibility. As a part of our belief we pledge to establish full fledge Effluent Treatment Plant in all units and they operate under stringent Environmental criteria laid down by various Pollution Control Authorities.

12. 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: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

CEO / CFO CERTIFICATION

To,
The Board of Directors,
PRATIKSHA CHEMICALS LIMITED

I, **MR. JAYESH PATEL**, Director & CFO of M/S. **PRATIKSHA CHEMICALS LIMITED**, to the best of my knowledge and belief certify that:

1. I have reviewed the financial statements for the financial year ended on 31st March, 2020 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 Accounting Standards, applicable laws and regulations.
2. I further state that to the best of our knowledge and belief, there are 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, if any, in internal control over financial reporting during the year.
   b. Significant changes, if any, in accounting policies during the year;
   c. Instances of significant fraud, if any, 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: 09/11/2020

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

_____sd/-_____
MR. JAYESH PATEL
DIRECTOR & CFO
(DIN:00401109)

DECLARATION BY THE WHOLE TIME DIRECTOR ABOUT COMPLIANCE WITH CODE OF CONDUCT

I, MR. HARISH BHATT, Whole Time Director of **M/S. 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 **M/S. 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 2020.

PLACE: AHMEDABAD
DATE: 09/11/2020

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

_____sd/-_____
MR. HARISH BHATT
(WTD)
(DIN: 00400765)

PRATIKSHA CHEMICALS LIMITED

A.SHAH &ASSOCIATES
PRACTICING COMPANY SECRETARIES

CS ANISH B. SHAH
B.COM , LLB. FCS

D/413,Shiromani Complex, Opp.
Oceanic Park, Nehru Nagar
Satellite Road, AHMEDABAD-380015

anishshahcs@gmail.com

OFFICE: 079-26740953
MOBILE : +91-997-890-9231

CERTIFICATE OF COMPLAINCE WITH CORPORATE GOVERNANCE

To,
The Members of
PRATIKSHA CHEMICALS LIMITED

We have examined the compliance of the conditions of Corporate Governance by **M/S. PRATIKSHA CHEMICALS LIMITED** ('the Company') for the year ended **March 31, 2020** as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 .

- **Management's Responsibility:**

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents.

- **Our Responsibility:**

Our examination was limited to review of 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 opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended on 31st March, 2020.

- **Opinion:**

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 Listing Agreement and SEBI (Listing Obligation & Disclosure Requirement) Regulation, 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: 19/08/2020

FOR, M/S. A. SHAH & ASSOCIATES
PRACTICING COMPANY SECRETARIES

_____sd/-_____
MR. ANISH B. SHAH
PROPRIETOR
(COP NO. 6560)
(M. No.: 4713)
(UDIN: F004713B000593785)

CHANDABHOY & JASSOOBHOY

CHARTERED ACCOUNTANTS

CA GAUTAM N. SHAH
CA RAHUL G. DIVAN
CA NIMAI G. SHAH

PHONE : (079) 26586063 / 26586069
CELL : 98242 56190 / 98247 99760
E-MAIL : cnjabd@gmail.com
cnjabd@yahoo.com

No. 605-606-607, Silver Oaks, Nr. Mahalaxmi Cross Roads, Paldi, Ahmedabad-380 007, INDIA.

Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF PRATIKSHA CHEMICALS LIMITED

We have audited the quarterly financial results of **PRATIKSHA CHEMICALS LIMITED** for the quarter ended 31st March, 2020 and the year to date results for the period 1st April, 2019 to 31st March, 2020, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations. 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard: and

ii. give a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2020 as well as the year to date results for the period from 1st April, 2019 to 31st March, 2020 except in respect of the following matters :

a) The company is accounting for Gratuity and Leave encashment on cash basis. This is not in according with Ind AS – 1 on "Presentation of Financial Statement" and Ind AS – 19 on "Employee Benefits" prescribed by the Institute of Chartered Accounting of India and

CHANDABHOY & JASSOOBHOY ★ CHARTERED ACCOUNTANTS ★ SILVER OAKS ★ 605-606-607 ★ PALDI ★ AHMEDABAD

contrary to provision contained in Section 133 of The Companies Act, 2013. The extent of non-compliance in terms of value is not ascertainable.

b) Ind AS - 2 for "Inventories" has not been followed. The measurement and valuation methods followed by the Company as regards to inventory are not in accordance with accepted methodology. We are not in a position to quantify the effect of this discrepancy on the profitability and Balance Sheet.

