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- FAX : 022 - 2405 7708
- E-Mail : info@naxparlab.com
- Visit us at: www.naxparlab.com
- CIN No. : L36912MH1982PLC027925

Date: 03rd September 2016

Parnax Lab Ltd.

(Formerly Known as Krishna Deep Trade & Investment Ltd.)

114, BLDG. NO. 8, JOGANI IND. COMPLEX,
SION-CHUNABHATTI, MUMBAI - 400 022. INDIA

The General Manager, DCS-CRD
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda building, P J Towers
Dalal Street, Fort,
Mumbai- 400 001.

Dear Sirs,

Sub: Book Closure & Annual General Meeting.

**For Parnax Lab Ltd,
Script Code: 506128.**

The ThirtyFourthAnnual General Meeting (AGM) of the Company is scheduled to be held at 11:00 am on Wednesday, 28th September, 2016 at the Registered office of the Company at 114 Building no. 8, Jogani IND. Complex, Chunabhatti, Mumbai- 400 022.

However, the Register of Members and Transfer Register of the Company will remain closed from Monday, 19th September, 2016 to Wednesday, 28th September, 2016 (both days inclusive).

Pursuant to Regulation 30 read with Schedule III part A Para A of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find attached the Notice of 34th Annual General Meeting of the Company.

Thank you,

Yours truly,
For Parnax Lab Ltd.

**Prakash Shah
Director
DIN: 00440980.**

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 34TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PARNAX LAB LIMITED WILL BE HELD ON WEDNESDAY 28TH DAY OF SEPTEMBER, 2016 AT 11 A.M. AT REGISTERED OFFICE OF THE COMPANY SITUATED AT 114, BLDG. NO. 8, JOGANI INDUSTRIAL COMPLEX, CHUNABHATTI, MUMBAI-400022 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt the standalone and consolidated audited annual accounts for the year ended March 31st, 2016 along with notes thereon as on that date and the Reports of Board of Directors and Auditors thereon.
2. To reappoint Director in Mrs.Ami Mihir Shah, who retires by rotation and being eligible offers herself for Re-appointment
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Ladha Singhal & Associates, Chartered Accountants (Firm Registration No. 120241W), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 35th Annual General Meeting of the Company to be held in the year 2017, be and are hereby ratified for the financial year 2016 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out of pocket, travelling and living expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors”.

SPECIAL BUSINESS:

4. To approve the Related Party Transactions and in this regard, to consider and if thought fit to pass the following resolution, with or without modification, as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 188 read with the applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013 (“the Act”) and the Companies (Amendment) Act, 2015 and in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification(s) or re-enactment thereof),

the consent of the members of the Company be and is hereby accorded to ratify, continue and enter into, the related party transactions with related parties as defined under section 2(76) of the Companies Act, 2013 as per the details given below:

Name of the related party	Naxpar Pharma Private Limited
Name of the Director or KMP who is related, if any	<ul style="list-style-type: none"> • Mr. Prakash Mahasukhlal Shah • Mr. Baiju Mahasukhlal Shah • Mr. Manharbhai Navalchand Jhavari
Nature of Relationship	Subsidiary Company
Nature, Material terms, monetary value and particulars of the contract or Arrangement.	<p>Nature: Purchase and Sales of Goods and Services, Materials.</p> <p>Maximum Annual Value: Not exceeding to Rupees 1 Crore.</p> <p>Duration: On Continual Basis.</p>

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board and/or its committee be and is hereby authorised to do all such acts, deeds, matters and things as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any questions and difficulties that may arise in the matter and incidental thereto, without being required to seek any further consent or approval of the members of the Company shall be deemed to have given their consent, authority and approval thereto expressly by the authority of this resolution.”

5. To consider and if thought fit, to pass with or without modification, the following Resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to Section 196,197 203 and all other applicable provisions, if any of the Companies Act,2013 (including any statutory modification from time to time or any reenactment thereof for time being in force) (the “Act”) read with schedule V to the said Act, and the Articles of Association of the Company, the approval be and is hereby given to Appoint **Mr. Prakash M Shah (DIN 00440980)**, who is currently designated as “Chief Executive Director of the company be and is hereby appointed as Chairman further he shall be Chairman cum Chief Executive Officer of the Company w.e.f from 12th August 2016, for the period of 3 (Three) Years on the same terms & conditions,

RESOLVED FURTHER THAT any one Director of the Company be and is hereby severally authorised to sign and file the necessary e-forms and any other documents as may be required with the Registrar of the Companies”

