

**DIRECTORS' REPORT**

To  
The Members,

Your Directors present herewith the 29th Annual Report along with the Audited Financial Statement for the year ended 31st March 2018.

**1. FINANCIAL RESULTS:**

	(Rs. in lakhs)	
	<b>Year ended on 31-03-2018</b>	<b>Year ended on 31-03-2017</b>
Total Income	7.30	10.00
Gross Profit before Interest & Extraordinary Item	0.72	0.58
Less: Interest & Finance charges	0	0
Less: Extraordinary Item		0
Profit / (Loss) before Tax	0.72	0.58
Less: Provision for Taxation	--	--
Profit/(Loss) after Taxation	0.72	0.58
Balance brought forward from previous year	(368.65)	(369.23)
Balance carried to Balance Sheet	(367.93)	(368.65)

**2. FINANCIAL PERFORMANCE**

During the current year, your Company has registered revenue of Rs. 7.30 lakhs, as compared to Rs. 10 lakhs in the previous financial year. Your company has earned a net profit of Rs. 0.72 lakhs as compared to profit of Rs. 0.58 lakhs in the previous financial year.

**3. OPERATIONS & STATE OF AFFAIRS OF THE COMPANY**

During the year, the Company had not ventured into any new business and had not carried out any business activities. The Management is still looking for new business avenues for the growth the Company. As the new area of operation is still under consideration, your Directors are unable to comment on the future prospects of the Company.

**4. CHANGE IN NATURE OF BUSINESS**

During the financial year 2017-18, Company has not changed its nature of business and not carried out any activity during the year.

**5. CONSOLIDATION OF ACCOUNTS OF SUBSIDIARY COMPANY**

Since the Company does not have any subsidiary, there is no requirement for consolidation of account and to provide statement containing the salient features of the financial statement of the subsidiary.

**6. DETAILS OF NEW SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

During the financial year, no Company became or ceased to be the Subsidiary, Joint Venture or Associate Company.



## **7. DIVIDEND AND TRANSFER TO RESERVES**

In view of the accumulated losses of the Company, your Directors do not recommend any dividend for the year 2017-18 and no amount has been transferred to Reserve during the year 2017-18.

## **8. DEPOSIT**

During the year under review, your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Companies Act, 2013.

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

There is no occurrence of material change and commitment made between the end of the financial year and date of this report which has affected the financial position of the company.

## **10. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company vide resolution passed on July 27, 2017 approved re-appointment of Mr. Gunwantraj M. Singhvi as Managing Director on the Board of the Company with effect from September 22, 2017 for a period of 3 years, which was approved by the shareholders at the 28<sup>th</sup> AGM held on 30<sup>th</sup> September, 2017.

Mr. Uttamchand Jain, has resigned as Director of the Company w.e.f. 27<sup>th</sup> November, 2017.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mrs. Nisha Singhvi, Director of the Company retires by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting.

None of the Directors of the Company are disqualified for being appointed and re-appointed as Directors in terms of Section 164 of the Companies Act, 2013.

## **11. DECLARATION BY INDEPENDENT DIRECTOR**

The Company has received declarations from both the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the applicable provisions of section 149(6) of the Act.

## **12. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of Annual Return in Form MGT-9 is annexed herewith as "Annexure I".

## **13. MEETINGS**

The details of date of meetings of Board of Directors and its Committees along with the attendance of each director at the Meetings of the Board and Committees are annexed herewith as "Annexure II". The intervening gap between the Board meetings were within the period prescribed under the Companies Act, 2013 and the Secretarial Standard on Board Meetings issued by ICSI.

## **14. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;



- (ii) the directors had 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 at the end of the financial year and of the profit of the Company for the period;
- (iii) the directors had 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;
- (iv) the directors have prepared the annual accounts on a going concern basis;
- (v) that proper internal financial controls were in place and that the financial controls were adequate and operating effectively.
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### 15. CORPORATE SOCIAL RESPONSIBILITY

The provision of Section 135 pertaining to Corporate Social Responsibility is not applicable to the Company for the financial year 2017-18.

#### 16. AUDIT COMMITTEE AND NOMINATION & REMUNARATION COMMITTEE

The Audit Committee of the Company is constituted in accordance with Section 177(2) of the Companies Act, 2013. The Composition of the Audit Committee is as follows:

Name of the Director	Category	Status
Mr. Jayesh Shah	Independent Non-Executive	Chairman
Mr. Kulmeet Saggu	Independent Non-Executive	Member
Mr. Gunwantraj Singhvi	Promoter Executive	Member

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination and Remuneration Policy is annexed herewith as “Annexure III”.