Place : Ahmedabad
Date : 24th July, 2020

For Chandabhoy & Jassoobhoy

Partner
Chartered Accountants
Membership No. 100932
Firm Regn. No. 101648W
UDIN:- 20100932AAAADK9921

CHANDABHOY & JASSOOBHOY
CHARTERED ACCOUNTANTS

605-606-607, SILVER OAKS,
NEAR MAHALAXMI CHAR RASTA,
PALDI,
AHMEDABAD 380 007
Telephone Nos. 26586063
26586069
Fax: (079) 26586063
E-mail: cnjabd@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the members of PRATIKSHA CHEMICALS LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **PRATIKSHA CHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Qualified Opinion

i. **The company is accounting for Gratuity and Leave encashment on cash basis. This is not in according with Ind AS – 1 on "Presentation of Financial Statement" and Ind AS – 19 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. **Ind AS - 2 for "Inventories" has not been followed. The measurement and valuation methods followed by the Company as regards to inventory are not in accordance**

with accepted methodology. We are not in a position to quantify the effect of this discrepancy on the profitability and Balance Sheet.

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

Emphasis on matter

We draw attention to Note No. 22(5) to the standalone financial statements, as regarding management evaluation of COVID-19 impact on the future performance of the company.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

1. **Key Audit Matter - Utilization of Indirect tax receivables**

   As at March 31, 2020, balances with revenue authorities amounting to Rs. 11.81 lakhs are pending for reconciliation with individual bifurcation under CGST, SGST and IGST.

Management's responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements **subject to the matters mentioned in the 'Basis for Qualified Opinion' para above**, comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would 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.

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

Place : Ahmedabad
Date : 24th July, 2020

For Chandabhoy & Jassoobhoy

Partner
Chartered Accountants
Membership No. 100932
Firm Regn. No. 101648W

UDIN:- 20100932AAAADJ9459

"ANNEXURE A" REFERRED TO IN THE AUDITORS REPORT TO THE MEMBERS OF PRATIKSHA CHEMICALS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

i. **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 a 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 the title deed of immovable properties are in the name of the Company.

ii. **According to the information and explanation furnished to us, the inventories have not been physically verified during the year by the management.**

iii. The Company has not granted any loans 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, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

v. The Company has not accepted any deposits within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.

vi. The maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.

vii. To the best of our knowledge and according to the information and explanations given to us, the Company has been generally regular in depositing the undisputed statutory dues consisting of Provident fund, Employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues with the appropriate authorities. There are no dues in respect of income tax, sales tax, service tax, customs duty, excise duty or value added tax which have not been deposited on account of any dispute.

viii. The Company has not defaulted in repayment of loans or borrowings to a financial institutions, bank, Government or dues to debenture holders.

ix. In our opinion, the money raised by way of initial pubic offer or further public offer (including debt instruments) and term loans were applied for the purpose for which those were raised.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers and employees has been noticed or reported during the year.

xi. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. The Company is not a Nidhi Company as defined in section 406 of the Companies Act, 2013.

xiii. In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv. In case of non-cash transactions with directors or persons connected with him, if any, the provisions of section 192 of the Companies Act, 2013 have been complied with.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Ahmedabad
Date : 24th July, 2020

CHANDABHOY & JASSOOBHOY ★ CHARTERED ACCOUNTANTS ★ SILVER OAKS, 605-607, PALDI ★ AHMEDABAD

For Chandabhoy & Jassoobhoy

Partner
Chartered Accountants
Membership No. 100932
Firm Regn. No. 101648W

"ANNEXURE B" REFERRED TO IN THE AUDITORS REPORT TO THE MEMBERS OF PRATIKSHA CHEMICALS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

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, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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.

CHANDABHOY & JASSOBHOY ★ CHARTERED ACCOUNTANTS ★ SILVER OAKS ★ DELHI

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 2020 :

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, 2020, 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 year ended March 31, 2020 financial statements of the Company, and these material weaknesses does not affect our opinion on the financial statements of the Company.