6. To consider and if thought fit, to pass with or without modification, the following Resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to section 2(51) ,196,197 203 and any other applicable provisions, if any of the Companies Act,2013 read with Rule 8 of the Companies (Appointment & Remuneration of managerial Personnel) Rules 2014 and all other applicable provisions of Companies Act,2013, consent of the members of the Company be and is hereby accorded for Appointment of **Mr. Baiju M Shah (DIN 00440806)**, who is currently designated as “Chief Financial Officer” of the company be and is hereby appointed as Managing Director further he shall be Managing Director cum Chief Financial Officer of the Company w.e.f from 12th August 2016, for the period of 3 (Three) Years on the same terms & conditions,

RESOLVED FURTHER THAT any one Director of the Company be and is hereby severally authorised to sign and file the necessary e-forms and any other documents as may be required with the Registrar of the Companies”

7. To consider and if thought fit, to pass, the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 27 and other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all the applicable laws and regulations for the time being in force, in respect of Preferential Allotment of 28,00,000 Equity Shares of Face Value of Rs. 10/- each at a premium of Rs. 2/- each allotted by the Board of Directors at their meeting held on 8th April, 2010, the ratification and approval of the Shareholders be and is hereby accorded to all acts, deeds and things done by the Company in entering into and giving effect to the utilization of proceeds as received in the said Preferential issue which is in variation to the objects as stated out in the Notice of Extra Ordinary General Meeting held on 22nd March, 2010.

For and on behalf of Board

Sd/-
Prakash Shah
Chairman & CEO
(DIN 00440980)

Place: Mumbai
Date: 12th August 2016

Registered Office:

**Gala No. 114, Bldg. No. 8,
Jogani Industrial Complex,
Chunabhatti, Mumbai-400022.
CIN: L36912MH1982PLC027925**

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company. The proxies, in order to be effective must be duly stamped and signed and should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting. Proxies submitted on behalf of companies, societies etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as Proxy for more than 50 members and holding in the aggregate not more than 10 percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10 percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
2. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty-four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
3. The Register of Members and Share Transfer Register will remain closed from **Monday 19th September, 2016 to Wednesday, 28th September, 2016**(both days inclusive).
4. Explanatory statement under section 102 of the Companies Act, 2013 which sets out details relating to Special Business is annexed hereto.
5. Members/Proxies are requested to produce the attendance slip duly signed for attending the meeting and also requested to bring copies of Annual Report.
6. Corporate members are requested to produce a duly certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.

7. Members whose shareholding is in the electronic mode are requested to direct change of address notification and updation of Saving Bank Account details to their respective Depository Participants.
8. Members holding shares in physical form are requested to furnish following information to the Company's Registrar and Share Transfer Agents, **System Support Services**, 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Saki Naka, Andheri (East), Mumbai-400072 or by emailing to them at **sysss72@yahoo.com**:
 - a) Change in their address, if any, along with the pin code.
 - b) Request for consolidation of shareholdings in one account if share certificates are held in multiple accounts or joint accounts in identical order of names.
9. Members holding shares in dematerialized mode are requested to intimate changes if any in their addresses along with pin code to their Depository Participants.
10. Electronic copy of the Annual Report for 2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their mail address, physical copies of the Annual Report for 2016 is being sent in the permitted mode.

The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Thane for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: **compliance@naxparlab.com**.

11. Voting through electronic mean

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members the facility to exercise their right to vote at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below.

Procedure / instructions for e-voting are as under:

- I. In case of members receiving e-mail:
 - a. Open e-mail

- b. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- c. Now click on “Shareholders” tab
- d. Now, select the “**COMPANY NAME**” from the drop down menu and click on “SUBMIT”
- e. 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.
- f. Next enter the Image Verification as displayed and Click on Login.
- g. 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.
- h. 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) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- i. After entering these details appropriately, click on “SUBMIT” tab.
- j. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote,

provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- k. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l. Select “**EVSN**” (E-Voting Event Number) of **Parnax Lab Limited** which is **160806005** Now you are ready for e-voting as cast Vote page opens.
- m. 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.
- n. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- o. 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.
- p. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- q. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- r. If Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) 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.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

II. In case of members receiving the physical copy:

Please follow all steps from sl. no. **(a)** To sl. no. **(r)** above to cast vote.

Other Instructions:

- The voting period begins on 24th September 2016 (9 am IST) and ends on 27th September 2016 (5.00 pm IST). During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21st September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 21st September 2016.
- Mr. Hemant Shetye, Partner of HS Associates, Practicing Company Secretaries (Membership No. FCS 2827) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent Manner.
- The scrutinizer shall within a period of not exceeding two working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizers report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- The results of the e-voting along with the scrutinizers report shall be placed in the Company’s website www.naxparlab.com and on the website of CDSL within two working days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
- Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer

appointed by the Board of Directors of the Company, Mr. Hemant Shetye, Partner of HS Associates, Practicing Company Secretaries, at the Corporate office of the Company not later than 27th September 2016 (5.00 pm IST).