#### 17. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year, the company has not given any loans or guarantee or provided any security to any persons or body corporate or made investment in any security within the meaning of Section 186 of the Companies Act, 2013.

#### 18. RELATED PARTY CONTRACTS

During the year, Company has not entered into any transaction referred to in sub-section (1) of section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its powers) Rules, 2014 with related parties.

#### 19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

During the year, company has not undertaken any operational activities. However, as required under Section 134(3) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, to the extent applicable is annexed herewith as “Annexure IV”.

**20. RISK MANAGEMENT**

Your company has been regularly assessing the risk and ensures that the risk mitigation plans are in place.

**21. FORMAL ANNUAL EVALUATION**

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

At a separate meeting of independent Director, 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.

**22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

**23. INTERNAL FINANCIAL CONTROL**

Your Company has Internal Control system to ensure an effective internal control environment that provides assurance on the efficiency of conducting business, including adherence to the Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of Accounting records and the timely preparation of reliable financial disclosures.

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

Your Directors state that during the year under review, there were no cases reported pursuant to the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013.

**25. ESTABLISHMENT OF VIGIL MECHANISM**

The Company has a Vigil Mechanism to deal with the instances of fraud and mismanagement, if any. The Vigil Mechanism Policy had been recommended by the Audit Committee and thereafter approved and adopted by the Board of Directors of the Company. The vigil mechanism is available on the Company's website at [www.pratikpanels.com](http://www.pratikpanels.com)

**26. PARTICULARS OF EMPLOYEES:**

In terms of the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures pertaining to remuneration and other details are appended as 'Annexure V' to the Directors' Report.

None of the employees of the Company employed throughout the year were in receipt of remuneration in excess of the limits set out in Rule 5(2) of the said rules.



## 27. AUDITORS

### Statutory Auditors

The present Auditor, M/s. Monika Jain & Co., Chartered Accountants (ICAI Firm Registration No. 130708W) were appointed as the Statutory Auditors of the Company at the Annual General Meeting of the members held on 30<sup>th</sup> September, 2017 for a term of 5 years. However, the Company has received a letter of resignation from the Statutory Auditors expressing their unwillingness to act as the Auditors of the Company due to preoccupation.

The Audit Committee of the Company has proposed the Board and the Board is recommending to the members, the appointment of M/s. Jain Jagawat Kamdar & Co., Chartered Accountants (ICAI Firm Registration No. 122530W) in place of M/s. Monika Jain & Co., Chartered Accountants as Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the ensuing Annual General Meeting till the conclusion of the 34<sup>th</sup> Annual General Meeting to be held in the year 2023.

The Company has received a written consent and certificate from M/s. Jain Jagawat Kamdar & Co., Chartered Accountants, (Firm Reg. No. 122530W), to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013.

Necessary resolution for appointment of the said Auditors is included in the Notice of Annual general Meeting for seeking approval of members.

### Secretarial Auditor

The Board had appointed M/s. Jayshree A. Lalpuria & Co, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2018 is annexed herewith as “Annexure VI”.

## 28. AUDITOR’S REPORT

### Statutory Auditor’s Report

The Statutory Auditors have expressed an unmodified opinion in the Audit Report in respect of the audited financial statement for the financial year ended 31<sup>st</sup> March, 2018. There are no qualifications or adverse remarks in the Statutory Auditors’ Report which require any explanation from the Board of Directors.

### Reporting of fraud by the Auditor under Section 143(12) of the Companies Act, 2013

The Board of Directors state that M/s. Monika Jain & Co., Statutory Auditors have not reported of any fraud involving any amount committed by the Company to the Central Government, Audit Committee or to the Board of Directors of the Company.

### Secretarial Auditor’s Report

As regards remarks of the Secretarial Auditor in her report, the Directors wish to clarify that:

The Company has not carried out any business activity during the year and due to financial constraints Company could not appoint Internal Auditor pursuant to section 138 of the Companies Act, 2013, Chief Financial Officer as required under Section 203(1) of the Act and did not publish the notice of closure of its Register of members and transfer register in newspapers as required to be given pursuant to section 91 of the Companies Act, 2013 and intimation regarding Board Meeting and also its Audited (yearly) and Un-audited (quarterly) Financial Results as required under Regulation 47 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



**29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report as required under Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in Annexure VII and forms a part of the Annual Report.

**ACKNOWLEDGEMENT**

The Directors wish to place on record their appreciation of the continued support and cooperation received from various customers, banks, employees and other stakeholders of the company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
PRATIK PANELS LIMITED**

**GUNWANTRAJ M. SINGHVI  
MANAGING DIRECTOR  
DIN: 00218731**

**JAYESH SHAH  
DIRECTOR  
DIN: 00218776**

**Place : Mumbai  
Date : 30th July, 2018**