For Chandabhoy & Jassoobhoy

Place : Ahmedabad
Date : 24th July, 2020

Partner
Chartered Accountants
Membership No. 100932
Firm Regn. No. 101648W

Pratiksha Chemicals Limited

Balance Sheet as at 31 March 2020

(Rs. In lakhs)

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	170.70	181.94
Capital Work-in-Progress		-	-
Investment Property		-	-
Goodwill		-	-
Other Intangible Assets		-	-
Intangible Assets under Development		-	-
Biological Assets Other Than bearer plants		-	-
Non-Current Financial Assets			
Investments	8	0.03	0.03
Loans and Advances		-	-
Other Financial Asset	8	10.03	7.68
Deferred tax assets (net)		-	12.88
Other Non-current assets	9	11.81	22.49
		192.58	225.02
Current Assets			
Inventories	10	75.53	372.59
Current Financial Assets			
Trade Receivables	11	311.36	262.90
Cash and Cash Equivalent	12	1.20	2.23
Other Current Financal Assets	13	19.02	1.05
Current tax assets (net)		-	-
		407.11	638.77
TOTAL ASSETS		599.68	863.79
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	1	557.03	557.03
Other Equity			
Retained Earnings	2	(279.10)	(263.11)
Other Reserves		-	-
Equity attributable to Equity Holders of the Parent		277.94	293.93
Non-controlling interests		-	-
Total Equity		277.94	293.93
Non-Current liabilities			
Non-Current Financial Liabilities			
Borrowings, non-current	3	19.96	208.88
Trade Payables,Non-Current		-	-
Other Non-Current financial Liabilities		-	-
Provision,Non Current		-	-
Deferred Tax Liabilities(Net)		9.77	-
Other Non-Current Liabilities		-	-
		29.73	208.88
Current liabilities			
Financial Liabilities			
Borrowings,Current	3	14.50	2.97
Trade and Other Payables	4	269.44	352.65
Other current liabilities	5	0.57	0.49
Provisions	6	2.72	4.89
Current tax liabilities (net)		4.80	-
		292.02	360.99
Total Liabilities		321.75	569.87
TOTAL EQUITY AND LIABILITIES		599.68	863.79

The accompanying notes are an integral part of the financial statements
As per our report of evendate annexed

For Chandabhoy & Jassoobhoy
Chartered Accountants
FRN: 101648W

Nimai Shah
Partner
M.No.: 100932

Place: Ahmedabad
Date: 24th July, 2020

For and on behalf of the board
Pratiksha Chemicals Limited
CIN : L24110GJ1991PLC015507

Upendra Adhvaryu
Director
DIN : 00483857

Jayesh Patel
Director & CFO
DIN : 00401109

Jigisha Kadia (CS)
M No.: A52820

Place: Ahmedabad
Date: 24th July, 2020

Pratiksha Chemicals Limited

Statement of Profit & Loss for the year ended on 31st March, 2020

(Rs. In lakhs)

Particulars	Note No.	Year ended 31 March 2020	Year ended 31 March 2019
I. Income			
Revenue from operations	14	1,607.23	1,158.59
Other income	15	2.78	1.54
		1,610.02	**1,160.13**
II. Expenses			
Cost of raw material Consumed	16	1,016.39	1,004.52
Changes in inventories of Finished goods & Work-in-progress	17	309.72	(112.11)
Employee benefits expense	18	108.91	95.77
Depreciation and amortisation expense	19	25.77	29.10
Finance costs	20	15.93	19.02
Other expenses	21	121.83	115.74
		1,598.56	**1,152.04**
III. Profit before exceptional items and tax (I - II)		**11.46**	**8.09**
IV. Exceptional items (net)		-	-
V. Profit before tax (III - IV)		**11.46**	**8.09**
VI. Tax expense			
- Current tax		4.80	1.67
- MAT credit entitlement		-	-
- Income tax expenses of ealier year		-	-
- Deferred tax (charged) / Benefit		22.65	5.73
		27.45	**7.40**
VII. Profit for the year (V - VI)		**(15.99)**	**0.69**
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan		-	-
Income tax effect on above		-	-
		-	-
IX. Total comprehensive income for the year (VII-VIII)		**(15.99)**	**0.69**

The accompanying notes are an integral part of the financial statements
As per our report of evendate annexed

For Chandabhoy & Jassoobhoy
Chartered Accountants
FRN: 101648W

Nimai Shah
Partner
M.No.: 100932

For and on behalf of the board
Pratiksha Chemicals Limited
CIN : L24110GJ1991PLC015507