- Ballot Form received after this date will be treated invalid.
- A member can opt only for one mode of voting i.e. either through e-voting or by Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

12. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing companies to dispatch documents to the shareholders through electronic mode. Considering the above theme, your company had decided to send Annual Report through electronic mode. However, if required the copy of the Annual Report shall be provided to the shareholder at the Annual General Meeting.

The Members are requested to:

- i. Intimate to the registrars / Company, changes if any, in their registered address at an early date along with the pin code number;
- ii. Quote Registered Folio / Client ID & DP ID in all their correspondence;
- iii. Dematerialize the shares held in physical form at the earliest as trading in the Equity Shares of the Company shall be only in Dematerialized form for all the investors.

For and on behalf of Board

Sd/-

Prakash Shah

Chairman & CEO

(DIN 00440980)

Place: Mumbai

Date: 12th August 2016

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013: -

Item No. 04:

The Provisions of Section 188 read with Rule 15(3) of the Companies (Meeting of the Board and its Power) Rules 2014 of the Companies Act 2013 ("the Act") and Regulation 27(2) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation 2015 provides that certain kind of transactions as tabled below with related parties as define u/s 2(76) of the Act, hereinafter referred to as 'Related Party Transactions' or 'RPT', beyond the prescribed limits requires

approval of members of the Company.

In the light of provisions of Companies Act 2013, the Board of Directors of your Company has ratified, continued and approved the transactions with related parties entered or to be entered into with them, subject to the limit specified in the resolution.

The details as per the requirements of Rule 15(3) of the companies (Meeting of the Board and its Power) Rules 2014 are given in the resolution.

Your Directors propose to pass the above resolution as Ordinary Resolution.

- Except Mr. Prakash Shah, Mr. Baiju Shah and Mr. Manharbhai Navalchand Jhavari none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.04. Further, no voting done by any members of the Company, if such member is related party, shall be counted for the purpose of passing of this resolution.

Item No. 05& ITEM No.06:

MAJOR TERMS & CONDITIONS AND INFORMATION ABOUT APPOINTMENT OF CHAIRMAN AND MANAGING DIRECTOR:

TERMS & CONDITIONS:

I) General Information:

1. Nature of industry	:	The company manufactures pharmaceutical finished formulations.
2. Date of commencement of commercial production.	:	The company has already commenced commercial production in 1982.

II) Details of Director seeking Appointment/Reappointment at the Annual General Meeting:

A) Mr. Prakash M Shah as chairman of the Company:

Pursuant to Section 197,198,203 and other applicable provisions of the Companies Act 2013, **Mr. Prakash M Shah (DIN:00440980)** aged 73Years being eligible and offering himself to appoint and to designate as a Chairman on the board.

In the opinion of the Board, Mr. Prakash M Shah he being the promoter of the company and have wide experience is the same stream of business at the same time fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as a Chairman of the Company.

The Board considers that his Continued Association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Prakash M Shah as an Chairman. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Prakash M Shah as a Chairman of the Company, for the approval by the shareholders of the Company.

Except Mr. Prakash Shah being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 30 of the Listing Regulation 2015 with the Stock Exchange.

1. Name of Director	:	Mr. Prakash Mahasukhlal Shah
2. Director Identification Number	:	00440980
3. Date of Birth	:	24th April 1944
4. Designation	:	Chairman Cum Chief Executive Officer
5. Date of Appointment	:	Appointment w.e.f. 12th August 2016
6. Term of Appointment	:	For the period of 3(Three) Years
7. Pecuniary relationship with the company	:	Mr. Prakash Shah holds 6,75,426(Six Lakh Seventy-Five Thousand Four Hundred and Twenty-Six) Equity Shares in the company
8. Job Profile and suitability	:	Mr. Prakash Shah has 45 Years of Experience in Pharmacy Trading and Manufacturing Sector
9. Remuneration Proposed	:	NIL
10. Directorship and Committee membership in other Companies	:	1(One Company) i.e. Naxpar Pharma Private Limited which is subsidiary company of Parnax Lab Limited.

B) Mr. Baiju M Shah as Managing Director of the Company:

Pursuant to Section 197,198,203 and other applicable provisions of the Companies Act 2013, **Mr. Baiju M Shah (DIN:00440806)** aged 68 Years being eligible and offering himself to appoint and to designate as a Managing Director on the board.

In the opinion of the Board, Mr. Baiju M Shah he being the promoter of the company and have wide experience is the same stream of business at the same time fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as a Managing Director of the Company.

The Board considers that his Continued Association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Baiju M Shah as a Managing Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Baiju M Shah as a Managing Director cum CFO of the Company, for the approval by the shareholders of the Company.