Upendra Adhvaryu
Director
DIN : 00483857

Jayesh Patel
Director & CFO
DIN : 00401109

Jigisha Kadia (CS)
M No.: A52820

Place: Ahmedabad
Date : 24th July, 2020

Place: Ahmedabad
Date: 24th July, 2020

Pratiksha Chemicals Limited

Statement of changes in equity for the year ended 31 March 2020

(Rs. In lakhs)

A. Equity share capital

Particulars			Nos.
Balances as at March 31, 2018			**5,570,340**
Changes in equity share capital			-
Balances as at March 31, 2019			**5,570,340**
Changes in equity share capital			-
Balances as at March 31, 2020			**5,570,340**

B. Other equity

Particulars	Securities Premium	Retained Earnings	TOTAL OTHER EQUITY
As at 31 March 2018	**43.14**	**(306.95)**	**(263.80)**
Profit for the year	-	0.69	0.69
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	0.69	0.69
As at 31 March 2019	**43.14**	**(306.25)**	**(263.11)**
Profit for the year	-	(15.99)	(15.99)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(15.99)	(15.99)
As at 31 March 2020	**43.14**	**(322.24)**	**(279.10)**

The accompanying notes are an integral part of the financial statements
As per our report of evendate annexed

For Chandabhoy & Jassoobhoy
Chartered Accountants
FRN: 101648W

Nimai Shah
Partner
M.No.: 100932

Place: Ahmedabad
Date : 24th July, 2020

For and on behalf of the board
Pratiksha Chemicals Limited
CIN : L24110GJ1991PLC015507

Upendra Adhvaryu
Director
DIN - 00483857

Jigisha Kadia (CS)
M No.: A52820

Jayesh Patel
Director & CFO
DIN - 00401109

Place: Ahmedabad
Date : 24th July, 2020

Pratiksha Chemicals Limited

Cashflow Statement for the year ended on 31st March, 2020

(Rs. In lakhs)

Particulars	Year ended 31 March 2020		Year ended 31 March 2019	
A CASH FLOW FROM OPERATING ACTIVITIES :				
Profit before tax		11.46		8.09
Adjusted for :				
Taxes	(2.34)		(7.40)	
Depreciation	25.77		29.10	
Finance costs	15.93	39.36	19.02	40.72
Operating Profit before Working Capital Changes		50.82		48.82
Adjustments for :				
Inventories	297.06		(97.37)	
Trade receivables	(48.46)		(86.65)	
Other current assets	(17.97)		3.78	
Trade & other payables	(83.22)		88.82	
Short term provisions	2.63		4.38	
Other liabilities	0.08	150.12	(0.35)	(87.39)
Operating Profit after Working Capital Changes		200.95		(38.57)
Taxes paid		(4.80)		(3.63)
Net Cash outflow from Operating Activities		196.15		(42.20)
B CASH FLOW FROM INVESTING ACTIVITIES :				
Property, plant and equipment	(14.54)		(15.97)	
Non-current investments	-		-	
Other non-current assets	10.68		15.13	
Net Cash (used in) Investing Activities		(3.86)		(0.83)
C CASH FLOW FROM FINANCING ACTIVITIES :				
Finance costs	(15.93)		(19.02)	
Non-current borrowings	(177.39)		20.74	
Net Cash (used in) Financing Activities		-193.32		1.72
Net Increase in Cash and Cash Equivalents [A + B + C]		(1.03)		(41.32)
Opening Balance of Cash and Equivalents		2.23		43.54
Closing Balance of Cash and Cash Equivalents		1.20		2.23

The accompanying notes are an integral part of the financial statements
As per our report of evendate annexed

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

2

Cash and cash equivalents comprises :	As at 31.03.2020	As at 31.03.2019
Balances in current account with banks	0.20	0.35
Cash on hand	0.99	1.88
Cash and cash equivalents in Cash Flow Statement	**1.20**	**2.23**

3 Ind AS 7 cash flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liability arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet disclosure

Particulars	As at 31.03.2019	Cash flows/non cash changes	As at 31.03.2020
Borrowings - Non Current	208.88	-188.92	19.96
Borrowings - Current	2.97	11.53	14.50

For Chandabhoy & Jassoobhoy
Chartered Accountants
FRN: 101648W

Nimai Shah
Partner
M.No.: 100932

Place: Ahmedabad
Date : 24th July, 2020

For and on behalf of the board
Pratiksha Chemicals Limited
CIN : L24110GJ1991PLC015507

Upendra Adhvaryu
Director
DIN : 00483857

Jayesh Patel
Director & CFO
DIN : 00401109

Jigisha Kadia (CS)
M No.: A52820

Place: Ahmedabad
Date : 24th July, 2020

Pratiksha Chemicals Limited

Notes to financial statements for the year ended on 31st March, 2020 **(Rs. In lakhs)**

Note: 1 Equity Share Capital Authorised Share Capital	No.	Amount
At 31st March 2018	7,500,000	750.00
Increase/(decrease) during the year	-	-
At 31st March 2019	7,500,000	750.00
Increase/(decrease) during the year	-	-
At 31st March 2020	**7,500,000**	**750.00**

Equity shares of INR 10 each issued, subscribed and fully paid	No.	Amount
At 31st March 2018	5,570,340	557.03
Increase/(decrease) during the year	-	-
At 31st March 2019	5,570,340	557.03
Increase/(decrease) during the year	-	-
At 31st March 2020	**5,570,340**	**557.03**

1.1 The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March 2020	
	No. of Shares	% held
Shri Harshad K Patel	689,232	12.37
Shri Harish K Bhatt	795,890	14.29
Jayesh Patel	353,950	6.35
Jay Ambe Distributors Private Limited	532,700	9.56

1.2 "The Company has only one class of shares i.e. Equity shares having face Value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share."

Note: 2 Retained Earnings	As at 31st March 2020	As at 31st March 2019
As per last Balance sheet	(306.25)	(306.95)
Profit/(loss) during the year	(15.99)	0.69
Retained Earnings	**(322.24)**	**(306.25)**
Securities Premium	43.14	43.14
Balance at the end of the year	**(279.10)**	**(263.11)**

Note 3: Borrowings	As at 31st March 2020	As at 31st March 2019
Bank Overdraft (Secured)	19.96	194.38
Vehicle Loan (Secured)	14.50	17.46
	34.45	211.84
Current	**14.50**	**2.97**
Non-Current	**19.96**	**208.88**
	34.45	211.84

Bank overdraft is considered as non-current liability since it is not expected to settled within next 12 months of the reporting date.

Note 4: Trade Payables and Other Payables	As at 31st March 2020	As at 31st March 2019
Trade Payables	269.44	352.65
	269.44	**352.65**

Note 5: Other current liabilities	As at 31st March 2020	As at 31st March 2019
Statutory liabilities	0.57	0.49
	0.57	**0.49**

Note 6: Provisions	As at 31st March 2020	As at 31st March 2019
Provision for employees - PF and ESI	0.22	Nil
Income tax provision (MAT)	Nil	1.67
Other Provisions	2.49	3.22
	2.72	**4.89**

Note 7: Property, Plant and Equipment Cost	Land	Building	Plant and Equipment	Vehicles	Office equipment & furnitures	Total
At 31 March 2018	**15.30**	**137.79**	**712.23**	**28.73**	**7.42**	**901.47**
Additions	-	-	15.97	-	-	**15.97**
Disposal	-	-	-	-	-	-
At 31 March 2019	**15.30**	**137.79**	**728.20**	**28.73**	**7.42**	**917.43**
Additions	-	-	13.99	-	0.55	**14.54**
Disposal	-	-	-	-	-	-
At 31 March 2020	**15.30**	**137.79**	**742.18**	**28.73**	**7.97**	**931.97**

Pratiksha Chemicals Limited

Notes to financial statements for the year ended on 31st March, 2020 **(Rs. In lakhs)**

Depreciation and Amortisation	Land	Building	Plant and Equipment	Vehicles	Office equipment & furnitures	Total
At 31 March 2018	-	**97.58**	**595.41**	**6.36**	**7.05**	**706.40**
Additions	-	8.96	13.98	6.17	-	**29.11**
Disposal	-	-	-	-	-	-
At 31 March 2019	-	**106.54**	**609.39**	**12.53**	**7.05**	**735.50**
Additions	-	8.11	12.94	4.24	0.48	**25.77**
Disposal	-	-	-	-	-	-
At 31 March 2020	-	**114.65**	**622.33**	**16.77**	**7.53**	**761.27**
Net Book Value						
At 31 March 2020	15.30	23.15	119.85	11.95	0.44	**170.70**
At 31 March 2019	15.30	31.25	118.81	16.20	0.37	**181.93**
At 31 March 2018	15.30	40.21	116.82	22.37	0.37	**195.07**