Except Mr. Baiju M Shah being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 30 of the Listing Regulation 2015 with the Stock Exchange.

1. Name of Director	:	Mr. Baiju Mahasukhlal Shah
2. Director Identification Number	:	00440806
3. Date of Birth	:	25th July 1954
4. Designation	:	Managing Director cum CFO
5. Date of Appointment	:	Appointment w.e.f. 12th August 2016.
6. Term of Appointment	:	For the period of 3(Three) Years
7. Pecuniary relationship with the company	:	Mr. Baiju Shah holds 6,28,261 Equity Shares in the company
8. Job Profile and suitability	:	Mr. Baiju Shah has 38 Years of Experience in Pharmacy Trading and Manufacturing Sector
9. Remuneration Proposed	:	Rs. NIL
10. Directorship and Committee membership in other Companies	:	1(One Company) i.e. Naxpar Pharma Private Limited which is subsidiary company of Parnax Lab Limited.

The Nomination and Remuneration Committee of the Company has affirmed at its meeting held on 12th August 2016 that the remuneration is as per the remuneration policy of the Company for the said above appointment.

Item No. 07:

The Company had passed a Special Resolution on 22nd March, 2010 for Preferential Issue of 36,00,000 Equity shares of Face Value of Rs. 10/- each (hereinafter referred to as "said Preferential Issue"). The Board of the Directors of the Company at their meeting held on 8th April, 2010 had allotted 28,00,000 Equity Shares of Face Value of Rs. 10/- each at a premium of Rs. 2/- each. The main object for raising funds through preferential issue was for expansion of business, to make investments in group companies, to make further investment in Shares and securities, mutual funds, etc. as well as for long term and short term working capital requirements of the company.

Thereafter, the Company was taken over by Mr. Prakash M. Shah, Mr. Mihir Shah, Mr. Baiju M. Shah and Mr. Binoy B. Shah (hereinafter referred to as “the acquirers”) from its then promoters i.e. M/s. Toucan Food & Snacks Pvt Ltd, M/s. Manjari Metal & Services Pvt Ltd, M/s. Jatipura Investment & Finance Pvt Ltd and M/s. SM Holding & Finance Pvt Ltd.as per the provisions contained in Regulation 12 of SEBI (Substantial Acquisition of shares and takeover) Regulations, 1997. The acquirers had expertise in pharmaceutical business. The Company passed the following resolutions through Postal Ballot on 17th November, 2010:

Takeover the Management control of the Company by Mr. Prakash M. Shah, Mr. Mihir Shah, Mr. Baiju M. Shah and Mr. Binoy B. Shah from its promoters i.e. M/s. Toucan Food & Snacks Pvt Ltd, M/s. Manjari Metal & Services Pvt Ltd, M/s. Jatipura Investment & Finance Pvt Ltd and M/s. SM Holding & Finance Pvt Ltd.as per the provisions contained in Regulation 12 of SEBI (Substantial Acquisition of shares and takeover) Regulations, 1997.

Alter the object clause; and

Commencement of new business

An Extra Ordinary General Meeting of the Shareholders for the purpose was held on 17th November, 2010 and the resolution for takeover of the Company was passed with 3/4th majority. The object clause was altered to include Pharmaceutical business and a resolution for commencement of new business under section 149(2A) of the Companies Act, 1956 was also passed.

Hence, the amounts raised from preferential issue of Equity Shares were utilized as per the object of the issue. However, the amount was recalled and utilized for various business purposes as detailed below:

Nature of Expenditure	Amount (in Rs.)
Purchase of Raw Material, etc, payment of wages and salaries, operational expenses and other working capital expenses	80,00,000.00
Working Capital Expenses (Salaries, Wages, etc)	14,00,000.00
Naxpar Pharma Pvt. Ltd.- 99.8% subsidiary of Parnax, had made payments to clients/ suppliers on behalf of the Company. The amount was thus repaid to Naxpar Pharma Pvt. Ltd.	1,90,50,000.00
Repayment of Cash credit taken from bank for working capital	50,00,000.00
TOTAL	3,34,50,000.00

The amount raised in the preferential issue was utilized for business purposes only. However, no specific approval from the shareholders to utilize the same as per the new objects of the Company was obtained. Hence, we request the shareholders to ratify the above utilization of funds raised in the said preferential issue which has benefited the Company in registering phenomenal growth over a period of last six years.

Your Board recommend passing of the above resolution as set out in the Notice.

None of the Directors of the Company is interested/ concerned in the resolution except as members of the Company.

**By Order of the Board of Directors
Parnax Lab Limited**

**Sd/-
Prakash Shah
Chairman& CEO
(DIN 00440980)**

**Place: Mumbai
Date: 12th August 2016**