Note 8: Non-current Financial Assets	As at 31st March 2020	As at 31st March 2019
Investments		
Unquoted Shares of Co-Op Bank		
Ahmebabad Co-Op Bank Limited	0.00	0.00
The Union Co-Op Bank Limited	0.03	0.03
Total Investment	**0.03**	**0.03**
Current	**Nil**	**Nil**
Non-Current	**0.03**	**0.03**
Aggregate Value of Unquoted Investments	0.03	0.03
Other Financial Assets (Bank and Other Deposits)	10.03	7.68
	10.03	**7.68**

Note 9: Other non-current assets	As at 31st March 2020	As at 31st March 2019
Balance With Revenue Authority	11.81	22.49
	11.81	**22.49**

Note 10: Inventories	As at 31st March 2020	As at 31st March 2019
Consumables		
- Fuel	1.73	0.70
- Packing Material	2.75	2.25
- Raw material	40.78	29.65
Work in Progress		
- Work in Progress	30.28	317.85
Finished goods		
- Finished goods	Nil	22.14
	75.53	**372.59**

Note 11: Trade Receivables	As at 31st March 2020	As at 31st March 2019
Trade Receivables		
- Unsecured Considered Good	304.26	262.90
- Others Receivables	7.11	Nil
	311.36	**262.90**

Note 12: Cash and Cash Equivalents	As at 31st March 2020	As at 31st March 2019
Balance with Banks:		
-On Current Account	0.20	0.35
Cash on Hand	0.99	1.88
	1.20	**2.23**

Note 13: Other current Financial Assets	As at 31st March 2020	As at 31st March 2019
TDS receivable	0.07	0.04
Pre -payments	1.45	1.01
Advances receivebale in cash or in kind	0.51	Nil
Advance from suppliers	16.99	Nil
	19.02	**1.05**

Pratiksha Chemicals Limited

Notes to financial statements for the year ended on 31st March, 2020 **(Rs. In lakhs)**

14 Revenue from operations	Year ended 31 March 2020	Year ended 31 March 2019
Domestic sales	1,526.51	1,149.33
Export Sales	80.73	9.26
Total	**1,607.23**	**1,158.59**

15 Other income	Year ended 31 March 2020	Year ended 31 March 2019
(a) Interest Income		
FD interest	0.62	0.29
(b) Other Income		
Forein Exchange Fluctuation	0.90	0.33
Discount Received	1.26	-
Misc income (net)	-	0.92
Total	**2.78**	**1.54**

16 Cost of Raw Material Consumed	Year ended 31 March 2020	Year ended 31 March 2019
Opening stock	32.60	47.33
Purchases	1,029.05	989.79
Less	-	-
Closing stock	(45.25)	(32.60)
Total	**1,016.39**	**1,004.52**

17 Changes in inventories of Finished goods, Work-in-progress & Stock in trade	Year ended 31 March 2020	Year ended 31 March 2019
Opening Stock		
- Finished Goods	22.14	40.40
- WIP	317.85	187.49
Less: Closing stocks		
- Finished Goods	-	(22.14)
- WIP	(30.28)	(317.85)
Total	**309.72**	**(112.11)**

18 Employee benefit expenses	Year ended 31 March 2020	Year ended 31 March 2019
Labour expenses	61.28	56.19
Salary expenses	11.70	6.77
Bonus and contribution to funds	8.12	9.92
Staff welfare expenses	2.31	2.25
Leave allowance	0.11	-

Pratiksha Chemicals Limited

Notes to financial statements for the year ended on 31st March, 2020 **(Rs. In lakhs)**

Director's remuneration	25.40	20.64
Total	**108.91**	**95.77**

19 Depreciation and amortisation expense	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation on property, plant and equipments	25.77	29.10
Total	**25.77**	**29.10**

20 Finance costs	Year ended 31 March 2020	Year ended 31 March 2019
Bank Interest	14.28	16.34
Processing and other charges	1.65	2.67
Total	**15.93**	**19.02**

21 Other expenses	Year ended 31 March 2020	Year ended 31 March 2019
MANUFACTURING EXPENSES		
Electricity expenses	53.55	54.82
Transportation charges	25.87	21.73
Factory expenses	4.58	3.87
Factory overtime expenses	1.56	1.05
Annual custody fees	0.23	-
Other expenses	1.43	0.70
ADMINISTRATIVE EXPENSES		
Insurance premia	2.23	1.95
Auditor's remuneration	0.65	0.65
Commission expenses	2.38	-
Legal and professional fees	6.03	2.31
Office rent expenses	2.40	3.00
Pollution control and environmental charges	5.71	7.65
Repair and maintenance expenses	6.37	7.85
Listing and other fees	3.38	4.12
Prior period expenses (net)	0.99	2.55
Stationary and printing expenses	0.98	0.90
Bad debts	-	0.86
Internet and Communication charges	0.25	0.82
Vehicle expenses	1.98	-
Other expenses	1.26	0.90
Total	**121.83**	**115.74**

CHANDABHOY & JASSOBHOY * CHARTERED ACCOUNTANTS * PALDI

Pratiksha Chemicals Limited

CIN: L24110GJ1991PLC015507

Notes to Financial Statements for The Year Ended March 31, 2020

NOTE: 22 ADDITIONAL NOTES:

1. 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.

2. **RELATED PARTY DISCLOSURES:**

(a) List of related parties with whom transactions have taken place during the year:

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

b) **TRANSACTIONS WITH RELATED PARTIES**

Rs. In lakhs

Sr. No.	Nature of transaction	2019-20	2018-19
(i)	Unsecured Loans		
	- Key Management Personnel and Relatives		
	- Repayment	-	-
	- Received	-	-
	- Concern in which Directors are interested		
	- Repayment	-	-
	- Received	-	-

Pratiksha Chemicals Limited

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Notes to Financial Statements for The Year Ended March 31, 2020

(ii)	Managerial Remuneration		
	- Jayesh K Patel	18.20	15.60
	- Harish K Bhatt	7.20	5.04
(iii)	Salary expense		
	-Harshad K Patel	3.60	-
(iv)	Office Rent		
	- Harish K Bhatt HUF	0.60	-
	- Surbhiben H Bhatt	0.60	-
	- Ratnakalaben H Patel	0.60	-
	- Harshad K Patel HUF	0.60	-
(iv)	**Outstanding Balances:**		
	Unsecured Loan		
	Payable by company		
	- Concerns in which Directors are interested	-	-
	- Key Management Personnel and Relatives	-	-
	Managerial Remuneration		
	- Jayesh K Patel	1.20	1.02
	- Harish K Bhatt	0.56	0.38
	Salary Expenses		
	- Harshad K Patel	0.54	-

3. PARTICULARS OF EARNING PER SHARE:

Rs. In lakhs

Particulars	2019-20	2018-19
Net Profit/(Loss) for the year	(15.99)	0.69
Number of equity shares	55.70	55.70
Nominal value of the share	10	10
Basic EPS	(0.29)	0.01
Diluted EPS	(0.29)	0.01

Pratiksha Chemicals Limited

CIN: L24110GJ1991PLC015507

Notes to Financial Statements for The Year Ended March 31, 2020

4. AUDITORS' REMUNERATION IS MADE UP OF: – (EXCLUDING GST)

Rs. In lakhs

Particulars	2019-20	2018-19
For Statutory Audit	0.65	0.35
For Taxation Matters	0.00	0.10
For Other Services	0.00	0.20
Total	**0.65**	**0.65**

5. The Company has evaluated the impact of COVID-19 on its financial statements based on the internal and external information up to the date of approval of these financial statements and expect to recover the carrying amount of inventories, receivables and investments. The Company does not foresee any material impact on liquidity and assumption of going concern. Till the time business operations at customers' end get fully functional and supplies chain with vendors totally restored, business operations of the Company will remain at sub-optimal level. The Company will continue to monitor the future market conditions and update its assessment.

6. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided
as under to the extent the company has received intimation from the "Suppliers" regarding their status under the Act.

(Amount in Rs. lakhs)

Sr No	Particulars	As at 31.03.2020	As at 31.03.2019
(a)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
>	Principal amount due to micro and small enterprise	0.65	Nil
>	Interest due on above	Nil	Nil
(b)	Interest paid by the Company in terms of Section 16 of the Micro,Small and Medium Enterprises Development Act,2006, alongwith the amount of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
(c)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified	Nil	Nil

	under the Micro,Small and Medium Enterprises Act,2006		
(d)	The amount of interest accured and remaining unpaid at the end of each accounting year	Nil	Nil
(e)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.This has been relied upon by the auditors.

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

As per our attached report of even date

Chandabhoy & Jassoobhoy
Chartered Accountants
FRN : 101648W

Nimai Shah
Partner
M.No.: 100932

For and on behalf of the Board
Pratiksha Chemicals Limited
CIN : L24110GJ1991PLC015507

Upendra Adhvaryu
Director
DIN - 00483857

Jayesh Patel
Director & CFO
DIN – 00401109

Jigisha Kadia (CS)
M No.: A52820

Place: Ahmedabad
Date: 24th July, 2020

Place: Ahmedabad
Date: 24th July, 2020

Pratiksha Chemicals Limited

Notes forming part of the financial statements

1. 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 public 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.

2. Basis of preparation of financial statements

The financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities which have been measured at fair value (Refer accounting policy regarding financial instruments)

The financial statements are presented in INR, except when otherwise indicated.

3. Significant accounting policies

i) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The company has identified 12 months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

ii) Revenue Recognition

Revenue shall be recognised when the entity has transferred to the buyer the significant risk and rewards of ownership of goods, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity, and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Amount due in respect of the claim is recognized as revenue only when there are conditions stipulated in the contracts for such claims are evidenced inter-alia by way of confirmation by the customers.

a) Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

b) Interest income

For all debt instruments measured at amortized cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in 'finance income' in the statement of profit and loss. Interest income on interest bearing financial assets classified as fair value through profit and loss is shown under other income.

iii) Exceptional items

On certain occasions, size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

iv) Property, Plant and Equipment

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its previous GAAP financial statements as deemed cost at the transition date, viz., 1 April, 2015.

Subsequent to initial recognition, property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of the replaced part accounted for as a separate asset previously is derecognized. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on property, plant and equipment is provided on written down value basis as per the rate derived on the basis of useful life and method prescribed under Schedule – II of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate

v) Intangible Assets:

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its intangible assets as recognised in its previous GAAP financial statements as deemed cost at the transition date, viz., 1 April, 2015

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

vi) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre -tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the statement of profit and loss.

vii) Taxes on income

a) Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current taxes are recognized in profit or loss except to the extent that the tax relates to items recognized in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred income tax is recognized on all temporary differences which are the differences between the carrying amount of an asset or liability in the statement of financial position and its tax base except when the deferred income tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax liabilities are recognized for all taxable temporary differences; and deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to

allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date and based on the tax consequence which will follow from the manner in which the Company expects, at financial year end, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to item recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liability and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognized as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

vii) Foreign Currency transactions

The Company's financial statements are presented in INR, which is also the company's functional currency. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

viii) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

ix) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the

purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

x) Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made to the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. when discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

b) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. Contingent assets are disclosed if the inflow of economic benefits is probable.

xi) Leases

For arrangements entered into prior to 1st April, 2015, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

Operating Lease :

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lesser are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

xii) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

a) Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except for financial assets classified as fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:
i) Debt instruments measured at amortised cost
ii) Debt instruments measured at fair value through other comprehensive income (FVTOCI)
iii) Debt instruments measured at fair value through profit or loss (FVTPL)
iv) Equity instruments measured at FVTOCI or FVTPL

Debt instruments

The subsequent measurement of debt instruments depends on their classification. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

i) Debt instruments measured at amortised cost

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

ii) Debt instruments measured at FVTOCI

Debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payment of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in the OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

iii) Debt instruments measured at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iv) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all

changes recognized in the statement of profit and Loss.

B. Derecognition of financial assets

A financial asset is derecognised only when
i) The Company has transferred the rights to receive cash flows from the financial asset or
ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

C. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:
i) Financial assets measured at amortised cost
ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to
i) the twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve after the reporting date) or
ii) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Company follows 'simplified approach' for impairment loss allowance on trade receivables.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition, if credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to

recognising impairment loss allowance based on twelve months ECL.

D. Financial liabilities

a) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss.

b) Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:
i) Financial liabilities measured at amortised cost
ii) Financial liabilities measured at FVTPL (fair value through profit or loss)

i) Financial liabilities measured at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

ii) Financial liabilities measured at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the statement of profit and loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

xii) Fair value measurement

The Company measures financial instruments, such as, investment in debt and equity instruments at fair value at each reporting date.

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

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

- Level 1 —
Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 —
Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 —
Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

xiii) Inventory

Raw material, Work in progress, and Finish goods shall be measured at the lower of cost or net realizable value. The cost of inventory shall be assigned by using weighted average cost

formula.

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.